Town Centres: Retail, Leisure and Office Study

Gosport Borough Council

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APPENDICES

1. INTRODUCTION

1.1 GVA Grimley was instructed in December 2006 by Gosport Borough Council to undertake a Town Centres: Retail, Leisure and Offices Study. The purpose of this study is to provide a context for policies and proposals within the forthcoming Local Development Framework for the Borough, with particular reference to the amount of floorspace that needs to be allocated for future retail and leisure development.

1.2 Our terms of reference are to: -

- Establish the extent to which the current retail and leisure provision in the Borough satisfies the level and nature of consumer demand within each catchment;
- Estimate the scale and nature of any changes in this position that may arise in the light of:
  - Potential increases in population;
  - Forecast changes in retail and leisure expenditure;
  - Changing forms of retail and leisure provision; and
  - Possible increases or decreases in the trade draw from competing centres.
- Identify the scale and nature of additional retail and leisure provision that may be appropriate in the Borough to the period 2011, 2016, 2021 and 2026;
- Assess the scope for new retail development and the potential to accommodate this within the Borough.
- Provide advice on the form and content of replacement planning policies.

1.3 In order to address the requirements of the Brief, our methodology incorporates a comprehensive up-to-date review of retailing and leisure needs in the Borough with particular emphasis on the centres of Gosport, Stoke Road and Lee-on-the-Solent. We also set out a broad review of the Borough's five smaller centres and 17 Neighbourhood Centres. We draw on a household telephone survey, town centre healthchecks, a review of out-of-centre and competing retail and leisure provision, retail capacity forecasting, and a review of potential development opportunities.

1.4 The quantitative capacity exercise draws on the household telephone survey to understand the current performance of the main shopping and leisure destinations in the Borough and inform the forecasts of future shop floorspace capacity. The study also considers the scope to accommodate further new retail and leisure development in the Borough. This includes assessing the suitability, viability and availability of sites for new development. The results of the full analysis are drawn together to provide a set of recommendations and advice to feed into the Local Development Framework.

Structure

1.5 The next section of this report sets out our review of national, strategic and local planning policies relevant to retail and leisure planning in the Borough. Section 3 highlights current retail and leisure trends, focusing on the likely implications for retailing within Gosport Borough Council. In Section 4 we review the sub-regional context. This looks in particular at the influence of competing centres in the wider sub-region, and potential changes in influence in the future.

1.6 In Sections 5 and 6 we present our qualitative assessment of Gosport Town Centre, the two District Centres of Stoke Road and Lee-on-the-Solent, the five local centres and the 17 neighbourhood centres in the Borough. In Section 7 we present our quantitative assessment and the potential for new retail and leisure development in the Borough. In Section 8 we consider the scope for new retail and leisure development and review development opportunities throughout the Borough setting out policy recommendations.

2. POLICY CONTEXT

2.1 In this section, we examine the key points of relevance from national and regional planning policy, and the adopted Gosport Borough Local Plan Review.

National Policy Context

Delivering Sustainable Development

2.2 The Planning and Compulsory Purchase Act received Royal Assent on 13th May 2004. The Act sets a statutory objective for development plans to contribute to the achievement of sustainable development, placing sustainability objectives at the heart of the planning system.

2.3 Planning Policy Statement (PPS) 1; Delivering Sustainable Development, issued in February 2005, sets out the overarching planning policies on the delivery of sustainable development through the planning system. The guidance confirms that sustainable development is the core principle underpinning planning, clarifying that the concept is a simple idea of ensuring a better quality of life for everyone now and for future generations.

2.4 The Government makes clear that planning should facilitate and promote sustainable and inclusive patterns of urban and rural development through a number of initiatives, including the need to ensure that new developments provide good access to jobs and key services for all members of the community. In promoting sustainable development, the Government reaffirms through the guidance that, amongst other things, the planning system needs to:

- Recognise that economic development can deliver environmental and social benefits;
- Make suitable land available for development in line with economic, social and environmental objectives - ensuring that suitable locations are available for industrial, commercial, retail, public sector, tourism and leisure development, so that the economy can prosper;
- Promote urban and rural regeneration to improve the well being of communities, improve facilities, promote high quality and safe development and create new opportunities for the people living in those communities. Promote mixed use developments for locations that allow the creation of linkages between different uses and can thereby create more vibrant places;
- Provide improved access for all jobs, health, education, shops, leisure and community facilities, open space, sport and recreation, by ensuring that new development is located where everyone can access services or facilities on foot, bicycle or public transport rather than having to rely on access by car, while recognising that this may be more difficult in rural areas;

- Promote the more efficient use of land through higher density, mixed use development and the use of suitably located previously developed land and buildings. Bring vacant and underused previously developed land and buildings back into beneficial use to achieve the targets the Government has set for development on previously developed land.

2.5 PPS1 elevates the importance of design in the achievement of sustainable development. The document emphasises that good design ensures attractive, usable, durable and adaptable places and is a key element in achieving sustainable development, adding that 'good design is indivisible from good planning'. PPS1 highlights that good design goes beyond aesthetic considerations and must also address connections, integration and linkages, and ensure safe, successful and inclusive settlements while offering a full range of opportunities and facilities to society.

2.6 PPS1 highlights the importance of community involvement to planning and the achievement of sustainable development. One of the principles of sustainable development is to involve the community in developing the vision for its area through the concept of 'front loading', i.e. seeking early consensus. The Planning and Compulsory Purchase Act 2004 requires regional planning bodies and local planning authorities to prepare a Statement of Community Involvement, in which they set out their policy on involving their community in preparing regional spatial strategies, local development documents and on consulting on planning applications.

2.7 PPS1 widens the remit of local authorities who now have responsibility for reporting, on an annual basis, the extent to which policies set out in LDF's are being achieved. Keith Hill (then Planning Minister) commented that under the new planning system the ability to produce various local development documents, as opposed to one local plan document, allows authorities to respond quickly to new issues and changing priorities for sustainable development in their area. A Good Practice Guide sets out how the new local plan system should be monitored.

2.8 While PPS1 sets the key objectives for the planning system, the guidance does not replace or override other national policies and should be read in conjunction with other statements of national planning policy.

PPS6: Planning for Town Centres, March 2005

2.9 PPS6 covers town centres and the main town centre uses. It states that the Government's key objective is to promote their vitality and viability by:

- Planning for the growth and development of existing centres; and
- Promoting and enhancing existing centres, by focusing development in such centres and encouraging a wide range of services in a good environment, accessible to all.

2.10 There are other Government objectives which need to be taken into account in the context of the above key objectives, and these are:

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

2.11 PPS6 also states that wider Government policy objectives are relevant, insofar as they would not be inconsistent with the key objectives highlighted above. These include promoting social inclusion; regeneration of deprived areas; promoting economic growth; sustainable patterns of development; transport choices; and high quality and inclusive design.

2.12 PPS6 states that local planning authorities should actively plan for growth and change in town centres over the period of their development plan documents by:

- Selecting appropriate existing centres to accommodate the identified need for growth by:
  - making better use of existing land and buildings, including where appropriate, redevelopment; and
  - where necessary, extending the centre.
- Managing the role and function of existing centres by, for example, promoting and developing a specialist or new role and encouraging specific types of uses in some centres; and
- Planning for new centres of an appropriate scale in areas of significant growth or where there are deficiencies in the existing network of centres.

2.13 Where possible the guidance states that growth should be accommodated by more efficient use of land and buildings within existing centres. Local planning authorities should aim to increase the density of development, where appropriate. Opportunities within existing centres should be identified for sites suitable for development or redevelopment or where conversions and change of use will be encouraged for specific buildings or areas. Local planning authorities should also seek to ensure that the number and size of sites identified for development or redevelopment are sufficient to meet the scale and type of need identified.

2.14 Where growth cannot be accommodated in identified existing centres, local planning authorities should plan for the extension of the primary shopping area if there is a need for additional retail provision or, where appropriate, plan for the extension of the town centre to accommodate other main town centre uses.

2.15 Where existing centres are in decline, PPS6 states that local planning authorities should assess the scope for consolidating and strengthening these centres by seeking to focus a wider range of services there, promote the diversification of uses and improve the environment. Where reversing decline is not possible, local planning authorities should recognise that these centres may need to be reclassified at a lower level within the hierarchy of centres, and reflect this revised status in the policies applied to the area.

2.16 The statement clarifies that the key tests of need, appropriate scale, impact, sequential approach and accessibility, apply equally to new development, renewal of extant consents, variation of planning conditions and changes of use. In the context of development control, the policy statement requires all applicants to demonstrate appropriate scale and accessibility. Need, sequential and impact tests vary according to the type and location of development.

2.17 It is not necessary to demonstrate the need for retail proposals within the primary shopping area of a town centre. This is designed to ensure planning constraints on town centre schemes are less onerous. In reality, a need assessment is likely to be required on larger schemes to enable an informed judgement in relation to the scale and impact of development. Need must be demonstrated for any application for a main town centre use, including retail, which would be in an edge-of-centre or out-of-centre location.

2.18 In terms of the sequential approach, site selection should be applied to all development proposals for sites that are not in an existing centre, nor allocated in an up-to-date development plan document. The sequential approach requires that locations are considered in the following order:

- First, locations in appropriate existing centres where suitable sites or buildings for conversion are, or are likely to become, available within the development plan document period, taking account of an appropriate scale of development in relation to the role and function of the centre;
- Edge-of-centre locations, with preference given to sites that are or will be well connected to the centre;
- Out-of-centre sites, with preference given to sites which are or will be served by a choice of means of transport and which are close to the centre and have a high likelihood of forming links with the centre.

2.19 Proposals to extend an individual store, in any location by less than 200 sqm gross are exempt from the sequential approach. For larger proposals, PPS6 advises Local Planning Authorities to take into account any ‘genuine difficulties’, which the applicant can demonstrate are likely to occur in operating the applicant’s business model from the sequentially preferable site in terms of scale, format, car parking provision and the scope for disaggregation.

2.20 In terms of the appropriate scale of development, local planning authorities should ensure that the scale of opportunities identified are directly related to the role and function of the centre and its catchment. The aim should be to locate the appropriate type and scale of development in the right type of centre, to ensure that it fits into that centre and that it compliments its role and function in the defined retail hierarchy.

2.21 The Government continues to seek to reduce the need to travel, to increase the use of public transport, walking and cycling and reduce the reliance on the private car, to facilitate multi purpose journeys and to ensure that everyone has access to a range of facilities. Jobs, shopping, leisure and tourist facilities and a wide range of services should therefore be located in town centres wherever possible and appropriate, taking full advantage of accessibility by public transport.

2.22 In assembling sites, PPS6 states that in planning for growth in town centres, local planning authorities should allocate sufficient sites to meet the identified need for at least the first five years from the adoption of their development plan documents, although for large town centre schemes a longer period may be appropriate to allow for site assembly. Local planning authorities should consider the scope for site assembly using their compulsory purchase powers, to ensure that suitable sites within or on the edge-of-centres are brought forward for development, including sites that are under-utilised, such as car parks and single storey buildings, which could be redeveloped for multi storey, mixed use development.

Planning Control of Mezzanine and Other Internal Floorspace Additions

2.23 The creation of additional floorspace within buildings was brought under control in May 2006 following consultation on the ODPM's report: 'Planning Control of Mezzanine and Other Internal Floorspace Additions' (March 2005). This was in response to concerns that the development of mezzanine floors in large retail stores significantly increased the available floorspace, thereby undermining the objectives of planning policy for the regeneration of town centres.

2.24 Installation of additional floorspace within a building, such as building a mezzanine floor, did not previously fall within the definition of development of the Town and Country Planning Act 1990. Permission was only required if the original permission for the building was granted subject to a planning condition precluding a mezzanine floor or restricting the maximum floorspace and that floorspace would be exceeded. Many older permissions, granted before 1995/96 did not include maximum floorspace conditions.

2.25 The provision incorporated within the 2004 Act does not seek to prevent such development, but to allow authorities to determine such proposals, in the same way as they would for store expansion involving an external expansion of floorspace, which would require planning permission. The proposals will apply only to increases in internal gross floor space above 200 sqm gross, to prevent smaller, town centre businesses from being adversely affected.

PPS12: Local Development Frameworks, 2004

2.26 PPS12 sets out the Government's policy on the preparation of Local Development Documents (LDDs) which will comprise the Local Development Framework (LDF). The LDF is not a statutory term, however it sets out, in the form of a 'portfolio', the LDDs which collectively deliver the spatial planning strategy for the local planning authority's area.

2.27 The LDF will be comprised of LDDs including statutory Development Plan Documents (DPDs) and non-statutory supplementary planning documents which expand policies set out in a development plan document or provide additional detail: -

- DPDs: have been subject to independent examination and have the weight of development plan status as defined by Section 38(6) of the Act: and
- Supplementary Planning Documents (SPDs): are not subject to independent examination and do not have development plan status. They must not be used to allocate land or contain policies that should be subject to independent examination.

2.28 The LDF will also include the Statement of Community Involvement (SCI), the Local Development Scheme (LDS) and the annual monitoring report. Furthermore, local planning authorities should also include any local development orders and/or Simplified Planning Zones which have been adopted. The LDF, together with the Regional Spatial Strategy, provides the essential framework for planning in the local authority's area.

2.29 The LDS is a public statement of the local planning authority's programme for the production of the full suite of LDDs. Local planning authorities must submit their first LDS to the Secretary of State within six months of commencement of Part 2 of the Act (The Planning and Compulsory Purchase Act 2004) (July 2004).

2.30 The LDF should include the following statutory development plan documents:

- Core Strategy;
- Site Specific Allocation of Land; and
- Area Action Plans (where needed).

2.31 The Core Strategy should set out the key elements of the planning framework for the area. Once adopted, all other DPDs must be in conformity with it. The Core Strategy should normally be the first DPD to be produced, except where the local planning authority has up-to-date saved policies and where the priority in the LDS is the preparation of an Area Action Plan or other DPD.

2.32 Area Action Plans (AAPs) should be used to provide the planning framework for areas where significant change or conservation is needed. A key feature of AAPs will be the focus on implementation, providing an important mechanism for ensuring development of an appropriate scale, mix and quality for key areas of opportunity, change or conservation. AAPs with a geographic or spatial dimension will benefit from having development plan status in contrast to their previous status as supplementary planning guidance. They should:

- Deliver planned growth areas;
- Stimulate regeneration;
- Protect areas particularly sensitive to change;
- Resolve conflicting objectives in areas subject to development pressures; or
- Focus the delivery of area based regeneration initiatives.

2.33 In areas of change, AAPs should identify the distribution or uses and their inter-relationships, including Specific Site Allocations, and set the timetable for the implementation of the proposals. Further guidance, such as the layout of uses within these allocations and design requirements etc, may be provided in the relevant AAP or in one or more SPDs in the form of a masterplan.

Use Classes Order 2005

2.34 Proposals for radical changes to the Use Classes Order (UCO) were first announced in Parliament in November 2003. The Planning Minister at the time, Keith Hill, claimed that the new look UCO would be welcomed, stating, 'these will give local authorities more control to manage town centre development while minimising the negative impacts of a proliferation of pubs, takeaways and night clubs'. The proposed changes took affect on 21st April 2005.

2.35 The reforms at present are limited to the 'A' (retail) Use Class and to Night-clubs. Only restaurants and cafes will retain their A3 classification, with a permitted change to A1 or A2 Use Classes, but with all other changes of use requiring planning permission. Under the reforms, pubs and bars will be reclassified under a new and separate use Class A4, with a permitted change to A1, A2 or A3 Use Classes, with all other changes requiring planning permission.

2.36 Takeaways have been reclassified under a new and separate Use Class A5, with a permitted change to A1, A2 or A3 Use Classes, with all other changes requiring planning permission. Nightclubs have been classified as sui generis and are excluded from the Use Classes. This brings nightclubs under specific and separate planning control. Planning permission will be required for any change of use to or from nightclub use.

2.37 In addition to these changes further amendments include the reclassification of Internet cafes as an A1 use, Retail Warehouse Clubs are re-affirmed as sui generis use (i.e. constituting a class of its own), and motor vehicle showrooms no longer enjoy permitted development rights to change to A1.

Keith Hill has told Parliament that the Government has decided not to amalgamate the A1 and A2 classifications, a move which was suggested in 2002.

PPG13: Transport, March 2001

2.38 PPG13 reaffirms the Government's policy position towards retail development, as outlined in PPS6. In particular, paragraph 35 of the guidance endorses the need to promote the vitality and viability of existing town centres, which should be the preferred locations for new retail and leisure developments. Furthermore, it reaffirms the Government's requirements for retail development to adopt a sequential approach, with preference given to town centre sites, followed by edge of centre and, only then, out-of-centre sites in locations which are (or will be) well served by public transport.

2.39 PPG13 notes that if there is clearly an established need for such development and it cannot be accommodated in or on the edge of existing centres, it may be appropriate to combine the proposal with existing out-of-centre developments, provided that improvements to public transport can be negotiated. PPG13 requires that development plans set maximum levels for parking. The guidance makes it clear that there should be no minimum standards for development, other than for parking for the disabled.

Good Practice Guide on Planning for Tourism

2.40 In May 2006, the Department for Communities and Local Government (formally the ODPM) published a Good Practice Guide on Planning for Tourism, which replaced PPG21 (Tourism) on 1st September 2006.

2.41 Tourism is closely related to culture and is a diverse activity crucial to economic, social and environmental well being. The guide states that the planning system has a vital role to play in terms of facilitating the development and improvement of tourism in appropriate locations. It also recognises how tourism development can contribute to sustainable development.

2.42 Tourism brings broad benefits to communities and it can:

- be the focus for regeneration,
- provide a catalyst for growth, provide employment opportunities,
- diversify over-specialised economies and maintain and expand underused sports and recreation facilities.

2.43 Tourism revenue can help to support and enhance local services, secure higher quality public services and help improve the natural and physical environment. In urban areas, tourism specifically increases the vitality of town centres and supports linked trips.

2.44 The guide states that planning authorities should assess the need for and allocate appropriate sites for the types of tourist and leisure activities which lend themselves to urban locations including hotels, cinemas, theatres, bingo halls, concert halls, museums, galleries, conference facilities, restaurants, bars, pubs, casinos, night clubs, ten pin bowling and health and fitness centres in consultation with key stakeholders. The guide states that the preferred location for major hotels should be town centre sites and developments in historic towns should be sensitive to their surroundings. The guide also promotes the re-use of redundant buildings for tourist uses.

Regional Policy Context

South East Regional Spatial Strategy

2.45 Regional policy is set out in the Draft Regional Spatial Strategy for the South East of England (RSS), March 2006. The RSS was submitted to the Government on 31st March 2006. An Examination in Public was held between November 2006 and 30th March 2007 and the government's approval of the final South East Plan is expected in early 2008.

2.46 The South East has a complex network of town centres, which are vital to the region's economy. The plan seeks to distribute growth to middle and lower order centres supporting a balanced network of centres, which is not dominated by the largest centres. The plan identifies primary and secondary regional centres, however Gosport does not have an allocation.

2.47 The plan states that town centres will continue to be the focal point for the development of a mix of uses including retail, leisure, office, culture, residential and commercial uses, taking into account:

- The need to support the pre-eminent town centre's functions, viability and capacity to accommodate change and growth;
- The need to respect the historic character, environment and cultural value of existing town centres;
- Where it would assist the regeneration of vulnerable centres, new investment of the appropriate level and scale should be promoted;
- Where it would support sustainability objectives including the role of regional hubs;
- The potential impact on the vitality and viability of nearby town centres; and
- The impact on traffic and the need to minimise reliance on the car/lorry and promote public transport accessibility.

2.48 The plan supports the sequential approach as set out in PPS6 and also states that development should be appropriate to the centre's role within the network.

2.49 The RSS also contains a sub-regional policy framework for South Hampshire, which is the largest sub-region in the South East. The vision for the sub-region is to foster and encourage increased levels of development to realise the potential of the sub-region over the plan period, to improve its sustainable economic performance through increased levels of development over the plan period and to address the needs of social deprivation.

2.50 Development in South Hampshire will be led by economic growth and urban regeneration. Portsmouth and Southampton will be dual focuses for investment and development but other towns will play a complementary role serving more local areas. The plan also sets a target of 2,500 new homes to be built in the Borough of Gosport between 2006 and 2026.

Hampshire County Structure Plan 1996 – 2011 (Review)

2.51 The Structure Plan recognises that the continuous renewal and prosperity of the urban areas of Hampshire is vital. The vision for Hampshire is to create a prosperous and attractive area where social and commercial needs are met in ways that, whilst minimising the need for travel, improve the quality of life and sense of community for present and future generations.

2.52 The Structure Plan emphasises town centres as the focus for shopping provision by supporting their primary retail function, diversifying land uses and improving the environment. Policy S1 permits development proposals, including infrastructure improvements that maintain and enhance the vitality and viability of town centres. The Examination in Public of the draft South East Plan is currently underway (discussed above), and it is anticipated that the South East Plan will be finalised in February 2008. The new Plan will supersede the Hampshire County Structure Plan.

PUSH South Hampshire Town Centres Sub-Regional Study (March 2006)

2.53 This strategic sub-regional study was commissioned by Southampton City Council in July 2005 to develop a strategy for town centre uses in South Hampshire on behalf of the Partnership for Urban South Hampshire (PUSH). The study covered the local authority areas of Southampton, Eastleigh, Fareham, Gosport, Portsmouth and Havant and parts of the New Forest, Test Valley, Winchester and East Hampshire.

2.54 The study concluded that the larger city centres of Portsmouth and Southampton dominated the retail and leisure provision in the PUSH sub-region. Gosport was identified as a smaller centre with a more limited offer but nevertheless with an important role serving the needs of its local catchment area. The report recommended that the vitality and viability of these centres should be maintained and enhanced over the long-term.

2.55 The Partnership for Urban South Hampshire (PUSH) submitted representations to the South East Plan as supplementary advice subsequent to the plan being submitted to the Government. PUSH (endorsed by the SEERA Executive Committee) proposed that the policy relating to the South Hampshire Town Centres be reworded in light of the retail capacity work undertaken by PUSH. The information submitted stated that the PUSH town centres have the capacity and potential to accommodate growth over the South East Plan period. For Gosport, the representation states that Gosport should continue to develop opportunity sites to provide for appropriate retail and leisure growth and more substantial growth in office employment.

Local Policy Context

Gosport Borough Local Plan Review (Adopted May 2006)

2.56 The Gosport Borough Local Plan Review was adopted in May 2006 and provides detailed policies to guide day to day planning decisions in the Borough for the period up to 2016. The relevant policies of the plan are set out in Appendix 9, and we summarise the key points below.

2.57 Town Centres are considered to perform a valuable role and their future prosperity is vital to the economic regeneration of the Borough. Gosport is the principal town centre in the Borough, followed by the two district centres of Stoke Road and Lee-on-the-Solent, five local centres and 17 neighbourhood centres. The Council seeks to maintain and improve shopping and related commercial facilities. The key aims of the plan are to:

- Establish and maintain a retail hierarchy with a range of facilities to meet the requirements of shoppers throughout the Borough;
- Maintain Gosport town centre as the main centre in the Borough with policies that seek to provide mixed-use developments that enhance retail, commercial and leisure facilities;
- Safeguard and strengthen local centres to cater for day-to-day shopping and community needs;
- Promote and maintain an appropriate balance between retail and non-retail uses;
- Ensure that new shopping development complements and enhances existing shopping provision in locations that are accessible by a range of transport modes; and
- Continue to implement a programme of environmental improvements to upgrade the quality and attractiveness of shopping centres.

2.58 Various sites are identified for retail related development in the Borough including a new neighbourhood centre at Cherque Farm (now completed and in use), the redevelopment of Gosport bus station and mixed-use schemes at Royal Clarence Yard and Coldharbour.

2.59 The plan states that Gosport town centre, Stoke Road and Lee-on-the-Solent should remain the prime focus for new retail and service development to ensure their viability and vitality. In order to protect the role of these centres, the plan states that no more than 33% of commercial units may comprise of uses other than Class A1 and A2. Following this, local and neighbourhood centres are the preferred location for retail development and in these locations a threshold of 40% is used to control the number of non-A1 uses to ensure that proposals do not prejudice their retail function. The plan recognises that local shops outside of designated centres are important for serving local community needs. However, it notes that should these shops be no longer required, then a change to non-retail uses would be acceptable in principle, subject to various criteria and other local plan policies.

2.60 In Lee-on-the-Solent, the plan seeks to maintain commercial uses along the seafront in the Marine Parade Area of Special Character. Visitors to this area provide a valuable contribution to the local economy and add to the vitality of Lee-on-the-Solent town centre. Changes of uses or redevelopment of properties from commercial and leisure/recreation uses will only be permitted provided that they are vacant and there have been reasonable attempts to sell/let the property for commercial use.

Core Strategy: Issues and Options (December 2006)

2.61 In accordance with PPS12 discussed above, the Council are moving forward with a review of the adopted Local Plan and production of the Local Development Framework. The Core Strategy highlights the need to plan for the continued vitality and viability of the centres in the adopted retail hierarchy to ensure their long-term sustainability. This will include:

- Enhancing the range of quality services and facilities including retail, leisure, health, education, training and employment opportunities;
- Increasing accessibility to centres;
- Enhancing the quality of the environment within the adjacent centres; and
- Reducing crime and disorder

2.62 One of the Council's strategic priorities is to create a high quality public realm. The Core Strategy recognises that the waterfront in Gosport offers excellent opportunities for mixed-use development and for enhanced links between the town centre and waterfront. In particular, the waterfront offers opportunities to enhance Gosport's evening economy and for high quality office development. The Core Strategy also recognises that other opportunities for development may come forward within the town centre and that there may be opportunities to improve Gosport's smaller centres by broadening their role and range of uses.

Summary

2.63 The central objective of PPS6 is to promote the vitality and viability of town centres by planning for the growth of existing centres, through expansion of existing boundaries if necessary, and enhancing existing centres by promoting them as the focus for new development.

2.64 New planning regulations now control the development of internal mezzanine floorspace, and the Use Classes Order has recently been revised to enable local authorities to manage uses more effectively, thus protecting the vitality and viability of town centres.

2.65 The South East Plan seeks to create a balanced network of vital and viable town centres, with appropriate levels of development depending on the centre's role within the network. The local plan aims to maintain Gosport town centre as the main centre for the Borough with developments that are well designed to make Gosport an attractive, vibrant and enjoyable place to visit. The plan aims to safeguard and strengthen local centres to cater for everyday shopping and community needs as well as improve the environment through good design. The plan also seeks to ensure that new shopping development complements and enhances existing retail provision in locations that are accessible by a range of transport modes.

3. RETAIL AND LEISURE TRENDS

3.1 To put our assessment of the quality of existing provision and the need for additional floorspace into context, it is relevant to consider the wider economic and social trends likely to influence retailing in Gosport. A number of trends are likely to have a bearing on the future pattern of retail provision in the Borough, and the opportunities arising from development proposals. This section examines key trends and drivers for change in the retail industry. We outline the key national trends in retailing and service provision of particular relevance to Gosport drawing from a range of published data sources, including research by Verdict Analysis, Mintel and the New Economics Foundation.

Demographics

3.2 Over the last 20 years UK population has increased at about 0.3% pa but the number of households has increased by nearly three times that rate, as household size has decreased with smaller families, more divorces, people living longer etc. The population is also ageing. These trends are forecast to continue and will affect spending habits – how much we spend, on what and where.

3.3 Over the next 20 years the over 60's age group is expected to grow by 5.3m or 41% and the Under 60's age group by only 4%. Older shoppers have a younger mindset than in the past, are more fashion aware and financially better off as a result of house price growth as well as income growth (but pensions will be a concern). They will have more time to shop, will spend more on DIY and gardening and will expect good customer service. Younger shoppers will have higher University fees to pay, will experience higher housing costs, will be more computer literate and spend more on-line, and will spend more on entertainment/leisure so they may have less to spend in the retail property sector.

Income and Expenditure

3.4 Incomes and expenditure have shown strong growth over the last 20 years, with retail expenditure growing faster than incomes. At the same time working hours for many, but by no means all employees have lengthened leading to a cash rich, time poor consumer. Overall retail expenditure has increased by about 4% pa in real terms over the last 20 years, with most of this growth on comparison goods rather than convenience goods, where growth has been less than 1% pa. Comparison goods growth has been close to 5% pa over the last 30 years, over 6% pa over the last 20 years and even stronger over the last 10 years. These strong trends are not expected to continue in the foreseeable future due to current high levels of consumer debt, an already low savings ratio and a weaker housing market. Over the next 5-10 years the latest economic forecasts suggest that comparison goods expenditure growth will be about 3.5-4.5% pa.

3.5 With longer working hours for many, shop opening hours in the larger centres have been extended and Sunday is now one of the strongest trading days in the week. This has implications for where retail expenditure is concentrated and the nature of some shopping trips which are considered to be a quasi leisure experience. Longer working hours, plus the Internet and broadband technology have led to a huge growth in non-store shopping, but from a small base. Total non-store trading including mail order and the internet is currently estimated to be about 2.5% of convenience goods spending and about 6% of comparison goods spending. The latest forecasts suggest continuing strong growth over the next 5-10 years before a plateau is reached at about double the current proportions of expenditure.

Sales Density Increases

3.6 Although hard quantitative evidence is limited, comparison businesses in particular have over time increased sales densities by achieving improvements in productivity in the use of floorspace. PPS6 (paragraph 2.34) requires that quantitative need/capacity assessments have regard to a realistic assessment of such improvement. Analysis of past data is difficult as over the last 20 years sales densities increases have been affected by changes in the use of retail floorspace, with higher value space-efficient electrical goods replacing lower value space intensive goods, the growth in out-of-centre retailing, a number of one-off events like Sunday Trading and longer opening hours, and the very strong growth of retail expenditure relative to the growth in floorspace. In the future growth rates of 1.5-2.5% pa seem likely to be achieved for comparison goods, with minimal growth in sales densities for convenience goods.

Employment

3.7 Over the last 20 years retail expenditure has increased at about 4% pa, but retail employment has increased much more slowly. Total employees in employment have increased from 2.1 million to 2.9 million, an increase of 1.75% pa. However, this growth has been in part time employees. Full time equivalent (FTE) employment has hardly increased at all, from about 2 million to 2.2 million, a 0.5% pa increase. Over the next 15 years Experian Business Strategies expect an overall decline in FTE employment with only a marginal increase in part time employment.

Location

3.8 Strong income and expenditure growth has affected retailing in another important way – the rise in car ownership and mobility. Over the last 25 years the number of households owning one or more cars has increased from about 55% to about 75% and the number with two or more cars has nearly trebled from 11% to 30%. Households are now much more mobile than they were and therefore their choices of where to shop and the distances they can travel are much greater. These trends will continue but the rate of change may well diminish.

3.9 Increased mobility and affluence has favoured larger centres over smaller centres. As a result larger centres have increased in size and importance relative to smaller centres which has further reinforced the attraction of larger centres to more mobile shoppers. Smaller centres have, therefore, lost market share and have seen much less new development than the overall rate of expenditure growth would imply. This is recognised by PPS6, which urges local authorities to be pro-active in trying to encourage development in smaller centres.

3.10 Increased mobility and affluence has also stimulated out-of-centre development, which has grown much more rapidly than town centre development. Over the last 20 years the majority of retail development has been in edge or out-of-centre locations. This has lead to increasingly restrictive planning policy in favour of town centres over the last 10 years, but only recently has the growth in out-of-centre development started to slow. This slow down is expected to continue, but Verdict still expect sales at out-of-centre locations to increase at a faster rate than at in-centre locations.

3.11 PPS6 reinforces the Government's town centre first objectives. The sequential site test is still a cornerstone of retail planning policy, favouring town centre sites and necessitating consideration of the disaggregation of retail park proposals so that smaller sites are considered. However, it is also recognised that individual retailer's business models are also relevant. Disaggregation of a retailer's proposed store does not now need to be considered if the operator can demonstrate it would adversely affect their business model.

Size of Units

3.12 The growth of multiple traders and increased competition between companies has meant that the retail structure is increasingly dominated by large companies requiring larger shop units. Shopping centres and out-of-centre development that has been able to accommodate this demand for larger sized units (typically 500-2,000 sqm or larger) have grown in importance, reinforcing the trend of higher order centres and out-of-centre retailing growing in relative importance, i.e. polarisation in the retail hierarchy.

3.13 The growth in the size of stores has caused a contraction in the number of shop units and consumer choice. This is particularly evident in the food sector, with a marked decline in the number of smaller and more specialist food retailers (greengrocers, butchers, fishmongers, bakers etc), and a large increase of superstores. These trends may well weaken in the future due to possible market saturation of large foodstores and concerns over lack of competition due to the market dominance of a few key multiples.

Foodstores

3.14 A by product of the restriction of new development of large foodstores is the growth in applications to extend existing stores and the changing composition of floorspace within existing foodstores. There is an increasing emphasis on the sale of comparison goods at the expense of convenience goods, as expenditure growth rates for comparison goods are much higher than for convenience goods and margins are greater, although sales densities are often lower. This trend poses an increasing threat to smaller centres, as larger foodstores will increasingly sell a wider product range of day-to-day convenience and comparison goods and services.

Shopping and Leisure

3.15 Due to increased affluence and mobility, and the rise of the internet, shoppers no longer merely shop to satisfy needs, they increasingly shop to satisfy wants as well. Retailing in the higher order centres and the more attractive smaller centres is changing and arguably becoming more of a quasi leisure experience. Leisure spending growth is continuing to outstrip that of retail. Quality restaurants, coffee shops, cafes and bars, as well as health and fitness centres and multiplexes in larger centres, are therefore important to attract shoppers and encourage longer stays and higher spending. Better integration of retail and leisure facilities mutually benefits both sectors. Pedestrianised streets and covered retail areas are also important in attracting shoppers, as is the overall attractiveness of the town centre, along with good accessibility and car parking.

3.16 A number of factors have helped drive the growth of leisure provision in town centres. Planning policy is important as is the fact that urban living is fashionable; town centres can offer consumers a much more vibrant atmosphere in which to eat and drink; and they also offer a much wider choice of leisure venues, allowing more spontaneous decisions. For bars, restaurants and health & fitness clubs, the attraction of the town centre is ‘daytime trade’ and the ability to capitalise on proximity to businesses and shoppers.

Arts and Culture

3.17 Culture is a wide ranging term which brings together a range of interests and activities enjoyed by people including sports, media, entertainment, the arts, museums, libraries and tourism. Culture also encompasses the built heritage, parks and countryside. Overall, it is described as allowing people to celebrate local distinctiveness and traditions – the values that make a community what it is.

3.18 Research by the Arts Council in 2003 looking at attendance, participation in and attitudes towards the arts revealed that levels of attendance and participation in arts and cultural activities have remained high against a backdrop of increased competition from other leisure activities. The proportion of people attending at least one arts or cultural event rose from 79% in 2001 to 80% in 2003.

Tourism

3.19 Tourism is one of the largest industries in the UK, accounting for 3.5% of the UK economy and worth approximately £74.2 billion in 2003. Around 2 million people (7% of the working population) work in the tourism sector in the UK. According to UKTS, UK residents took 126.6 million trips in 2004 and spent over £24 billion. This represents a 19% decrease in trips on 2003 and an 8% decline in expenditure over the same period. However, overseas visits to the UK are increasing, with a 9% increase between 1999 and 2004 and an increase in spending of 4%.

3.20 Some of the key factors influencing tourism trends are:

- Growing disposable incomes, increased overseas travel supplemented by short breaks in Europe and the UK;
- Increasing expectations in product quality;
- An ageing population with more flexibility for off peak travel;
- Changing consumer behaviour, with more frequent, short breaks and special interest holidays;
- Decreasing interest in traditional UK seaside holidays with more interest in urban destinations;
- Growing environmental concerns leading to more interest in walking, cycling, wildlife and remoter locations;
- Use of Internet to research, plan and make bookings direct with businesses at the destination; and
- A more volatile global environment, which can increase the attractiveness of UK domestic products but also lead to increased competition for our core markets.

3.21 National visitor trends in 2004 reported that the 2,099 visitor attractions in England showed an increase in attendance of 1% between 2003 and 2004. The majority of categories showed growth in 2004. The overall increase was driven by a recovery among urban attractions (+3%), which had experienced a slight decline in 2003.

Summary

3.22 National retail trends indicate a continued growth in incomes and expenditure, albeit not at such strong levels as in the last 15-20 years. The growth in expenditure is focused on comparison goods with virtually no increase in convenience goods expenditure.

3.23 Increased car ownership has resulted in greater household mobility and therefore the choices for shopping centres to visit and the distances that can be travelled are much greater. Internet shopping has grown phenomenally in the last few years and looks set to continue in certain sectors.

3.24 The foodstore operators have continued to evolve their formats and offer. With restrictions on out-of-centre stores growing, and changing socio-economic trends, several large operators have returned to the High Street with small convenience stores. Operators are also seeking to extend their comparison goods offer, turning stores into variety or mini department stores. This trend in out-of-centre locations could pose a threat to smaller centres, where the large out-of-centre stores become one stop shopping destinations negating trips to the town centres.

3.25 There has been a continued polarisation towards larger centres and the provision of larger stores in these larger centres. Where smaller centres have been unable to diversify their offer or create niche markets they have suffered. The focus on urban renewal has increased demand for town centre sites for a wider range of land uses.

3.26 Since the mid-90s, despite higher rents, there has been a steady trend, driven by central Government policy, towards building new leisure schemes in town/edge of centre locations. Mixed-use retail and leisure development has proved to be a real growth area in town centres. These trends present significant opportunities and challenges to Gosport's centres. Gosport is well placed to benefit from forecast spending growth, but it needs to adapt if it is to capitalise on these opportunities, and maintain and enhance its position within the wider region.

3.27 In the commercial leisure sector, changing social and demographic trends and increased personal disposable income will fuel sustained growth in mainstream commercial leisure activities, including cinemas, bars, restaurants and post deregulation, significant additional investment in the gambling and entertainment industry. As a consequence of market trends and policy, many main stream leisure activities, including the cinema, are increasingly returning to traditional town centre locations.

4. SUB-REGIONAL CONTEXT

4.1 This section examines the relationship of the centres in Gosport with the wider sub-region, and in particular the influence of key competing strategic centres on the current and future role of Gosport's centres. It draws extensively on the household telephone survey data, which underpins the whole study. Our detailed analysis of each centre and comparison between them is set out in Appendix 1 and the key conclusions and themes are drawn out in this section.

4.2 We have drawn on a number of data sources, including the Household Telephone Survey, PROMIS, Javelin Venuescore Ranking, Focus Property Intelligence database and EGi, and have had discussions with each of the local authorities to clarify the position regarding development in the pipeline. Our assessment of each of the competing centres identifies the main retail offer and the extent to which this is likely to change and influence shopping patterns in the Gosport Borough in the future.

4.3 In order to provide detailed information on the current shopping patterns in the Gosport Study Area, we specifically commissioned a new household telephone survey covering 1,000 households across 10 agreed survey zones, distributed proportionately to the population in each Zone. The survey and questionnaire was commissioned by GVA Grimley, and interviewing and data processing was undertaken by NEMs Market Research. The survey area plan is attached in Plan 1.

4.4 The survey results identify shopping habits of households for both convenience and comparison goods. Where necessary, the survey results have been re-based to remove inappropriate responses, such as 'internet/mail order shopping'. For convenience goods, the Household Telephone Survey included questions on main food and top-up food shopping. The results of the two types of food expenditure were then merged through the application of a weighting, which reflects the estimated proportion of expenditure accounted for by each type. For food we use a 75% / 25% main and top-up food weighting, which is widely accepted and used in retail studies, although not derived from the results of the Household Telephone Survey. This forms a composite pattern of convenience spending, expressed as a market share for each destination centre or foodstore for each survey zone.

4.5 The survey also included seven questions on specific comparison goods types. These are based on the Experian Business Strategies definitions of comparison goods expenditure. The retail needs modelling exercise used the weighted averages of the Household Survey responses for each goods type as the basis for the proportion of per capita expenditure on that goods type. This process establishes the pattern of spending for residents of each zone in terms of the following types of goods:

- Clothes and shoes;
- Furniture, floor coverings and household textiles;
- DIY and decorating goods;
- Domestic appliances;
- Electronic/entertainment goods;
- Personal/luxury goods;
- Recreational goods.

4.6 The Household Telephone Survey enabled us to review the influence of other centres in the wider catchment, and highlights the key centres competing with Gosport (Plan 7). These include Southampton (including Hedge End), Portsmouth (including Gunwharf Quays and Southsea) and Fareham. Portsmouth and Fareham have the greatest influence on shopping patterns in the Gosport catchment area. The location of these centres in relation to Gosport is illustrated on Plan 1.

4.7 Shopping patterns derived from the Household Telephone Survey enable us to calculate the amount of comparison goods expenditure that each competing centre draws from the defined Gosport survey area. As well as strength of retail offer, this indicator takes into consideration accessibility and distance from the Gosport catchment area. The amount of expenditure leaking to these centres is highlighted in Appendix 1, and illustrated on Plan 7. We have identified the influence of competing strategic centres, based on this survey data, throughout the remainder of this section. The trade leakage to all the identified competing centres is illustrated on Plans 9 to 14.

Table 4.1: Study Area Comparison Goods Trade Draw: Key Competing Strategic Centres

Centre	Comparison Goods Trade Draw from Catchment Area (£000)	% of Total Available Comparison Goods Expenditure (%)
Portsmouth	321,797	35.9
Fareham	133,523	14.9
Gosport	54,421	6.1
Southampton	38,566	4.3
Southsea	28,760	3.2
Hedge End	15,696	1.8
Gunwharf Quays	11,206	1.3

Source: GVA Household Telephone Survey January 2007

4.8 Portsmouth draws the highest proportion of trade (35.9%) from the study area, totalling £321.8m. In addition to this, Gunwharf Quays and Southsea, which are separate retail areas within Portsmouth, have trade draws of £11.2m and £28.7m respectively. Fareham also attracts a high proportion of comparison trade from the study area with a trade draw of £133.5m. Despite its size and role as a regional centre, Southampton only attracts £38.5m of trade from the study area. Chichester draws very little trade from the Gosport survey area (Zones 1-10).

4.9 We consider Portsmouth to be the greatest threat to Gosport, given the scale and choice of its retail offer which includes Portsmouth City Centre, Southsea town centre and Gunwharf Quays Factory Outlet Centre and its accessibility from Gosport via the ferry. The former Tricorn Centre in Portsmouth City Centre is also currently being redeveloped to provide a mixed-use scheme with c.84,000 sqm of retail and leisure floorspace which will significantly enhance the attractiveness of the city's retail offer.

4.10 Collectively, the key centres highlighted on Plan 7 draw 68.9% of total available comparison goods expenditure from within the Gosport survey area. The remaining 31.1% is generally directed towards smaller local shopping facilities; other town and city centres such as Waterlooville, Winchester, Portchester, Basingstoke, Guildford and Cosham; and other retail warehouse provision and foodstores selling non-food goods both within and beyond the study area. Each of the competing centres identified should be viewed as potential threats to the performance of Gosport over the forthcoming LDF period, and we view the extent of this threat below.

Profile of Competing Centres

4.11 The vitality rank position of each of the competing centres has been derived from Javelin (Venue Score). It is evident from Appendix 1c that Southampton has the highest rank position reflecting its strength as a regional shopping destination for the South Coast, but as we have seen above, Portsmouth is the greater threat given its proximity to Gosport and the redevelopment of the former Tricorn Centre. Gosport comes sixth in the rank positions with a rank position of 387, ahead of Southsea, Hedge End and Whiteley FOC. Gosport's rank position reflects its role as a small town centre and its relatively isolated location.

4.12 In terms of retail floorspace, Southampton again is the most dominant centre in this category with a retail floorspace of 202,000 sqm gross (Appendix 1c). The next largest competing centre in terms of retail floorspace is Portsmouth with 90,000 sqm, followed by Chichester and Fareham, both with c.60,000 sqm of retail floorspace. In contrast, Gosport has a retail floorspace of 28,000 sqm gross, which is less than all of the competing centres with the exception of the Factory Outlet Centre at Whiteley. Prime retail rents for Gosport are also considerably lower than all of the competing centres. (Appendix 1c).

4.13 The strength of Southampton and Portsmouth is also demonstrated by the level of retail demand. For instance in 2006, Southampton had 142 requirements for space and Portsmouth had 91. Chichester is also dominant in this category with 91 requirements. In contrast, in 2006, Gosport had 22 requirements, the lowest of all the centres for which this data was available.

4.14 The analysis above has reviewed Gosport's current position within the sub-regional town centre hierarchy. We have taken this a stage further and also reviewed developments in the pipeline in competing centres that present a threat to Gosport in terms of an enhanced retail offer and a consequent increase in trade leakage. Full details of schemes in the pipeline are set out in Appendix 1d.

4.15 It is clear that Portsmouth is expected to enhance its position in the retail hierarchy with the redevelopment of the Tricorn Centre in the heart of the city centre which will include approximately 84,000 sqm of retail and leisure floorspace. Outline planning permission has been granted for the scheme and construction is scheduled to begin in 2007 with a scheduled completion date of 2010. This could attract more people to Portsmouth from Gosport's catchment area, particularly from Zones 1 to 4.

4.16 The shopping function and offer in Southampton will also be further enhanced if the westward extension to the city centre take place. We also understand that Southampton City Council have identified a number of smaller sites within the city centre which are considered appropriate for regeneration and retail-led development. In addition, Ikea are due to submit a planning application for a store on the edge of Southampton city centre and in January 2007 Southampton was chosen as a location for one of eight small casinos in the UK. Such developments could attract people from Gosport's catchment to Southampton.

Summary

4.17 In terms of the sub-regional context, the Household Telephone Survey identifies Portsmouth (including Gunwharf Quays and Southsea) Southampton (including Hedge End) and Fareham as the key competing centres for Gosport. It is clear that Portsmouth is the greatest threat given its trade draw, variety of retail offer, rents, proximity and accessibility to Gosport via the ferry link and major development opportunities coming forward over the forthcoming LDF period. Southampton, Fareham and Chichester are stronger than Gosport in terms of retail space, Prime Zone A Retail Rents and retailer demand for space, although trade draw to Southampton and Chichester is more limited given their distance from Gosport.

4.18 Gosport performs a lower order role as a centre in the sub-region, which could be a vulnerable position over the LDF period, particularly as competing centres continue to implement major improvements to their town centres. In a 'do-nothing' scenario Gosport will fall further behind the larger centres in terms of market share, and it is crucial for Gosport to encourage new retail and leisure investment.

4.19 It will be equally as crucial for Gosport not to focus solely on new retail floorspace, and any town centre development should happen in conjunction with enhancing the town centre environment and public realm, the tourist economy and transport and accessibility. On a positive note, it is clear that shoppers and visitors come to Gosport for a variety of reasons, not just shopping, which other competing centres rely upon. Gosport should recognise the level it performs in the retail hierarchy, retain its recognised identity and should seek to build on its unique strengths and assets.

5. GOSPORT TOWN CENTRE: HEALTHCHECK

5.1 Gosport is located in South Hampshire and has a distinctive geography. Gosport Borough is a peninsula with approximately 40km of coastline, and Gosport town centre is the principal shopping centre within the Borough situated on the southern tip of the peninsular opposite Portsmouth Harbour. The centre consists of a traditional linear High Street on an east-west axis with a mix of historic, purpose-built and converted retail properties with convenience, comparison and service operators. With its maritime setting and legacy of military history, retail expenditure in the town is enhanced by tourists and visitors, with at least 168,000 tourism visits per annum in recent years[1]. The centre also plays an important role as the economic, social and civic focus of the Borough with the Council offices, local history centre and Discovery Centre library.

5.2 Gosport's retail offer is almost exclusively confined to the pedestrianised linear High Street, which extends from the ferry terminal at the harbour to the Gosport Retail Park and Morrisons store along Walpole Road. In addition, there are a few shops on both North Cross Street and Bemister's Lane and an isolated precinct of shops called the Gosport Shopping Precinct on South Cross Street.

Diversity of Uses and Retailer Representation

5.3 The Experian Goad Town Centre Report (November 2006) identifies a total of 28,047 sqm of ground floor floorspace for retail trade and services, comprising 141 units[2] in Gosport town centre. The table below highlights the composition of Gosport town centre by the number of units, compared to the average of all UK centres audited by Goad.

Table 5.1: Gosport Town Centre Retail Composition by Number of Units

Retail Category	No. of Units	Percentage of Total (%)	National Average (%)	Variant (%)
Convenience	10	7	9	-2
Comparison	71	50	46	4
Service	55	39	33	6
Vacant	4	3	11	-8
Miscellaneous	1	0.7	1	-0.3
Total	141	100	-	-

Source: Experian Goad Town Centre Report, December 2005

1 The Economic Impact of Tourism on Gosport in 2003 (Tourism South East April 2005)

2 It is important to note that the floorspace figures derived from the Experian Goad Plan only show the footprint of units, within the building lines, and do not provide a definitive figure of net or gross floorspace. They do not for example audit retail floorspace above ground floor level, apart from in enclosed shopping centres.

5.4 When analysing the categories in more detail, the centre has a below average representation of restaurants and cafés and an above average representation of banks and financial services, estate agents, charity shops and bookshops/stationers.

5.5 Gosport does not have a department store and the only variety store is Woolworths. There are 76 multiple retailers in the centre including New Look, Peacocks, Boots, Dorothy Perkins and Bon Marche which is reasonable for a centre of Gosport's role and scale. Morrisons is the key foodstore in the town centre and acts as an important anchor at the western end of the High Street. There is also an Iceland in the town centre. Our detailed review of these foodstores is attached in Appendix 5.

5.6 Gosport's retail offer is complemented by a market held every Tuesday and Saturday on the High Street which is one of the largest markets of its type operating along the South Coast. There are approximately 28 stalls on a Tuesday and 37 on a Saturday. Question 14 of the Household Telephone Survey asked 'Do you only go to Gosport on market days?' The results (see Table 5.2) show that the market clearly attracts people living outside of the Borough to visit the town on market days, particularly respondents from Portsmouth.

Table 5.2: Q.14. Do you only go to Gosport on market days?

Response	Total Zones 1-4 (%)	Total Zones 5-10 (%)
Yes	19	32

5.7 Gosport Borough Council is based in the Town Hall, which is situated along the High Street. This helps to generate footfall during lunchtimes and evenings and adds to the town's vitality. The town centre also has a variety of other uses including the Discovery Centre, which is a modern, multi-purpose library and community learning facility run by Hampshire County Council. Facilities include a café, Internet access and frequent community events and exhibitions. There is also a local history centre tourist information centre and museum. There are no major commercial leisure facilities in the town centre.

Retailer Demand

5.8 Table 5.3 summarises the change in the number of retailer requirements for Gosport together with the relative change in rank order. In October 2006, Gosport had 22 requirements equating to a national rank order of 398. Demand in the centre has been rising since 2001 indicating increasing retailer confidence in the centre.

Table 5.3 Gosport Ranking of Retailer Requirements

Number of Requirements	Ranking (1st Highest)	Date
22	398	Oct 2006
21	374	Oct 2005
18	375	Oct 2004
14	420	Oct 2003
15	368	Oct 2002
10	412	Oct 2001
12	369	Oct 2000

Source: Focus Property Intelligence, January 2007

5.9 Table 5.4 provides a detailed picture of current requirements for Gosport. At present (May 2007), Focus Property Intelligence database identifies 19 requirements, including two convenience, thirteen comparison and four service operators. Examples include Matalan, Shoe Zone, Savers, Poundland, Aldi and Pizza Hut. In total, retail operators require between 5,922 sqm and 10,014 sqm gross of retail floorspace, although all are lower order/discount retailers. The full breakdown by retailer and floorspace is attached in Appendix 3[3].

Table 5.4: Gosport Town Centre Requirements

Retail Category	No. of Units	Min. Floorspace sqm Gross	Max. Floorspace sqm Gross
Comparison	13	3,790	7,014
Convenience	2	1,821	2,099
Service	4	311	901
TOTAL	**19**	**5,922**	**10,014**

Source: Focus Property Intelligence, May 2007

Shopping Rents

5.10 The level of rent which retailers are prepared to pay for retail space within a centre is an indication of the perceived strength of a centre (although other factors such as the availability of floorspace have an impact on rental value). In 2006, Prime Zone A retail rents in Gosport were £431 per sqm, which is considerably lower than other centres in the sub-region. For example, Prime Zone A's are higher in Portsmouth (£1,938 per sq m) and Havant (£484 per sqm). Rents in Gosport experienced a rise between 2005 and 2006. However, before this, rents remained static since 2003, whereas the

[3] It is important to note that some of the requirements indicated may be for out-of-centre floorspace.

nearby competing centres have seen some growth. This could be due to a lack of modern units on the High Street as well as vacancy rates (as explained below).

Table 5.5: Rental Values (Zone A) £ per sqm

Centre	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Eastleigh	463	484	484	484	484	538	538	592	592	646
Fareham	915	1,076	1,130	1,130	1,130	1,184	1,238	1,238	1,346	1,346
Gosport	**323**	**323**	**323**	**323**	**323**	**323**	**377**	**377**	**377**	**431**
Havant	323	323	323	323	323	431	431	484	484	484
Portsmouth	1,184	1,507	1,722	1,722	1,615	1,668	1,722	1,884	1,884	1,938
Southampton	1,991	1,991	2,045	2,530	2,422	2,422	2,691	2,960	3,229	3,444

Source: In-Town Retail Rental Map, Colliers, 2006

Commercial Yields

5.11 The commercial yield on non-domestic property is an indication of the confidence of investors in the long term profitability of a town centre. The yield on property investment represents the return (in the form of rent) on capital to an investor. As property investments do not usually produce a fixed income (i.e. rents are reviewed according to market conditions, and the terms of the property's lease), the greater the prospect of future rental growth, the lower the initial yield which an investor would be prepared to accept. Conversely, a higher yield reflects the lower expectation of future rental growth prospects. Yields are therefore an indicator of expectations of the general economic prospects for a town centre.

5.12 Table 5.6 compares Gosport's commercial yield to the surrounding competing centres. Gosport's yield has remained at 9% from April 2001 until July 2006 when it went down to 8.5%. This situation is similar to many of the other competing centres where yields have not improved over recent years and suggests limited investor confidence.

Table 5.6: Commercial Yields (%)

Centre	Date										
	04/01	10/01	04/02	10/02	04/03	01/04	07/04	01/05	07/05	01/06	07/06
Eastleigh	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.25	7.25	7.25	7.25
Fareham	8	8	8	8	8	8	8	7.5	7.5	7.5	7
Gosport	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**9**	**8.5**
Havant	10	10	>10	>10	>10	>10	>10	>10	>10	>10	>10
Portsmouth	6.5	7.25	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6	6
Southampton	5	4.5	5	5	5	5	5	5	5	4	4.5

Source: Property Market Report, Valuation Office, July 2006

Vacant Retail Property

5.13 The proportion of vacant (street level) property is an important indicator of the relative vitality and viability of a town centre. However it should be used with caution, as vacancies can arise even in the strongest town centres, particularly where properties are under alteration. Conversely, the absence of any vacancies can be a symptom of under provision of space, often restricting new and existing retailers in the centre from securing new or enhanced representation.

5.14 Table 5.7 indicates that at the time of the Experian Goad Survey (November 2006), there were four vacant units in Gosport, equating to a vacancy rate of 2.8%. This is significantly below the national average of 10.54%. In terms of vacant retail floorspace, 4.3% of floorspace in Gosport town centre is vacant, compared to a national average of 8.98%. Since November 2006 New Look has opened in one of the vacant units but several other units have become vacant.

5.15 We understand that vacant units are quickly re-occupied within the town centre which is an encouraging sign for the overall health of the town centre. However, town centres with a low vacancy rate tend to experience an increase in rental values as a result of increasing demand for floorspace. In Gosport, it would appear that rents are only just beginning to rise despite vacant units being re-occupied. This suggests that there is limited competition for representation in the centre and that there is a shortage of modern units which retailers would be prepared to pay higher rents for.

Table 5.7: Vacancy Rate in Gosport by Unit and Floorspace

Vacant Units	Percentage of Total Units (%)	National Average (%)	Vacant Floorspace (000's) (sqm)	% of Total Floorspace	National Average (%)
4	2.84	10.54	1,198	4.27	8.98

Source: Experian Goad Town Centre Report, November 2006

Accessibility

5.16 Accessibility is an important consideration when focusing on the health and future prospects of a town centre. Ease of access and parking are key factors influencing the underlying success and attraction of a centre for customers, businesses and visitors.

5.17 Gosport is situated on a peninsula and has a relatively isolated location in relation to the national and regional road network. Consequently, the A32, the main thoroughfare into Gosport from the M27 has a tendency to become congested at peak times. Gosport does not have a train station, and the closest link on the rail network is via Portsmouth Harbour train station, which provides direct access to the Portsmouth/Gosport ferry crossing.

5.18 One of the most important points of entry is via the passenger ferry that links Gosport and Portsmouth. The ferry terminal is located at the eastern end of the High Street adjacent to Gosport bus station and services run 363 days per year from 5am until midnight. The ferry was particularly busy throughout the duration of this Retail Study. There is also a taxi rank by the ferry terminal.

5.19 Gosport has a variety of short and long stay surface car parks, the majority of which are operated by the Council, with the exception of Morrison's, Iceland and Halfords. Some of the short-stay car parks located close to the town centre provide free parking for up to two hours. Many of the car parks are located on the edge of the town centre and are linked to the pedestrianised High Street by narrow alleyways. The alleyways are narrow with an unwelcoming and even intimidating environment, however, this is being addressed through the current and future programmes of environmental improvements to the town centre, the details of which are set out in paragraph 5.27 of this report. There is a good provision for cyclists within the town centre with a large area of cycle parking by the ferry terminal as well as racks throughout the town centre.

Table 5.8: Gosport town centre car parks

Location	Type	Charge	Number of Public Spaces				Total
			Car	Lorry	Motorcycle	Disabled	
Crown Mews	Short-Stay	Free	23	0	1	1	25
North Cross Street North	Short-Stay	Free	21	0	1	0	22
North Cross Street South	Short-Stay	Free	14	0	0	0	14
North Loading Road	Short-Stay	Free	29	0	0	0	29
Minnit Road North	Short-Stay	Free	25	0	1	0	26
Minnit Road South	Short-Stay	Free	22	0	1	4	27
Bus Station	Short-Stay	Free	22	0	0	0	22
South Street/Rear Woolworth	Short-Stay	Free	100	0	1	6	107
West of George and Dragon	Short-Stay	Free	36	0	1	0	37
Church Path	Short-Stay	Free	23	0	1	0	24
Thorngate Way (Sat-Sun)	Short-Stay	Free	24	0	1	2	27
Total Short-Stay Car Parking Spaces							360
Mumby Road	Long-Stay	Charge	23	7	0	0	29
Clarence Road	Long-Stay	Charge	33	0	0	0	33
Clarence Road (on-street bays)	Long-Stay	Free	37	0	0	4	41

Waterfront (South Street)	Long-Stay	Charge	577	0	2	5	584
Haslar Marina (Mon-Fri)	Long-Stay	Charge	221	0	0	0	221
Total Long-Stay Car Parking Spaces							**908**
Morrisons	2hr	Free if using store	400	0	0	0	400
Iceland	1hr	Free	18	0	0	1	19
Halfords	2hr	Free	67	0	0	2	69
Total Private Car Parking Spaces							**488**
TOTAL ALL CAR PARKING SPACES							**1756**

Source: Gosport Borough Council (January 2007)

Pedestrian Flows

5.20 Pedestrian flow counts provide a direct measure of the number and movement of people in different parts of a centre at various times of the day. As such they provide an indication of a centre's overall attractiveness; the commercial importance of individual streets and the location of the prime pitch; the significance of key retailers and shop clusters within streets and pedestrian links across the centre.

5.21 Our site visit revealed that pedestrian flows were highest at the eastern end of the High Street within the vicinity of Woolworths and New Look. This is consistent with the presence of national multiple retailers at this end of the town centre and its proximity to the ferry terminal which attracts a high number of pedestrians. There are constant flows of pedestrians along the High Street with the Town Hall and Discovery Centre acting as significant attractors. Although the Morrisons supermarket attracts predominantly car borne shoppers, there appears to be a high degree of linkage between shoppers using the foodstore and other retail and service uses located on the High Street.

5.22 The Council have undertaken their own pedestrian surveys since 2004 with counts on Tuesdays, Thursdays and Saturdays. The results reveal the following:

- Between May 2004 and November 2006, flows on a Saturday were lowest in May 2005 and February 2006. The latest counts from the 2007 surveys show that pedestrian flows are increasing.
- Weekday movements are fairly constant but tend to be higher during the summer months.
- Overall, flows tend to peak during the summer months and fall during the winter.
- Flows are higher on Tuesdays and Saturdays, which are both market days.

- In May 2007, weekday flows were approximately 69 movements per minute on a Thursday, 99 movements per minute on a Tuesday and 189 on a Saturday.

Environmental Quality

5.23 Gosport's maritime setting allows visitors to the centre to enjoy good views across the harbour towards Portsmouth, including the Spinnaker Tower at Gunwharf Quays, as well as the Isle of Wight and the Solent. The presence of the harbour frontage, which runs immediately to the town centre at its eastern end, provides an attractive backdrop to the town centre. The Millennium Promenade is a 3km waterfront trail running from the Royal Navy Submarine Museum to the Explosion Museum. The promenade has attractive paving, street lighting and seating and has several interesting pieces of art work.

5.24 The town centre is relatively compact and this, together with the comprehensive pedestrianisation along the wide High Street, provides a safe and pleasant town centre environment. There is a variety of building styles ranging from the Gosport Retail Park and Morrisons built in the early 1990s, to older Georgian, Victorian and Edwardian buildings, the 1960s Council Offices and the modern Discovery Centre. Many of the buildings are Grade II Listed. Buildings are typically two to three storeys high with offices, storage and some residential uses on the upper floors.

5.25 The majority of shop fascias are well maintained although some appear tired looking and their attractiveness could be improved. In addition, some of the buildings on the entry to the town from the ferry terminal would benefit from redevelopment to enhance the gateway into the town centre. For example, the unattractive bus station is the principal gateway to the centre for many visitors, but does not provide an attractive visual entrance. Pedestrian linkages from the town centre car parks to the High Street vary in quality. Several of these alleyways are narrow, dark and unwelcoming and could be improved to create better quality pedestrian links in the town centre.

5.26 There is good consistent signage and street furniture along the High Street. In particular, there is an area of modern blocked paving by Morrisons and the Gosport Retail Park and Lawrence Square is an area of open space adjacent to the Council Offices and the Discovery Centre. There are landscaped gardens by the ferry terminal and there is a park on the edge of the centre separating the town centre from Stoke Road District Centre. The provision of street furniture is good. Paving is good throughout the town centre and lighting and CCTV is present throughout the shopping area. There are several flowerbeds, street-box planters and semi-mature trees and there are many sculptures and pieces of art throughout the centre reflecting the town's Naval heritage. Litter and graffiti do not appear to be a cause for concern.

5.27 The Council have been carrying out a number of environmental improvements to the High Street. The main alleys are being refurbished during 2007/08. In addition to this, there is funding for Phase 2 improvements to the landscaping (Phase 1 included new finger posts, benches, bins, light fittings and green/gold livery to the lamp columns and street furniture and was completed in 2006). The Phase 2 improvements will be spread over three years and will commence in 2007/08. These works will include the removal of a pair of planters outside McDonalds and their replacement with high quality paving including timelines about Gosport's history, known as the 'Heritage Island of Enrichment'.

Safety and Occurrence of Crime

5.28 The presence of several alleyways leading to the High Street creates unattractive spaces and potentially intimidating links to surrounding residential areas and car parks. It is apparent that the maintenance of some of these alleyways has been neglected giving a potentially intimidating atmosphere. Despite this, the town centre as a whole offers a fairly safe and secure daytime environment. CCTV is installed in several locations and there is plenty of natural surveillance from passers by at most times of the day. Flats above shops also provide an opportunity for extra natural surveillance.

5.29 Signage stating "Police Notice Warning – Uniformed Police, Plain Clothed Police, Radio Link Detectives, CCTV and Pub Watch and Club Watch" is found at various points within the town centre, which helps to lower the potential for anti-social behaviour. A safe child scheme is also operational at most stores. There is no town centre manager but the Council employs a Community Safety Officer. Despite these relatively extensive safety and crime measures the telephone survey results highlight that the fear of crime is one of the key reasons why people do not visit Gosport town centre in the evenings. There appears to be a big gap between the perception of safety during the day and evening, and it is clear that more could be achieved in the evenings to encourage visitors.

Customer Views and Behaviour

5.30 Customer views and behaviour have been analysed through the Household Telephone Survey undertaken as part of the Retail and Leisure Needs Assessment (Appendix 4 and 10). An in-centre survey was not undertaken as part of this study. The household telephone survey covered an area comprising 10 Zones with Zones 1-4 falling within the Gosport Borough Council boundary (see Plan 2), and in addition to shopping/leisure patterns enabled us to review customer views and behaviour.

5.31 When respondents were asked how often they visit or go shopping in Gosport, only 4.1% of respondents from Zones 1-4 stated that they never shopped or visited Gosport compared to 54.5% of respondents from Zones 5-10 (respondents living outside of the Borough). Of those who did undertake most of their clothing and footwear shopping in Gosport, approximately 64.7% from Zones 1-4 visited at least once a week compared to 4.7% from Zones 5-10. Table 5.9 shows where else respondents within Zones 1-4 and 5-10 go for their household's clothes, footwear and other fashion goods when they do not go to Gosport town centre as their preferred location.

Table 5.9: Q3 & Q4. Where else do you shop for your household's clothes, footwear and other fashion goods when you do most of this shopping in Gosport?

	Fareham Town Centre %	Gunwharf Quays %	Portchester Town Centre %	Portsmouth Town Centre %	Southampton Town Centre %
Zones 1-4	46.1	3.8	1.9	28.8	7.7
Zones 5-10	50.0	0.0	0.0	50.0	0.0

5.32 Table 5.10 below shows the percentage of respondents from Zones 1-4 and Zones 5-10 who usually visit other centres for most of their household's clothes, footwear and fashion goods, but whom visit Gosport as a second choice for these purchases.

Table 5.10: Q.3 & Q.4. First and second choices for respondent's household shopping for clothes, footwear and other fashion goods

First Choice	Zones 1-4 Second Choice (Gosport)	Zones 5-10 Second Choice (Gosport)
Fareham Town Centre	26.4	2.0
Gunwharf Quays, Portsmouth	38.5	0.0
Portsmouth Town Centre	6.7	0.0
Southampton Town Centre	4.8	0.0
Hedge End	7.1	0.0

5.33 The most popular means of transport to Gosport was by car with over 60% of respondents using this mode of transport. However, as with the other responses, there are differences between respondents living in Gosport and those living outside of the Borough. In particular, c.17% of respondents living within the Borough travelled to Gosport by bus and over 70% of respondents in zones 9 and 10 (Portsmouth) used the ferry to visit Gosport.

5.34 According to the telephone survey, those who visit and shop in Gosport like the town centre because it is close to home (18.5%), close to the waterfront (11.7%), it has a market (9.6%), it has a good range of independent stores (9.4%) and has the ferry (8%). We consider this provides positive feedback on the retail offer, and the town's role as a visitor destination, with its strong maritime heritage and waterfront setting. It also reinforces the importance of the ferry connection from Portsmouth as a vital access point into the town centre.

5.35 In terms of dislikes, respondents to the telephone survey stated they disliked the traffic congestion (16.4%), the lack of non-food stores (14%) and too long/difficult journeys (12.2%). This is a reflection of Gosport's isolated peninsula location and the relatively high levels of traffic congestion throughout the Borough. Other dislikes included parking charges (4.8%), the general poor choice of shops

(3.7%) and difficultly in parking (3.4%). When asked what would make respondents visit Gosport more often the most popular response was more non-food stores (15.2%), better public transport links (5.8%) and a better range of branded stores (5.2%). Table 5.11 below shows the 'likes' and 'dislikes' of respondents from Zones 1-4 (Gosport Borough Council area).

Table 5.11: Q.17. & Q.18. What do you like and dislike about Gosport?

'Likes'	Zones 1-4	'Dislikes'	Zones 1-4
Close to Home	35.3%	Lack of non-food stores	33.7%
Close to Waterfront	8.3%	Traffic Congestion	10.3%
Good and/or free Car Parking	7.9%	Parking Charges	9.9%
Quiet	5.9%	Lack of Foodstores	9.1%
Attractive Environment	4.5%	Poor Choice of Shops	8.8%
Good Range of Independent Stores	3.2%	Difficult to Park	4.7%

5.36 In terms of its evening attractions and economy, 83% of respondents in Zone 1-10 stated that they never visit Gosport in the evenings. Usage is stronger for those living within the Borough (Zones 1-4), with approximately 40% visiting Gosport most often for pubs and clubs. However, only a very small number of people from outside of the Borough (c.1%) visit Gosport in the evenings for pubs and clubs. More popular destinations for pubs and clubs and other evening activities are Portsmouth, Southsea, Gunwharf Quays, Fareham and Lee-on-the-Solent District Centre. The most frequently cited reasons for not visiting Gosport in the evening were that there is nothing to do (14.4%), fear of crime (8.4%), too far to travel (7.2%) and better facilities elsewhere (6.5%).

Out-of-Centre Retail Provision

5.37 We have undertaken a qualitative review of out-of-centre retail provision to recognise the distribution of retail floorspace currently competing with town centre provision and to inform our assessment of the need for new retail floorspace in the Borough.

5.38 The only out-of-centre foodstore within the Borough is the Asda store located on Dock Road on the Cranbourne Industrial Estate, accessed from South Street. The store opened in 1977 and has a net floorspace of 2,915 sqm. It is open seven days a week from 8am until 8pm (9pm on Thursdays and Fridays) and 10am until 4pm on Sundays. There is a large surface car park with two hours free parking and there is a bus stop within the car park with bus services linking the store with the town centre and surrounding residential areas. The store sells a range of non-food goods including

George Clothes and jewellery. It is a popular and busy store for both food and non-food goods, and footfall was strong on the day of the site visit. Appendix 5 provides a full breakdown of the store's facilities and Plan 4 shows its location in the Borough.

Leisure Provision

5.39 The following analysis reviews leisure provision in Gosport town centre and the wider borough. There are no cinemas or ten-pin bowling centres in the Borough. Table 5.12 shows that the majority of respondents visit the Vue cinema at Gunwharf Quays and the Apollo cinema at Fareham. For ten-pin bowling, Go Bowling in Fareham is the most popular facility used by Gosport's residents (see Table 5.13).

Table 5.12: Q23. Where do you go most often to visit the cinema?

Response	Total Zones 1-4 (%)	Total Zones 5-10 (%)
Vue, Gunwharf Quays, Portsmouth	54	43
Apollo Cinema, Fareham	27	20
UCI, Port Solent	11	23
Odeon, Southampton	0.7	0
Odeon, Portsmouth	0.4	5

Table 5.13: Q24. Where do you go most often to go ten pin bowling?

Response	Total Zones 1-4 (%)	Total Zones 5-10 (%)
Go Bowling, Fareham	76	32
Bowlplex, Portsmouth	18	50
Megabowl, Southampton	2	1
AMF Portsmouth	1	2
AMF Bowl, Havant	0	10

5.40 There is a range of leisure facilities within the Borough as listed below. All of these facilities are located outside the Borough's designated centres. The Holbrook Recreation Centre and Stokes Bay Paddling Pool are owned by the Borough Council, although operated by a management contractor. In addition, there is a mix of other facilities, some of which are operated by private contractors and some by the public and voluntary sector. These include:

- Don Styler Physical Training Centre
- Holbrook Recreation Centre and Ice Rink
- Stokes Bay Paddling Pool

- Solent Springs Adventure Golf and Tennis Courts
- St. Vincent Sixth Form College and Leisure Centre
- Bay House School Sports Hall and Gym
- Bridgemary Community Sports College
- Brune Park Community College
- The Rowner Sports Park
- Bodyvisions (Private)
- Miracles (Private)
- Lee-on-the Solent Tennis and Squash Club (Private)
- Lloyd Vine Leisure (Private)

5.41 The following tables set out where respondents from the Gosport Borough survey zones most often go to visit the gym/health and fitness club and to go swimming. The results show that Lee-on-the-Solent Tennis and Squash Club is a popular local facility along with Miracles in Gosport and the Holbrook Recreation Centre. HM Leisure Facilities are also popular.

Table 5.14: Q25. Where do you go most often to visit the gym/health and fitness club?

Response	Total Zones 1-4 (%)	Total Zones 5-10 (%)
Lee-on-the-Solent Tennis & Squash Club	14	3
HM Leisure Facilities[4] (Various)	11	8
Miracles, Gosport	8	1
Holbrook Recreation Centre	8	0
Fitness First, Portchester	6	5
Fareham Leisure Centre	6	9
David Lloyd, Port Solent	5	14
LA Fitness, Fareham	4	6
Bodyvisions, Gosport	2	0

Table 5.15: Q26. Where do you go swimming most often?

Response	Total Zones 1-4 (%)	Total Zones 5-10 (%)
Holbrook Recreation Centre	58	3
Fareham Leisure Centre	15	23
HM Facilities (Various)	6	4
Horizon Leisure Centre, Waterlooville	1	13
Victoria Swimming Centre, Portsmouth	0.6	14

[4] HM Leisure Facilities are located on various Navy sites in the Borough of Gosport as well as in neighbouring local authorities. The facilities are generally only available to Navy employees and their families.

5.42 In October 2002, Gosport Borough Council undertook a feasibility study into the future development of the Holbrook Leisure Campus. The aim of the study was to identify the current and future leisure needs of the Borough and to look at the development potential of the Holbrook Leisure Campus. The study identified that the current leisure provision in the Borough is generally in a poor condition and does not meet local community needs. As a result, there is a net export of Borough residents to sports and leisure facilities in adjacent local authorities where there are higher quality facilities and a greater range of activities.

5.43 Holbrook Leisure Centre is located on the A32 close to several residential areas. It is the largest leisure centre in the Borough and includes a 25m pool, a learner pool, fitness suite, squash courts and health suite. Gosport Ice Rink and grass football pitches are located adjacent to the leisure centre.

5.44 The study notes that the Holbrook Recreation Centre has an excellent location in relation to transport links and the Borough's population, however, it is considered to be in need of urgent redevelopment.

Tourism

5.45 Gosport Borough Council commissioned Tourism South East to look at the Economic Impact of Tourism on Gosport, the town centre and wider Borough. The study was published in April 2005 but is based on 2003 data and has not been updated. The study provides an estimate of the volume and economic impact of tourism activity in the Borough. It is based on the Cambridge model which is an accepted methodology which provides indicative estimates of the volume, value and economic impact of tourism. The key findings are summarised in Table 5.16.

Table 5.16: Summary of Tourism Impact Estimates in Gosport Borough Council for 2003

Indicators	2003
Total Staying Visitors	168,000
Total Visitor Bed Nights	587,000
Total Tourist Day Visitors	945,000
Total Visitors (Staying & Day)	1,113,000
Total Spend	£40,274,000
Total Local Business Turnover Generated	£57,590,000
Total Jobs Supported in Borough	1,206

Source: The Volume and Economic Impact of Tourism in Gosport 2003

5.46 The report highlights that the majority of trips to Gosport were domestic visits with a low proportion of trips for business purposes. It also notes that there is a low level of commercial accommodation in Gosport, although a high proportion of people stay on boats in the marina.

5.47 The study concludes that although tourism may be seen as a fledgling economy in Gosport in view of the low volume of commercial accommodation stock and visitor attractions, it represents a significant contributor to the local economy and there is significant scope for tourism to be further harnessed and maximised. The report recommends that Gosport should concentrate on investing in marketing initiatives to help the Borough tap into new markets and to harness the benefits of niche markets such as sailing and short-stays. It also notes that Gosport should develop its leisure economies to help differentiate Gosport from competitor destinations and to develop a local distinctiveness.

5.48 Several new attractions have opened in Gosport since the report was published. The household survey commissioned as part of this study asked respondents if they had heard of certain attractions in Gosport. The results revealed that attractions such as the Royal Navy Submarine museum, the market and Priddy's Hard were generally well known by respondents and when asked where they visited most often for museums/art galleries Gosport scored well. Table 5.17 below shows that Gosport has a good range of attractions with a particularly high level of awareness of living both within and beyond the Borough.

Table 5.17: Q20. Have you heard of the following attractions in Gosport?

Response	Total Zones 1-4 (%)	Total Zones 5-10 (%)
Royal Navy Submarine Museum	99	91
Priddy's Hard/Explosion Museum	98	85
Gosport Market	98	80
Marina	97	78
The Discovery Centre Library	91	49

Offices

5.49 The PUSH South Hampshire Town Centre Study reviewed office provision within the sub-region. The study principally focuses on Southampton and Portsmouth as the main office destinations. It notes that Gosport has a minor office market due to its restrained road access, although it notes that Gosport and the other smaller centres in the sub-region have developed more recently as alternative locations for economic activity that traditionally centred on Southampton.

5.50 The PUSH study estimates office stock in Gosport at 44,000 sqm compared to 542,000 sqm in Southampton and 359,000 sqm in Portsmouth. However, it states that Gosport experienced an increase in stock between 2000 and 2004 following a period of development with the release of MOD development land, whilst other centres in the sub-region experienced a decline.

5.51 There are approximately 1,800 businesses in the Borough providing over 26,000 jobs[5]. Gosport has a solid economic base in manufacturing, defence research, logistics, advance technology and electronics. The principle employment areas in the Borough are located along the A32 in the north of the Borough. The Borough is somewhat dependent on the Ministry of Defence as a key employer, employing as much as a third of the population, with a range of sites and functions.

5.52 Other key employers include Tyco Healthcare, Qinetiq, Haslar, Huhtamaki and Wyeth Research. Although, these employers provide employment within the Borough, there is a high proportion of out-commuting by car to sites outside of the Borough along the M27 corridor, such as the Solent Business Park, Segensworth, Kite's Croft and Southampton International Park. These out-of-centre parks have been successful in attracting major corporate tenants from existing city centres, as well as new companies moving into the region. This has caused the office markets in most of the urban areas, with the exception of Southampton, to decline.

5.53 Gosport has a limited amount of office floorspace within the town centre and a predominantly old stock. The main employer and the largest occupier of space in the town centre is the Borough Council. In addition, there are several public service providers such as the Police Station and Job Centre, as well as several small offices located above shop units and on the edge of the town centre occupied by local firms such as dentists, estate agents and accountants.

5.54 The main objective of the Local Plan Review is to diversify the local economy and reduce the need for out-commuting from the Borough. As the Ministry of Defence rationalises its operation, many of its sites are becoming surplus to requirements and are being released for redevelopment. The Council hopes that these sites will provide opportunities to diversify the economy and to provide new employment activities, subject to infrastructure improvements.

5.55 There are several MOD sites that have or are currently being developed for offices in the Borough and these have resulted in the expansion and relocation of a significant number of firms into the Borough. One site is Frater Gate on the A32 which is a 4.7 hectare purpose built business park. The Park includes the Gosport Business Centre, which was built on behalf of SEEDA and opened in 2004 to provide flexible accommodation and support for small and emerging businesses. The centre has a total of 2,700 sqm of accommodation with 65 units ranging from 16 – 65 sqm. Since its opening in June 2004, the centre has attracted 46 new and growing local businesses to the site and created or safeguarded in the region of 80 jobs[6].

5.56 In March 2006, SEEDA also acquired the Daedalus site from the Ministry of Defence. This 83 hectare site close to Lee-on-the-Solent will comprise a mixed-use development with employment and business accommodation. It will provide a major opportunity for employment land development. Work is only just beginning on the plans for the site, but we understand that it is SEEDA's intention to

[5] Harbour Economic Development Forum
[6] SEEDA

focus the site on new aviation and marine related businesses, exploiting access to existing runways and the Solent. Plans include creating a quality business location that will attract inward investment and provide accommodation for start-up, growing and established businesses.

5.57 The Local Plan notes that there are additional sites for office development, particularly as part of mixed-use schemes on the following sites; Gosport Bus Station, Coldharbour, Royal Clarence Yard and St George's Barracks South. It is considered that these sites offer opportunities to provide a range of office and business accommodation.

5.58 The PUSH study considers that the bus station site, which overlooks Portsmouth Harbour at one of its narrowest and busiest points, is a waste of a prominent site and a mixed-use scheme on this site, retaining a smaller public transport interchange, would take advantage of its waterfront location adjoining the town centre, and could include the provision of B1 offices. The Coldharbour site is an area of mainly employment land immediately to the north of Gosport town centre and has important frontages to the Portsmouth Harbour waterfront. Several employment uses have relocated away from the area and it is understood that a developer is assembling land.

Summary

5.59 Our detailed qualitative analysis of Gosport indicates that the centre is healthy and performing well in a number of healthcheck indicators. Gosport has a good range of convenience and service outlets and a relatively good variety of comparison retailers for a centre of its size and position in the retail hierarchy. Morrisons is a key anchor retailer at the western end of the town centre. There are a surprising number of national multiple retailers although these are mainly limited to charity shops and lower-mid range operators. The telephone survey results highlight the importance of the market as a visitor attraction to Gosport town centre.

5.60 Vacancy levels are well below average and we understand that vacant units are quickly re-occupied suggesting that the centre is performing well in this respect. Non-retail uses such as the Discovery Centre and the Town Hall contribute to the vitality of the centre creating footfall throughout the day, and the ferry crossing provides a crucial means of access to the town centre.

5.61 Prime Zone A retail rents have risen slightly between 2005 and 2006 following a static period since 2003 and commercial yields have remained steady in recent years, although they improved by 0.5% between January and July 2006, reflecting increasing investor confidence. The number of registered requirements from retailers to locate in Gosport has risen from 10 to 22 between 2001 and 2006, which equates to a rise in rank position of 12 places. Although it is clear that the number of retailers with registered requirements for space has grown in recent years, the quality of operator is not at present sufficient to enable a step-change in Gosport's retail offer and it would appear that Gosport is continuing to function in accordance with it's position envisaged in the RSS.

5.62 Gosport High Street has a strong character with numerous historic buildings that make a positive contribution to the streetscape. Whilst there is no specific evidence to point to a picture of fragility or decline in Gosport town centre, in practical terms, Gosport will always lose trade to competing, higher order centres, and the present retail offer of the centre is unlikely therefore to be significantly improved at present without significant investment.

5.63 However, despite these positive indicators, it is evident that a number of key attractors are missing from the mix of retailers in the town centre, such as good quality units for higher order and mainstream retailers. When respondents to the telephone survey were asked why they didn't visit Gosport town centre, traffic congestion and lack of non-food stores were the most frequently cited reasons. In addition, Gosport has a weak evening economy with very few pubs, restaurants and bars which effectively results in the centre shutting down once the shops close at 5pm. It is clear that Gosport will struggle to attract the higher order retailers but can instead focus on enhancing the leisure/tourism/visitor economy.

5.64 Gosport has a very limited out-of-centre provision, comprising the Asda food superstore and The Range Homeware store. There are a variety of public and private leisure facilities throughout the Borough, including an Ice Rink at the Holbrook Recreation Centre. The implications of this retail and leisure provision are discussed further in later sections.

5.65 In terms of offices, the majority of requirements for floorspace are currently from local businesses with modest floorspace requirements. However, now that the MOD is releasing land, Gosport will have sites with office potential outside the town in the foreseeable future, although it is difficult to see large-scale demand being developed, unless the Borough's accessibility problems are resolved.

5.66 Overall, the healthcheck of Gosport town centre reflects a vital and viable town centre performing well within its current role. We have, however, identified potential signs of vulnerability and barriers to growth, as well as opportunities to enhance and strengthen the centre over the forthcoming LDF period.

6. DISTRICT, NEIGHBOURHOOD AND LOCAL CENTRES

6.1 In this section, we provide a broad review of the two larger district centres in the Borough. These centres are smaller in scale with little standard published performance data available. The healthchecks therefore draw largely on detailed street audits carried out during January 2007 and data available from the Council. We have considered a range of indicators including physical characteristics, retail composition, key retailers, the environment and the centre's accessibility. In addition to the two district centres of Stoke Road and Lee-on-the-Solent, Gosport Borough has five local centres and seventeen neighbourhood centres. We set out the composition of these centres drawing on data provided by the Borough Council, but we did not undertake site visits or qualitative assessments as part of this Retail Study.

Stoke Road

6.2 Stoke Road is located immediately to the west of Gosport town centre separated by Walpole Park. Stoke Road complements the function of Gosport town centre whilst having its own distinctive character and function. It is designated as a District Centre in the Local Plan Review (May 2006) and its boundary was recently revised to make the centre smaller in order to help secure its vitality and viability.

6.3 Stoke Road has a total floorspace of circa 16,355 sqm with 109 outlets. There are no managed shopping centres and the centre predominantly consists of comparison and service units. Convenience retailing is limited although there is a Waitrose supermarket, which acts as a key anchor at the western end of the centre where footfall appears to be highest. Waitrose was built in the 1970s and its size and design reflects its age. There is a surface car park to the rear of the store with free parking for 1.5 hours. The store has two sets of checkouts – one at the rear entrance and one at the front entrance on Stoke Road.

Table 6.1: Stoke Road District Centre Retail Composition by Number of Units

Retail Category	No. of Units	Percentage of Total (%)	National Average (%)	Variant (%)
Convenience	3	3	9	-6
Comparison	32	29	46	-17
Service	44	40	33	7
Vacant	15	14	11	3
Miscellaneous	15	14	1	13
Total	109	100	-	-

Source: Gosport Borough Council, July 2006

6.4 With the exception of Blockbuster and the Cheltenham and Gloucester Building Society, the majority of retailers in Stoke Road are independents. Operators include a kitchen shop, a bridal shop, photographers, record shop, bike shop and several charity shops. There is an above average representation of service providers including undertakers, estate agents, hairdressers, solicitors, print shops, other offices and a selection of takeaways, public houses and cafes.

6.5 Stoke Road has a high vacancy rate of 14% compared to the national average of 11%. Although vacancy levels are high, particularly on the edge of the centre, we understand that they have been reduced in recent years as a result of the Council contracting the centre's boundary in the Local Plan Review (2006).

6.6 We understand that the environmental quality of Stoke Road has recently been enhanced with new wider pavements and safer pedestrian crossings. Stoke Road consists of mainly low-rise two and three storey buildings. There is a range of building types including flat roofed buildings and traditional town houses. The most predominant buildings are the single storey art-deco style Portland Building with its decorative white frontage and a six storey block of flats on the corner of Stoke Road with Elmhurst Road.

6.7 The quality of the buildings on Stoke Road varies and some of the shop fascias would benefit from investment and refurbishment. There is good street lighting and minimal litter and graffiti. There are no hanging baskets, tree planters or seating areas in the centre, which would soften the environment and add to the overall attractiveness of the centre. There is CCTV coverage on Stoke Road as well as a town watch scheme in operation.

6.8 Stoke Road is within walking distance of the western end of Gosport town centre. There are regular buses throughout the centre and there are cycle racks outside Waitrose and throughout the centre. As well as the Waitrose car park, there is one hour free on street parking on Stoke Road. Stoke Road has the feel of a traditional High Street with its numerous independent retailers. The local plan aims to continue the function of Stoke Road as a specialist centre whilst providing for the needs of the local population.

Lee-on-the Solent

6.9 Lee-on-the-Solent is located in a geographically isolated position on the western edge of the Borough. As a result, the District Centre serves a large self-contained community in the western part of the Borough. The centre is based around a traditional linear High Street and the Pier Street Conservation Area that leads to the seafront.

6.10 Lee-on-the-Solent has a total floorspace of 10,794 sqm with 82 outlets. Its retail composition is consistent with our expectations of a centre performing a local shopping function. In particular, there is a strong convenience representation anchored by the Co-Op supermarket in the middle of the centre, complemented by an independent butcher, baker, greengrocer and fishmonger.

Table 6.2: Lee-on-the-Solent District Centre Retail Composition by Number of Units

Retail Category	No. of Units	Percentage of Total (%)	National Average (%)	Variant (%)
Convenience	8	10	9	+1
Comparison	25	30	46	-16
Service	37	45	33	12
Vacant	8	10	11	-1
Miscellaneous	4	5	1	+4
Total	82	100	-	-

Source: Gosport Borough Council, July 2006

6.11 The number of service businesses is above the national average, and the number of comparison units is below the national average. Multiple retailers in the centre include Co-Op, Subway, Alliance Pharmacy, Oxfam and HSBC. The vacancy rate in Lee-on-the-Solent is in line with the UK average. At the time of the site visit there were several vacant properties distributed throughout the centre, as well as a cluster of vacant and run-down properties along the seafront, which may be subject to seasonal trading. There is a post office inside the Co-Op store and there is a cash-point outside adding to the range of local services available.

6.12 The environmental quality of Lee-on-the-Solent is good. Pavements are wide and there are flower planters, benches, an ipluspoint and litterbins along the High Street. There is a mix of buildings including several Victorian properties, which help to give the centre a distinct character. The buildings are mainly two and three storeys with residential uses above the ground floor units. There is a modern residential development at the corner of the High Street with Pier Street and there is a site at the western end of the High Street which is being developed for a mixed-use scheme with shops and flats. The majority of the shopfronts are well maintained although there is some evidence of peeling paint. CCTV was installed in 2002.

6.13 Lee-on-the-Solent High Street is a one-way road and there is on-street car parking on one side of the road. At the time of the site visit, the on-street parking was busy with people parking for short periods of time to pick up convenience provisions. At times, this causes traffic to queue up along the High Street. There are also several pay-and-display surface car parks along the seafront although these appeared to be less well used. There is a bus stop along the High Street as well as cycle racks.

6.14 Overall, our assessment suggests that Lee-on-the-Solent is a busy and popular centre with a range of retail and service operators meeting the day-to-day shopping requirements of local people. The centre would benefit from improved linkages between the High Street and to the seafront to encourage more visitors to use the High Street shops.

Local Centres

6.15 The five smaller local centres are located through the Borough and provide important shops and services for the local resident populations, particularly people with limited mobility. The Gosport Borough Local Plan Review (May 2006), recognises the importance of these centres and also the role that they play in reducing car usage to purchase everyday items. The local centres contain a range of convenience shopping outlets interspersed with a smaller number of comparison and non-shopping uses. The following table summarises the retail provision in the local centres.

Table 6.3: Gosport Borough Council Local Centres Summary

Centre	Total Gross Floorspace	No of Outlets	Convenience Outlets		Comparison Outlets		Service Outlets		Miscellaneous Outlets		Vacant Outlets	
Alverstoke Village	1,279 sqm	13	2	15%	3	23%	8	62%	0	0%	0	0%
Forton Road/The Crossways	3,795 sqm	22	3	14%	5	23%	7	32%	1	4%	6	27%
Brockhurst Road	2,243 sqm	19	1	5%	6	32%	8	42%	0	0%	4	21%
Rowner Road	1,641sqm	14	2	14%	2	14%	7	50%	0	0%	3	22%
Gregson Avenue	1,778sqm	16	2	13%	5	31%	9	56%	0	0%	0	0%

Source: GVA Grimley/Gosport Borough Council

6.16 Alverstoke Village Local Centre is located in the south of the Borough. It is the smallest local centre in the Borough in terms of the number of units and floorspace. The centre is dominated by service uses including a hairdresser, a café, a pub and a takeaway. The centre's convenience offer is quite weak and comprises a One Stop convenience store and a Threshers off-licence. The centre also has three comparison units including an antiques shop, a hardware shop and a home furnishings shop. There are no vacant units in the centre.

6.17 Situated on the A32, Forton Road/The Crossways Local Centre is the largest local centre in the Borough in terms of the number of units and floorspace. The centre comprises a mix of uses but also has a high vacancy rate with six out of 22 units currently vacant. The centre has a strong convenience representation anchored by Lidl and Co-Op stores. There is also a mix of service and comparison uses.

6.18 Brockhurst Road Local Centre is also located close to the A32 slightly further north than Forton Road/The Crossways. Brockhurst Road is the second largest local centre in terms of number of units and floorspace. The centre has a weak convenience offer comprising one newsagents; this is likely to be due to the presence of the Lidl and Co-Op stores at the near-by Forton Road/The Crossways local centre. The centre has a range of service uses including two takeaways, a hairdresser, an optician and a sandwich bar. In terms of comparison uses, the centre has a florist, upholsters, a second hand shop, a fireplace shop and a hardware shop. Brockhurst Road also has a high vacancy rate of 21% with four vacant units.

6.19 Rowner Road Local Centre is situated in a residential area towards the north of the Borough. It is anchored by a Co-Op supermarket and provides a good range of service uses. There are three vacant units and there is also a florist and a chemist.

6.20 Gregson Avenue Local Centre is located in the north of the Borough in a residential area close to the A32. The centre is anchored by a Co-Op store and also has Martins newsagents. Gregson Avenue also has a variety of services including a hairdresser, sandwich bar, four takeaways and a bookmaker. There are also several comparison units including a pet shop, a carpet shop, a hardware shop and a haberdashery. The centre is currently performing well and does not have any vacant units.

Neighbourhood Centres

6.21 There are 17 neighbourhood centres within the Borough. They are primarily small centres with convenience outlets and a number of other services such as takeaways. The Local Plan Review (May 2006) notes that these centres serve an important function allowing people to walk and cycle to purchase everyday shopping without the need to drive to shops. Two neighbourhood centres have recently been built as part of new residential developments at Dartmouth Court and Twyford Drive/Cherque Farm. The following table summarises the retail provision in the neighbourhood centres.

Table 6.4: Gosport Borough Council Neighbourhood Centres Summary

Centre	Total Gross Floorspace	No of Outlets	Convenience Outlets		Comparison Outlets		Service Outlets		Miscellaneous Outlets		Vacant Outlets	
Tukes Avenue	472 sqm	2	2	100%	0	0%	0	0%	0	0%	0	0%
Nobes Avenue	906 sqm	10	4	40%	1	10%	5	50%	0	0%	0	0%
Carisbrooke Road	928 sqm	11	2	18%	2	18%	6	55%	0	0%	1	9%
Brewers Lane	409 sqm	5	1	20%	1	20%	3	60%	0	0%	0	0%
Beauchamp Avenue	409 sqm	3	2	67%	0	0%	1	33%	0	0%	0	0%
Rowner Lane	619 sqm	8	4	50%	2	25%	2	25%	0	0%	0	0%
St Nicholas Avenue	347 sqm	6	2	33%	0	0%	3	50%	0	0%	1	17%
Nimrod Drive	1,221 sqm	13	2	15%	2	15%	1	8%	0	0%	8	62%
Elson Road	941 sq m	11	1	9%	1	9%	7	64%	0	0%	2	18%
Palmyra Road	1,144 sqm	12	4	33%	1	8%	5	42%	0	0%	2	17%
Forton Road No's 335-359 and 262-278	1,298 sqm	11	2	18%	7	64%	2	18%	0	0%	0	0%
Forton Road No's 45-95	2,285 sqm	20	2	10%	6	30%	9	45%	1	5%	2	10%

Centre	Total Gross Floorspace	No of Outlets	Convenience Outlets		Comparison Outlets		Service Outlets		Miscellaneous Outlets		Vacant Outlets	
Bury Cross	1,285 sqm	9	2	22%	1	11%	5	56%	0	0%	1	11%
Queens Parade	1,061 sqm	7	2	29%	1	14%	4	57%	0	0%	0	0%
Portsmouth Road	607 sqm	6	0	0%	0	0%	4	67%	0	0%	2	33%
Dartmouth Court	573 sqm	5	1	20%	0	0%	0	0%	0	0%	4	80%
Twyford Drive / Cherque Farm	885 sqm	6	1	17%	0	0%	0	0%	0	0%	5	83%

Source: GVA Grimley/Gosport Borough Council

6.22 In respect of Nimrod Drive Neighbourhood Centre, we understand that proposals are in the pipeline to redevelop the centre. The existing environment is particularly poor, comprising large scale 1960's concrete structures which create an intimidating and unattractive space. There are only six units occupied out of a total of thirteen, and shop fascias are run down and there is no evidence of recent investment; pain is peeling and the shop fronts and signage are dated and poorly maintained.

6.23 We understand that regeneration proposals will comprise a new foodstore with residential units above, associated car parking and 3 or 4 adjoining small scale retail units. The existing Neighbourhood Centre and associated residential flats would be demolished and the new Neighbourhood Centre will be repositioned to front Grange Road adjacent to new residential development. Supplementary information assessing the appropriateness and implications of the development proposals will be submitted with the planning application.

Summary

6.24 Overall, the district centres of Stoke Road and Lee-on-the Solent are relatively healthy centres each with their own distinctive character and retail offer. Lee-on-the-Solent caters for an isolated catchment in the west of the Borough and has a strong convenience and service offer. On the other hand, Stoke Road is located in close proximity to Gosport town centre and as well as serving a local population has a strong comparison offer with a range of specialist independent retailers, attracting people from all over the Borough and beyond.

6.25 Our assessment revealed that the quality of the environment in each centre is generally good but that improvements could be made such as investment in shop fascias and hard and soft landscaping. Vacancy rates are also high in both centres and this should be monitored to ensure that it does not detract from the health of the centres. Gosport has a strong network of local and neighbourhood centres which are generally in good health and provide important retailers and services for the everyday need of the local population.

7. CAPACITY PROJECTIONS

7.1 In this section we estimate the current performance of Gosport town centre, out-of-centre retail provision and the district and local centres, as the basis for forecasting the need for further retail floorspace to the period 2026, incorporating interim years of 2011, 2016 and 2021. It should be noted that forecasts become increasingly open to margins of error over time, particularly beyond 2026. Policy recommends forecasts are updated during the latter part of the LDF period. The capacity tables accompanying this assessment are attached in Appendix 6 and 7.

7.2 We have used a conventional and widely accepted step by step methodology, consistent with best practice, which draws upon the results of the Household Telephone Survey of existing shopping patterns to model the existing flows of available expenditure to each retail destination. To develop the baseline position, we have:-

- Calculated the total amount of convenience and comparison goods expenditure which is available within the postcode areas comprising catchment area;
- Allocated the available expenditure to the convenience and comparison goods shopping destinations, on the basis of the Household Telephone Survey of shopping patterns, so as to provide estimates on current sales and forecasts of future sales;
- Compared the total expenditure attracted to each shopping destination with current retail floorspace to assess sales densities in each shopping destination.

7.3 Building on the baseline position we have explored the capacity for further convenience and comparison goods retail floorspace within the borough. Our analysis is based on current market shares and does not test the potential for claw-back based on new development.

Data Inputs

i) Survey Area and Household Survey

7.4 In order to provide detailed factual information on shopping patterns in the Borough, we commissioned a new Household Telephone Survey covering 1,000 households. GVA Grimley designed the survey questionnaire in consultation with Council Officers and NEMs – who undertook interviewing and data processing. The survey area is illustrated on Plan 1.

7.5 The survey results identify shopping habits of households for convenience and comparison goods. Where necessary, the survey results have been rebased to remove certain responses, such as 'internet/mail order shopping', to ensure consistency with categories excluded in the expenditure projections. For convenience goods, the Household Telephone Survey included questions on main food and top-up food shopping. The results of the two types of food expenditure were then merged through the application of a weight, which reflects the estimated proportion of expenditure accounted for by each type.

7.6 For food we use a 70%/30% food weighting. This forms a composite pattern of convenience spending, expressed as a market share for each destination centre or foodstore, for each survey zone. The survey also includes seven questions on specific comparison goods types which coincide with Experian Business Strategies definitions of comparison goods expenditure. The retail and needs modelling exercise uses the weighted averages of the Household Survey responses for each goods type based on the proportion of per capita spend on that goods type. This process will establish the pattern of spending for residents of each zone in terms of the following types of goods:-

- Clothes and shoes;
- Furniture, floor coverings and household textiles;
- DIY and decorating goods;
- Domestic, electrical appliances;
- TV, hi-fi, radio etc.
- Personal/luxury goods;
- Recreational goods

ii) Estimates of Population in the Survey Area

7.7 Population estimates for each of the survey zones in the base year were prepared from the Experian E-marketer in-house system (2006). It was necessary, however, to ensure consistency with population projections set out in the Regional Spatial Strategy and we therefore adjusted the figures to equate to RSS population levels in 2006 for Gosport Borough Council and Portsmouth City Council both of which fall within the defined survey area. The same exercise was not undertaken for Fareham Borough Council which largely falls outside the defined survey area. The major housing allocation in Fareham in particular falls outside of the Gosport survey area (Zones 1-10).

7.8 Zones 1-4 are the best fit boundary with Gosport Borough Council and population per zone has been grown/reduced consistently at the same percentage rates as set out in the RSS. Zones 7-10 are the best fit boundaries with Portsmouth City Council and we have applied the percentage growth rate as set out in the Regional Spatial Strategy. Elsewhere, Zones 5 and 6 have been forecast using the Experian E-marketer in-house system due to the very small overlap with the Fareham Borough boundary, which indicates a strong growth in population.

7.9 Overall, the population of the survey area is currently 329,785. It is forecast to grow to 336,800 by 2011, 337,256 by 2016, 340,072 by 2021 and again to 344,336 by 2026 (Table 1, Appendix 6). It is evident that the population within Gosport Borough is forecast to fall over the forthcoming LDF period, based on RSS housing and population projections. Overall, within Zones 1-10, population is forecast to grow modestly by 4.4% between 2006 and 2026 within the whole survey area, accounted for by growth in Fareham Borough and Portsmouth City Council.

iii) Available Expenditure within the Survey Area

7.10 The Experian E-Marketer system provides estimates of the per capita expenditure for convenience and comparison goods in 2005 prices. We have made deductions for special forms of trading, which represent expenditure not available to spend in the shops i.e. internet and catalogue shopping. We have applied individual per capita expenditure figures across each survey zone to provide a more detailed understanding of available expenditure in different parts of the catchment area.

7.11 In terms of expenditure growth in the Borough, we have drawn on convenience and comparison goods growth rates provided by Experian Business Strategies. These indicate that more growth will take place on comparison goods as opposed to convenience goods; the scope to purchase more food is more limited than the scope to purchase non-food goods. Experian Business Strategies estimate a convenience goods growth rate of 0.7% per annum and a comparison goods growth rate of 4.3% per annum.

7.12 We have generated expenditure by Zone to highlight variations across the survey area. Table 2, Appendix 6, applies per capita expenditure within each zone to population forecasts, which indicates that total available convenience goods expenditure within the survey area is currently £500.4m, and is forecast to grow to £600.8m by 2026. This equates to an overall growth of circa £100m (20%) between 2006 and 2026. (Table 3, Appendix 6).

7.13 In terms of comparison goods, total available comparison goods expenditure within the survey area is currently £896m, and is forecast to grow to £1,972m by 2026. This equates to an overall growth of £1,076m between 2006 and 2026 (120%) (Table 3, Appendix 6).

iv) Floorspace Data

7.14 The comparison and convenience floorspace used in our modelling, and verified by the Council, has been drawn from the Institute of Grocery Distribution (IGD), Gosport Borough Council, the Trevor Woods Retail Warehouse database and Experian Goad. Our floorspace assumptions for the foodstores include where appropriate and adjustment to identify the proportion of purely convenience goods floorspace. Most superstores include a proportion of non-food floorspace; we have adjusted the net floorspace to identify the proportion of sales space allocated for convenience goods. This accords with the expenditure data and the expenditure assumptions used.

Convenience Goods Capacity Projections

i) Gosport Town Centre

7.15 Our methodology estimates the trade draw of Gosport town centre for convenience goods (Table 4, Appendix 6). This includes an examination of the trade drawn to Morrisons, Walpole Road; Iceland on High Street, and the combined draw of other smaller and independent convenience stores; and a total town centre convenience goods trade draw. The trade draw of the convenience stores in Gosport town centre is made up of main food and top-up food shopping. 'Other' town centre foodstores include all other units in the town centre selling convenience goods, bakers, butchers and greengrocers.

7.16 We estimate that the total convenience goods turnover in Gosport town centre is currently £19.9m. Based on a total floorspace of circa 3,154 sqm net, Gosport town centre currently has an average convenience goods sales density of £6,305 per sqm net. This is somewhat lower than our estimate of company average sales densities for the principal and local foodstores in the town centre (£8,520 per sqm net). Notably, both the Morrisons and Iceland foodstores appear to be underperforming.

ii) Gosport Out-of-Centre

7.17 Our analysis of the Household Telephone Survey has identified the trade draw and catchment areas of the principal out-of-centre foodstores in the Borough, Asda, Dock Road and Tesco Express, Carless Close.

7.18 The Asda foodstore on Dock Road is the largest foodstore in the Borough, and we estimate it currently has a turnover of approximately £36.1m. Based on this turnover, and with a net convenience goods sales area 2,186 sqm, the sales density of the store is approximately £16,491 per sqm net. This sales density is higher than the level based on Asdas company average sales density (£13,228 per sqm net), and indicates that the store is performing well.

7.19 The Tesco Express foodstore on Carless Close is one of the smallest in the Borough and we estimate it has a turnover of circa £2.6m. Based on this turnover, and with a net convenience goods sales area of 143 sqm, the sales density of the store is approximately £17,860 per sq m net. This sales density is considerably higher than the level based on Tesco's company average sales density (£12,435 per sqm net), and indicates that the store is performing very well. These figures indicate that the Tesco Express store is performing a strong top-up food destination in the Borough.

iii) Stoke Road/Lee-on-the-Solent

7.20 Like Gosport town centre, we have estimated the trade draw of the two larger district centres in the Borough: Stoke Road and Lee-on-the-Solent, for convenience goods (Table 8 and 10, Appendix 6).

Stoke Road town centre is anchored by a Waitrose foodstore. We estimate that the total convenience goods turnover, including smaller top-up foodstores, is currently £7.1m. Based upon a total net sales floorspace of approximately £1,020 sqm, Stoke Road currently has an average convenience goods sales density of £6,965 per sqm net. This is below our estimate of company average sales densities for the town centre (£9,838 per sqm net), and the figures suggest that the Waitrose foodstore is currently underperforming.

7.21 Lee-on-the-Solent is anchored by a small Co-op foodstore. We estimate that the total convenience goods turnover of Lee-on-the-Solent, largely attributable to the Co-op foodstore is currently £3.2m. Based on a total net sales floorspace of approximately 1,061 sqm, Lee-on-the-Solent currently has an average convenience goods sales density of £2,978 per sqm net. This is marginally below our estimate of company average sales densities for the principal and local foodstores in the town centre (£3,895 per sqm net), and demonstrates that the Co-op foodstore anchoring the centre is underperforming at the current time.

iv) Local/Neighbourhood Centres

7.22 We have estimated the trade draw of each of the five local centres for convenience goods (Table 12, Appendix 6). We estimate that the total convenience goods turnover within the local centres is currently £6.2m. Based upon a total net sales floorspace of 1,922 sqm, we estimate the local centres currently have an average convenience goods sales density of £3,248 per sqm net. This is in line with our estimate of company average sales densities for local centres in the Borough and indicates that they are performing well at the current time.

7.23 The neighbourhood centres are considerably smaller in size and the telephone survey results have not been able to define between each centre. We have therefore estimated a composite turnover which suggests that the neighbourhood centres currently have a convenience goods turnover of circa £4.6m. Based upon the turnover of the centres, with a net convenience goods sales area of approximately 3,700 sqm, the sales density for the centres is approximately £1,240 per sqm net, below what we might expect local top-up centres to be achieving, i.e. £2,500 - £3,000 per sqm net.

Convenience Goods Global Capacity

7.24 Based on population and expenditure growth, and the detailed performance analysis of existing floorspace, we consider there will be no residual capacity to support additional convenience goods floorspace in the Borough between 2006 and 2021. Minimal capacity does arise between 2021 and 2026, although this should be treated with caution as longer term forecasts become subject to growing margins of error. Our projections are summarised in Table 21, Appendix 6, which indicates that by 2021 there will be a deficiency in residual expenditure of £1m. This equates to an over provision of retail floorspace in 2021 of 97 sq m net.

7.25 These figures have not taken into account foodstore proposals for a new Tesco store in the borough of Fareham close to the border with Gosport which will increase the flow of convenience goods expenditure out of the Borough leading to even less expenditure to support new floorspace development in Gosport Borough over the forthcoming LDF period. Given the decline in population and underperformance of a number of foodstores in the Borough, we do not consider there is a need for new convenience goods floorspace in the borough over the LDF period, based on current market share, and the focus should be on improving existing provision.

Comparison Goods Assessment

i) Gosport Town Centre

7.26 Table 4, Appendix 7 indicates the trade draw of Gosport town centre and Plan 8 illustrates the extent of the town centres influence throughout the defined survey area highlighting variations in market share. It is evident that the influence of Gosport is constrained almost entirely to within the Borough boundary, and that the centre does not capture the full extent of the catchment area defined.

7.27 Within the whole survey area, Gosport town centre draws only 6.1% of total available comparison goods expenditure. On the basis of current market shares, we estimate that Gosport town centre has a turnover of £54.4m (Table 5, Appendix 7). With an existing shop floorspace of 9,534 sqm net we estimate that the town centre has a sales density of approximately £5,710 per sqm net. Based on our experience elsewhere, and considering the competition in the sub-region, we consider that Gosport town centre is performing well in this sector. The turnover of retail warehousing in the Borough has not been incorporated into the model given the limited provision at the current time.

Comparison Goods Global Capacity

7.28 In assessing capacity for future comparison floorspace, we have assumed that the efficiency with which existing floorspace is being used will increase over time, and have assumed an annual growth rate in existing sales per sqm of 2%. Drawing on our experience elsewhere in similar sized and performing centres we have also assumed that new floorspace should achieve at least £5,500 per sqm net, also growing by 2% per annum.

7.29 This assessment has considered the effect of Gosport town centre maintaining its existing market share and used growth and available expenditure to support the development of new floorspace. In the latter part of the LDF, Gosport is likely to face increasing competition from centres in the wider sub-region if new town centre schemes go ahead. Maintaining existing market share will become increasingly important to retain the town centres position in the regional hierarchy as defined in the Regional Spatial Strategy.

7.30 Based upon this assessment, it is evident from Table 6, Appendix 7, that there will be capacity to support further comparison goods floorspace in Gosport by virtue of some growth in population and available expenditure. We estimate that by 2011, based on current market shares, there would be theoretical capacity to support an additional 993 sqm net of comparison floorspace, increasing to 1,805 sqm net by 2016, 2,702 sqm net by 2021, and 3,737 sqm net by 2026.

7.31 In order to translate these projections into gross town centre floorspace requirements, it is necessary to incorporate a net:gross ratio. Conventionally, a figure of 65% has been assumed although improved design may enable higher net:gross ratios to be achieved. It would also be reasonable to apply an additional 15% of floorspace 'of the total scheme' for A2/A3 uses. In this scenario, the net capacity figures equate to a gross capacity figure of 1,797sq m by 2011, 3,267 sqm by 2016, 4,890 sqm by 2021, and 6,764 sqm by 2026. These figures do not include commercial leisure floorspace which has become a common feature of town centre development proposals in the UK.

Scenario Testing

7.32 Gosport Borough Council requested we undertake three further scenarios based on additional residential development (above forecast RSS build rates) to test the implications on convenience and comparison capacity projections. Scenario 1 tests an additional 500 new homes between 2006 and 2026. Scenario 2 tests an additional 1,500 new homes, and Scenario 3 tests an additional 2,500 new homes over the same time period. The three scenarios incorporated the following build rates in additional to the RSS build rate of 2,500:-

Scenario 1: 500 additional new homes (3,000 total)

2006-2011: 50%

2011-2016: 33.3%

2016-2021: 8.3%

2021-2026: 8.3%

Scenario 2: 1,500 additional new homes (4,000 total)

2006-2011: 37.5%

2011-2016: 30.75%

2016-2021: 16.75%

2021-2026: 15%

Scenario 3: 2,500 additional new homes (5,000 total)

2006-2011: 12%

2011-2016: 45%

2016-2021: 33%

2021-2026: 10%

7.33 Consistent with UK trends we have assumed a dwelling occupancy rate of 2.4 people and factored the additional population on to the population projections set out in the RSS. Table 7.1 below sets out population projections in the baseline RSS scenario and the three further scenarios (which are additional to the RSS baseline position) set out above. Table 7.2 and 7.3 sets out the implications of additional residential development on both convenience and comparison goods capacity.

Table 7.1: Population Growth Projections

	2006	2011	2016	2021	2026
Baseline	329,785	336,800	337,256	340,072	344,336
Scenario 1 **500 additional houses above RSS**	329,785	337,404	338,254	341,160	345,519
Scenario 2 **1,500 additional houses above RSS**	329,785	338,152	339,690	343,076	347,849
Scenario 3 **2,500 additional houses above RSS**	329,785	337,520	340,660	345,405	350,225

Table 7.2: Convenience Goods Capacity Projections (sqm net)

	2011	2016	2021	2026
Baseline	-546	-321	-62	261
Scenario 1 **500 additional houses above RSS**	-486	-218	55	394
Scenario 2 **1,500 additional houses above RSS**	-412	-70	261	655
Scenario 3 **2,500 additional houses above RSS**	-475	30	511	922

Table 7.3: Comparison Goods Capacity Projections (sqm net)

	2011	2016	2021	2026
Baseline RSS 2,500 new houses	993	1,805	2,702	3,737
Scenario 1 **500 additional houses above RSS**	1,067	1,938	2,861	3,925
Scenario 2 **1,500 additional houses above RSS**	1,158	2,129	3,139	4,294
Scenario 3 **2,500 additional houses above RSS**	1,081	2,259	3,478	4,671

Summary

7.34 Our capacity projections indicate that the total population of the survey area is forecast to grow from 329,785 in 2006 to 344,336 in 2026 – an increase of 4.4%. Convenience goods expenditure is expected to increase from £500.4m in 2006 to £600.8m by 2026 (20% increase). In the comparison sector, higher growth rates illustrate that spending will increase from £896m in 2006 to £1,972m in 2026 – an overall increase of £1,076m (or 120%). Our analysis has indicated the following residual capacity to support additional retail floorspace over the forthcoming LDF period assuming constant market shares:

Table 7.4: Convenience Goods Baseline Capacity Projections (£000)

Area	2011 (£000)	2016 (£000)	2021 (£000)	2026 (£000)
Total Gosport Borough	-5,708	-3,506	-970	2,195

Table 7.5: Convenience Goods Baseline Capacity Projections (sqm net)

Area	2011	2016	2021	2026
Total Gosport Borough	-571	-351	-97	220

Table 7.6: Comparison Goods Baseline Capacity Projections (£000)

Area	2011 (£000)	2016 (£000)	2021 (£000)	2026 (£000)
Total Gosport Borough	6,033	12,101	20,004	30,540

Table 7.7: Comparison Goods Baseline Capacity Projections (sqm net)

Area	2011	2016	2021	2026
Total Gosport Borough	993	1,805	2,702	3,737

8. SCOPE FOR NEW DEVELOPMENT AND RECOMMENDATIONS

8.1 Drawing on our qualitative and quantitative analysis, including our assessment of retailer demand, this section considers the scope for accommodating new retail and leisure development in the Borough. We examine Gosport town centre and broadly review the smaller centres throughout the Borough.

Gosport Town Centre

Health Check

8.2 Our detailed qualitative analysis of Gosport indicates that the centre is healthy and performing well in a number of vitality and viability indicators in line with its role as the largest centre in the Borough and position in the regional retail hierarchy. Gosport has a good range of convenience and service outlets and a relatively good variety of comparison retailers for a centre of its size and position in the retail hierarchy. There is a reasonably good number of national multiple retailers including a number of lower-mid range operators. The telephone survey results highlight the importance of the market and ferry crossing as visitor attractions to Gosport town centre. Vacancy rates do not raise concerns, and there are a number of high quality and prominent visitor attractions.

8.3 Although it is clear that the number of retailers with registered requirements for space has grown in recent years, the quality of operator is not at present sufficient to enable a step-change in Gosport's retail offer and it would appear that Gosport is continuing to function in accordance with it's position envisaged in the RSS. Gosport High Street has a strong character with numerous historic buildings that make a positive contribution to the streetscape. Whilst there is no specific evidence to point to a picture of fragility or decline in Gosport town centre, in practical terms, Gosport will always lose trade to competing, higher order centres, and the present retail offer of the centre is unlikely therefore to improve at present without significant investment.

8.4 Our assessment has identified potential signs of vulnerability and areas of opportunity to enhance and strengthen the centre over the forthcoming LDF period. It is evident that a number of key attractors are missing from the mix of retailers in the town centre, such as good quality units for higher order and mainstream retailers. Although the centre is likely to continue to function at this position in the regional retail hierarchy, investment in a small scale development comprising new larger units for multiple retailers would strengthen the centre's role particularly in light of new retail schemes elsewhere in the catchment. Such development should be of an appropriate scale, in line with the town centre's position in the hierarchy.

Convenience Goods Capacity

8.5 In terms of convenience goods, our analysis has highlighted no capacity for additional foodstore floorspace in the Borough over the LDF period to 2021. Some capacity arises after 2021, but this should be viewed with extreme caution given the growth in margins of error over longer forecasting time periods. It is evident from the results of our assessment that both the town centre Morrisons and Iceland foodstores are underperforming, whereas the out-of-centre Asda is performing well, and the out-of-centre Tesco Express is performing particularly well. The figures also suggest that the Waitrose foodstore in Stoke Road and Co-Op store in Lee-on-the-Solent are not performing at expected company average sales densities.

8.6 On this basis, we do not consider there is a need for further foodstore development in the Borough at present. This position should be reviewed during the latter part of the LDF period, particularly as house building rates remain uncertain at present. The more optimistic housing growth scenarios suggest scope for more convenience goods floorspace, although this remains limited.

Comparison Goods Capacity

8.7 In terms of comparison goods, the figures suggest that there is some capacity for additional comparison goods floorspace in the Borough over the LDF period. We consider this should be directed in the first instance to Gosport town centre to consolidate the centre's position in the retail hierarchy and protect it against growing competition in the wider sub-region.

8.8 The Household Telephone Survey suggests that the town centre is performing well at present. With a current turnover of £54.4m the centre has a sales density of £5,710 per sq m net. Based on our experience across the UK we consider that Gosport is performing well in this sector given its size and position in the retail hierarchy.

8.9 It is clear from our analysis that the market plays a crucial role in underpinning the vitality and viability of the town centre, and the strategy should aim to protect the trading performance and variety of this attraction. Indeed, 32% of respondents living outside of the borough in Zones 5-10, and 19% of people living within the Borough in Zones 1-4, only visit Gosport town centre on market days.

8.10 Capacity projections identify capacity for additional comparison goods floorspace in the Borough over the forthcoming LDF period. On the basis it is able to maintain market share in the face of growing competition, we estimate capacity for 993 sq m net of comparison floorspace by 2011, growing to 1,805 sq m net by 2016, 2,702 sq m net by 2021 and 3,737 sq m net by 2026. Within the higher house building scenarios, the capacity for additional comparison goods could rise to circa 4,671 sq m net by 2026.

8.11 At present, Gosport only retains 6% of total available comparison goods expenditure within the survey area, and 25% of total available comparison goods expenditure within Zones 1-4 (which represent the 'best fit' Zones with Gosport Borough Council boundary). The remaining trade is being directed towards other town centres within and beyond the borough and out-of-centre retail warehouse provision. Capacity figures are based on current market shares and the town centre may be able to support further floorspace if it was of sufficient quality to claw back trade from competing shopping destinations.

8.12 Given the scale of the centre's retail offer, its position in the retail hierarchy and limited development opportunities for major retail development, we consider the aim of the strategy should be to consolidate and enhance existing provision with some new floorspace to attract multiple retailers. The overall objective should be to maintain the town centre's market share. If no investment takes place over the forthcoming LDF period (i.e. a 'do nothing' scenario), Gosport's market share will erode as competing shopping schemes come forward elsewhere in the region. We do not envisage major retail development coming forward in Gosport, although the recycling of existing floorspace and some additional floorspace could significantly enhance the attractiveness of the centre.

Out-of-Centre Retail Warehousing

8.13 Retail warehouse provision in Gosport is limited, offering only a Range DIY/Household Goods retailer on Gunners Way. It is evident from the results of the Household Telephone Survey, set out here in Table 8.1 and 8.2, that there is a significant leakage of DIY and furniture/floor coverings expenditure from the Borough. The strongest competition appears to be located in Fareham, with Portsmouth, Southampton and Fareham providing strong competition in respect of furniture and floor coverings.

Table 8.1: Where do you do most of your households shopping for DIY and Decorating Goods?

Destination	Market Share Zone 1 (%)	Market Share Zone 2 (%)	Market Share Zone 3 (%)	Market Share Zone 4 (%)
Fareham Town Centre	17.4	43.2	31.3	34.3
Collingwood Retail Park, Fareham	24.2	17.0	16.1	19.2
Speedfields Retail Park, Fareham	12.8	8.0	18.8	17.2
Titchfield Retail Park, Titchfield	9.4	2.3	7.1	1.0
Gosport Town Centre	15.4	11.4	6.3	5.1
The Range, Gunners Way	1.3	0.0	0.9	0.0

Table 8.2: Where do you do most of your households shopping for Furniture, Floor Coverings and Household Textiles?

Destination	Market Share Zone 1 (%)	Market Share Zone 2 (%)	Market Share Zone 3 (%)	Market Share Zone 4 (%)
Portsmouth Town Centre	6.3	15.8	3.1	6.8
Southampton Town Centre	3.9	14.5	13.5	9.1
Fareham Town Centre	10.2	10.5	16.7	14.8
Gosport Town Centre	19.7	11.8	12.5	6.8
Hedge End Retail Park	11.8	13.1	9.4	12.5
Collingwood Retail Park, Fareham	7.1	1.3	1.0	2.3

8.14 The weak provision of bulky goods DIY retail provision in Gosport is evident from the low market share. There may be scope to enhance bulky goods/DIY facilities over the forthcoming LDF period through claw-back of expenditure. Retail warehouses selling 'town centre' type goods should, however, be resisted due to unacceptable impact on the town centre. Any planning permission over the LDF period should be accompanied with appropriate conditions to restrict the sale of goods to bulky categories and protect the health of the town centre.

8.15 While this suggests there may be a need for a new DIY retail warehouse, in the context of development control, the Council should assess applications for a new DIY Warehouse on their own merits within an appropriately defined catchment area, demonstrating that they meet the following requirements, set out in paragraph 3.3 – 3.32 in Draft PPS6:-

- The need for development;
- That the development is of an appropriate scale;
- That there are no more central sites for the development;
- That there are no unacceptable impacts on existing centres;
- That locations are accessible.

8.16 As a general rule, PPS6 states that local planning authorities should assess the applications on the basis of these considerations and the evidence presented. As a general rule, the development should satisfy all these considerations, but in making their decision, local planning authorities should also consider relevant local issues and other material considerations.

Leisure/Tourist Attractions/Evening Economy

8.17 In the case of Gosport, we do not consider that retail alone is needed to maintain/enhance market share. Unlike many other places in the UK, Gosport benefits from its waterfront location and sailing/visitor attractions, and we consider that the enhancement of leisure and visitor/tourism facilities together with significant improvements to the day and night time eating and drinking economy could help maintain and enhance the town centre's market share in comparison goods shopping. Ideally, this leisure/tourism strategy should come forward with improvements to the retail offer for the town centre to benefit from the combined effect and subsequent increase in visitors and tourists.

8.18 Work commissioned by Gosport Borough Council in April 2005 (based on 2003 data) highlighted the importance and potential of the tourism economy to Gosport town centre. The study concluded that although tourism may be seen as a fledgling economy in Gosport, in view of the low volume of commercial accommodation stock and visitor attractions, it does represent a significant contributor to the local economy. There is therefore significant scope for tourism to be further harnessed and maximised. It is clear from Section 3 of this report that tourism is one of the largest industries in the UK, and one which is continuing to grow as a consequence of socio-economic trends and an increase in overseas visits to the UK.

8.19 The leisure and tourism industry should form a key component of any future strategy for Gosport town centre and the wider Borough over the forthcoming LDF period, with initiatives encouraging new markets and building on existing attractions such as sailing and short-stays. It is clear from our analysis that a number of key attractions in Gosport, such as the Explosion Museum and the Discovery Centre, are widely heard of in the Borough and beyond. The strategy should therefore continue to market its existing offer.

8.20 Research undertaken by the Council also identified the low level of commercial accommodation in Gosport, although a high proportion of people stay on boats in the marina. The Council should consider improving the level of commercial accommodation in Gosport over the LDF period which will encourage longer trip visits.

8.21 The enhancement of the tourism/visitor sector should be supported through a varied café/restaurant/bar sector both for the daytime and evening leisure economy. It is clear from our assessment that Gosport has a weak evening economy with very few pubs, restaurants and bars. The town centre is not therefore taking advantage of daytime visitors and longer trip times, and becomes quiet and uninviting after shop opening hours. Only 40% of people in the Borough visit Gosport town centre for pubs and clubs, and only 19% of residents visit for restaurants. Within the remainder of the survey area (Zones 5-10) circa 1% visit for pubs and clubs, and only 2% visit Gosport town centre for restaurants. These low visitation rates are not surprising given the weak representation of such uses in the town centre.

8.22 It is also evident from the results of the survey work that after shop opening hours the town centre becomes a quiet and less friendly place to visit, with little activity and low pedestrian footfall. Over 8% stated that the reason they do not visit Gosport town centre in the evenings is the fear of crime, and over 14% stated that there was nothing to do. The strategy should aim for Gosport to be the first choice destination for people living in the borough for evening economy activities, and to enhance evening economy visitation rates from beyond the Borough.

8.23 Given Gosport's location on the waterfront and reasonably strong visitation rates and daytime leisure activities and visitor attractions, the strategy should encourage a complementary eating and drinking sector both within the town centre and on the waterside frontage close to the sailing activities. Opportunity sites and linkages are discussed further below, but it is crucial that any strategy for the enhancement of the waterside area should also improve linkages with the town centre and improve the town centre retail and daytime/evening leisure economy. The development and enhancement of the waterfront area should not take place at the expense of the vitality and viability of the town centre. The strategy should therefore incorporate the full extent of the shopping and leisure area and not take place in a piecemeal fashion.

8.24 The retail offer in Gosport town centre is almost exclusively confined to the pedestrianised High Street which extends from the ferry terminal at the harbour to the Gosport retail park and Morrisons foodstore on Walpole Road. Sites 1 and 2 on Plan 15 lie between the entrance to the main shopping area and the waterfront and consequently form a key 'gateway' site to the town centre from the ferry terminus arriving from Portsmouth Harbour. The sites comprise the Gosport bus station and ferry office and Falklands Gardens. These sites are discussed further below, but we consider they have considerable potential to enhance the gateway to the town centre, assisting the draw of visitors and tourists to the shopping area on the High Street.

Opportunity Sites

8.25 In conjunction with the Council we have identified a number of opportunity sites in Gosport town centre that have the potential to accommodate development or redevelopment which would contribute to meeting Gosport's long term plans to increase visitor numbers, trip times and to maintain/enhance the level of shopping trade. The sites are illustrated on Plan 15.

8.26 Sites 1, 2 and 3 are contiguous and the largest sites. These three sites with their Harbour frontage comprise the Gosport Waterfront opportunity area. Sites 1 and 2 are owned by the Borough Council. Site 1 is the Bus Station and Ferry Office and is within the town centre boundary. Site 2 comprises the popular and well supported Falklands Gardens and town centre taxi rank. These sites are positioned either side of the main pedestrian route from the ferry terminus to the town centre High Street and any scheme coming forward should be underpinned by the need for a quality enhanced 'gateway' to the main shopping area. The importance of retaining a public open space in the vicinity of the High Street is important to the identity of the town centre, and there is a local desire to retain such a feature in a waterfront location. A scheme could include the redevelopment of blocks of retail units at the eastern end of the High Street to enable new larger retail units for multiple retailers to enhance the draw of the main shopping area.

8.27 On Sites 1 and 2, any scheme coming forward should increase activity on the Waterfront through mixed use development including some eating and drinking facilities to increase trip times and more frequent evening visits. This could possibly be anchored by a hotel/conference facility to meet the current shortage of commercial accommodation and again assist in attracting visitors and tourists to Gosport.

8.28 The largest development opportunity in Gosport is Site 3, the Coldharbour Area. The large mixed-use site (5.6ha) is located on Mumby Road in-between the town centre and the harbour with a waterfront location, and is designated as a mixed-use allocation and an area at risk of flooding within the Local Plan Review (May 2006). The Council has a small interest in the site, but it is essentially owned by two main parties who are in discussions with each other and the Council. This site is an edge-of-centre site and has the potential to significantly contribute to the vitality and viability and attractiveness of Gosport through a high quality mixed use development, which could also comprise complementary eating and drinking facilities.

8.29 The Council is currently working in partnership with the owners of Site 3 with the aim to bring a comprehensive development forward linking Sites 1, 2 and 3. This should be the preferred approach to ensure an integrated and comprehensive development on key strategic opportunity areas in Gosport. A Supplementary Planning Document might be an appropriate way forward to ensure a co-ordinated approach to the three sites, resulting in the optimum solution with complementary uses. The Council should continue to co-ordinate and encourage discussions with the two land owners of Site 3.

8.30 If development does take place on the Waterfront at the eastern end of the High Street, the retention of Morrison's or a major foodstore operator at the western end of the High Street will become crucial to anchor this part of the town centre and to maintain the vitality and viability of the full length of the shopping area.

8.31 Elsewhere in Gosport we have identified six small car parks, four within the town centre boundary and two beyond but adjoining. The regeneration of the Gosport Waterfront area may promote a change in car parking habits. We recommend that a car parking strategy is commissioned to assess future car parking opportunities and requirements in the town centre and the viability of releasing these sites for development. The sites are, however, small with limited potential for larger comprehensive development, unless it is possible to incorporate existing units fronting onto the High Street to enable new larger units fully integrated with existing shop fascias.

8.32 Our assessment has also identified that pedestrian links from the town centre car parks to the High Street vary in quality. Several are narrow, dark and unwelcoming and could be improved to create better quality pedestrian links in the town centre. It is recognised that the Council has a programme to carry out environmental improvements to the alleyways.

8.33 Site 6 (Plan 15) comprises 'The Precinct', a small open shopping square behind the main High Street. At present it is cut off from the main shopping frontages and strongest pedestrian flows and appears to be a quiet area contributing little to the vibrancy of the town centre, although some specialist independent retailers, such as the fishing tackle shop, are likely to be well known.

8.34 We consider this precinct is a potential development opportunity site, particularly if the Council consider combining shop units fronting onto the High Street to create a comprehensive development area. If development does come forward on the precinct having regard to the Conservation Area which maximises the space from the High Street through to South Street this will help anchor the central part of the main shopping area, particularly if new development comes forward near the waterfront and eastern part of the town centre.

District Centres

8.35 Our assessment of the district centres of Stoke Road and Lee-on-the Solent found them to be relatively healthy centres each with their own distinctive character and retail offer. Lee-on-the-Solent caters for an isolated catchment in the west of the Borough and has a strong convenience and service offer. On the other hand, Stoke Road is located in close proximity to Gosport town centre and has a good comparison offer with a range of specialist independent retailers.

8.36 The policy boundary of Stoke Road was recently revised to make the centre smaller in order to help secure its vitality and viability and address the relatively high vacancy rate on the edge of the centre. Given this recent amendment and our review of the extent of the shopping area, we consider the current boundary is appropriate to take forward over the forthcoming LDF period. The centre has a good mix of retailers and service operators and the environment has recently been enhanced with new wider pavements and safer pedestrian crossings. Our qualitative review indicates that there is room to make continued improvements to the environment, including shop fascias and hard and soft landscaping.

8.37 Continued high vacancy rates could be a cause for concern and continued investment could assist in stronger pedestrian footfall and a subsequent rise in retail turnover. Our qualitative and quantitative analysis indicates that there is no need for additional convenience or comparison goods floorspace in Stoke Road District Centre over the forthcoming LDF period. Indeed, the boundaries have recently been revised to consolidate the centre, and the figures suggest that the Waitrose store is not performing in line with company expectations at the present time. Again, continued investment should enhance the attractiveness of the centre and the representation of an anchor foodstore, currently Waitrose, should be encouraged and protected through any strategy for the centre. Pedestrian and vehicular linkages with Gosport town centre should be encouraged over the LDF period.

8.38 Lee-on-the-Solent is located in a geographically isolated position on the western edge of the Borough and serves a large self-contained community. As such, a good range of retailers and service operators is perhaps more important to serve the local catchment population who would otherwise have to drive some distance to Gosport town centre to obtain access to a wider variety of requirements.

8.39 Our assessment indicates that Lee-on-the-Solent is currently performing well, providing the local catchment with a range of everyday service and retailer requirements. Convenience provision is strong with a top up Co-Op foodstore and an independent butcher, baker, greengrocer and fishmonger. It is clear, however, that current provision is not servicing the catchment for the full range of food requirements particularly for main food shopping. Within Zone 3, the zone in which Lee-on-the-Solent is located, 41.9% of residents visit the Asda store in Fareham for their main food shopping.

8.40 In qualitative and quantitative terms we consider there is a need to enhance convenience goods floorspace over the forthcoming LDF period to meet the main food shopping requirements of the local residents. It may be appropriate to extend/redevelop the Co-op foodstore already represented in the town centre or encourage an additional foodstore operator. Given the negligible capacity in the Borough at present any new development would be reliant on claw back of trade and we do not therefore consider there is a need for a major food superstore, but it is possible that the catchment could support a small-medium sized store to halt the leakage of trade and unsustainable travel patterns of residents leaving the Borough.

8.41 Any proposals would need to accord stringently with the key tests set out in PPS6, and any scheme should be dependent on site selection. The Council should be cautious of out-of-centre development that may have an unacceptable impact on the town centre. A foodstore development should help anchor the centre and aim to enhance the vitality and viability of Lee-on-the-Solent, and ideally be fully integrated with existing shop frontages.

8.42 Overall, Lee-on-the-Solent is a busy and popular centre with relatively heavy traffic congestion and on-street parking was almost at full capacity. Given its isolated location there is a good range of essential services such a bank, a pharmacy, and a post office. There were a number of vacant units scattered throughout the district centre at the time of the site visit, and this indicates the need to anchor the centre in some way to enhance pedestrian footfall and the health of the centre and the need to continue investing in the physical environment.