GUILDFORD RETAIL STUDY

June 2006

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1. Introduction

1.1 We have been instructed by Guildford Borough Council in order to provide a retail study and in particular to:

- establish whether the Council needs to identify land for additional retail floorspace for development in the period to 2016 and, if so, what type and size of retail units are needed and where these should be provided,
- inform the preparation of policies and proposals for inclusion in the Guildford Development Framework (GDF),
- provide information to assist the Council in determining planning applications involving new or the loss of existing retail floorspace, and
- analyse whether there is a need for any revision of the adopted Local Plan policy approach to local and district shopping centres.

1.2 In this connection, we are specifically instructed to consider the retail performance and prospects of:

- Guildford Town Centre,
- Station Parade, East Horsley,
- Wharf Road, Ash.

1.3 In considering the need and capacity for further retail floorspace serving the borough, we are instructed to address both convenience and comparison goods, with the latter broken down into non-bulky and bulky goods.

1.4 Since national planning policy with regard to town centres and retail development has been the subject of various clarifications over the recent past, we consider it prudent to set out in the first instance our understanding of contemporary planning policy guidance.

2. Contemporary Policy Guidance

PPS6: Planning for Town Centres

2.1 This Planning Policy Statement (PPS) was issued for public consultation in December 2003, and formally published in March 2005.

2.2 PPS6 makes it clear that the government's key objective for town centres is to promote vital and viable centres by planning for growth and development there (paragraph 1.3). In this way, local planning authorities are encouraged to plan positively for the growth and development of town centres by, inter alia:

- assessing the need for further main town centre uses, and ensuring there is the capacity to accommodate them, and
- planning for the expansion of centres and identifying appropriate sites in development plan documents (paragraph 1.6).

2.3 Throughout PPS6, the point is made that local planning authorities should adopt a proactive, plan led approach to planning for town centres. Such a plan led approach involves:

- making better use of existing land and buildings, including, where appropriate, redevelopment, and
- where necessary, extending the centre (paragraph 2.3).

2.4 In this connection, advice is given that opportunities within existing centres should be identified for sites suitable for development or redevelopment. Planning authorities are urged to ensure that the number and size of sites identified for development or for redevelopment are sufficient to meet the scale and type of need identified. Where growth cannot be accommodated in existing centres, PPS6 advises that planning authorities should plan an extension of the primary shopping area (if there is a need for additional retail provision) or plan for the extension of the town centre to accommodate other town centre uses. The important point is made that extensions of primary shopping areas should be carefully integrated with the existing centre, both in terms of design and accessibility.

2.5 Specific advice is given on the role of plans. In this way local planning authorities are urged to work with stakeholders and the local community to:

- assess the need for new floorspace for, inter alia, retail uses, taking account of both quantitative and qualitative considerations,
- identify deficiencies in provision and assess the capacity of existing centres to accommodate new development,
- identify centres where development will be focused,
- define the extent of the primary shopping area for each centre,
- identify and allocate sites as appropriate,
- review all existing allocations and reallocate sites if necessary or appropriate,
- develop spatial policies and proposals to secure and promote investment, and
- set out criteria based policies for assessing and locating new development proposals, including development on sites not allocated in development plan documents (paragraph 2.16).

2.6 In addition to defining the extent of the primary shopping area for their centres, local planning authorities are empowered to distinguish between primary and secondary retail frontages, which should be realistically defined (paragraph 2.17).

2.7 PPS6 provides specific guidance to local planning authorities when allocating sites. In this connection it asserts that local planning authorities should:

- assess the need for development,
- identify the appropriate scale of development,
- apply the sequential approach to site selection,
- assess the impact of development on existing centres,
- ensure that locations are accessible and well served by a choice of means of transport (paragraph 2.28).

2.8 Local needs assessments should take account of the strategy for the region's centres set out in the regional spatial strategy, as well as the catchment areas of each of their centres (paragraph 2.32). In assessing the need and capacity for additional retail development, greater weight should be placed on the quantitative need than qualitative need elements (paragraph 2.32).

2.9 Advice is given that in assessing quantitative need, expenditure growth should be analysed in relation to the classes of goods to be sold within the broad categories of comparison and convenience goods. In considering qualitative need issues, a key consideration for local authorities is to provide for consumer choice by ensuring that a range of sites is brought forward to meet the needs of a variety of retailers.

2.10 In selecting suitable sites for development, planning authorities should ensure that the scale of opportunities identified is directly related to the role and function of the centre and its catchment. The scale of development should relate to the role and function of the centre within the wider hierarchy and the catchment served. In this connection, PPS6 advises that local centres will generally be inappropriate locations for large-scale developments.

2.11 The sequential approach to site selection, first introduced in 1994 in PPG13, is again included in contemporary policy advice. Its current manifestation requires that locations are considered in the following order:

- first, locations in appropriate existing centres, where suitable sites or buildings for conversion are available, or will become available within the development plan period, taking account of an appropriate scale of development,
- edge of centre locations, and
- out of centre locations, with preference given to sites, which are or will be well served by a choice of means of transport and which have a high likelihood of forming links with the centre.

2.12 However, the contemporary sequential 'test' has the caveat that allocated sites should be capable of accommodating a range of business models. In planning terms, the factors that should be taken into account in considering business models include scale, format, car parking provision and the scope for disaggregation (paragraph 2.45).

2.13 Where a site is proposed to be allocated in an edge of centre or out of centre location, planning authorities should assess the impact of the development on centres within the catchment.

2.14 In selecting sites for development, PPS6 urges local planning authorities to ensure the site is accessible by a choice of means of transport.

2.15 PPS6 gives very focused advice on the important issue of site assembly. Most notably, this is that 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. Moreover, planning authorities should consider the scope for effective site assembly using their compulsory purchase powers to ensure that sites are brought forward for development.

2.16 Unless allocated in development plan documents, planning authorities should not regard existing out of centre developments, such as retail warehouse parks, as being centres.

2.17 PPS6 acknowledges that a network of local shopping centres in any area is essential in order to provide for day-to-day needs. As such, planning authorities are urged to protect existing facilities, which provide for day-to-day needs and seek to remedy deficiencies in local shopping and other facilities.

2.18 Interestingly, draft planning guidance on town centres in Scotland has recently been issued (August 2005). This document signals a further change or clarification in government thinking on retailing, as it accepts (at paragraph 18) that accessible out of centre locations may be considered appropriate for the retailing of particular goods, for example space expansive displays of bulky goods. Moreover, it notes that these uses are not key contributors to the vitality and viability of town centres. It can be noted that paragraph 2 acknowledges that town centres are not able to accommodate all forms of retail development.

2.19 Since retailing in Scotland is no different to that in the rest of the UK, the government may be considering another ‘policy clarification’. Only time will tell.

Strategic Policy

2.20 The Surrey Structure Plan was adopted on 4 December 2004. Under the changes to the planning system brought in by the Planning and Compulsory Purchase Act 2004, traditional structure plans are to be replaced by Regional Spatial Strategies, in this case by the South East Plan, currently in draft form. The structure plan will continue as the strategic guidance for Guildford until the South East Plan is given government approval, expected towards the end of 2006.

Surrey Structure Plan 2004

2.21 The structure plan makes specific reference to town centres and retailing through Policies LO3 and LO8 respectively.

2.22 Policy LO3 requires all forms of development, including retail, to be focused on town centres. Guildford is identified as a pre-eminent centre of strategic importance in the county (alongside Woking and Redhill) and the policy is permissive of development which supports this role.

2.23 Local Planning Authorities are required to define town centre boundaries, identify development sites, be mindful of the role of centres, prepare town centre strategies and design briefs, and undertake health checks of the smaller centres.

2.24 Policy LO8 requires retail development to be directed in accordance with the strategic retail hierarchy. In this, and in the sequential approach to site selection, the policy follows the advice given in PPS6.

2.25 The supporting text to Policy LO8 places Guildford at the top of Surrey's retailing hierarchy.

Draft South East Plan

2.26 The Draft South East Plan (March 2006) also follows the provisions of PPS6 in that local authorities are required to identify a hierarchy of centres and the vitality of these is given paramount importance. Guildford is identified as a Primary Regional Centre and such centres are to be the focus of major retail developments, defined as 10,000 sq m or more.

2.27 The draft plan states that an additional 4 million sq m of gross retail floorspace will be required by 2026 throughout the South East (outside London). Guildford is included within sub-regional Strategy Area 5: London Fringe, where expenditure growth is expected to be strongest. Specific mention is made of the Friary Extension Development, which will go some way toward meeting this need.

2.28 Policy TC3 directs large scale development, including retail, toward the strategic network of centres. Again, in accordance with the provisions of PPS6, the sequential approach to site selection is to be the method of identifying the preferred location of new development. Policy TC4 states that no need has been identified for further out-of-centre regional or sub-regional shopping centres or large extensions to existing centres, for the period to 2026.

2.29 In overall terms, adopted and emerging strategic guidance follows the provisions of PPS6 outlined above.

3. Catchment Area Analysis

3.1 As can be noted from the study brief, an important component of the study is to provide a robust assessment of the current catchment area(s) of the town, and bearing in mind different types of retailing such as food and non-food, with the latter disaggregated into bulky and non-bulky goods.

3.2 Shoppers in and around Guildford have a considerable choice of destination for shopping trips. Within approximately a 45 minute off-peak drive time are the competing centres of Kingston and Crawley, and the smaller centres of Woking, Horsham, Aldershot, Farnham, Dorking and Godalming. Town centre shopping is a complex issue; choice of destination involves a number of elements including:

- the perceived strength of anchor traders,
- the volume, variety and quality of other shops present,
- the quality and convenience of the centre itself, including aspects such as safety/security,
- the availability of facilities such as toilets,
- accessibility to the centre by public and private transport,
- the quantum and convenience of car parking, and
- the shopping environment generally.

3.3 It is therefore appropriate when considering retailing in Guildford to bear in mind the shopping offer of other destinations. By understanding the context of retailing in Guildford, a fuller understanding of the scope for managing change can be gained.

3.4 In this way, Guildford's retail performance and prospects cannot be divorced from those of competing centres, both higher up and lower down the hierarchy. Significant improvements to one centre holds the threat/promise of drawing trade from others. On the other hand, standing still is akin to decline in retail terms; if other centres continue to improve their retail offer, so must Guildford if it is to retain its current position.

3.5 Later in the study we set out Guildford's comparative position in the sub-region. In this section we go on to explain our research into the town's current catchment(s).

Household Survey

3.6 In order to provide empirical evidence as to local shopping patterns and preferences, a household survey was commissioned on behalf of the Council. Agreement on the survey methodology and questionnaire format was reached with officers prior to commencement of the fieldwork. The survey concentrated on households living within the following eight postcode areas:

Zone 1	-	GU1-5, KT24 (Guildford area)
Zone 2	-	GU6, GU8, GU27 (Haslemere area)
Zone 3	-	KT11, GU21-23 (Woking area)
Zone 4	-	KT13-16, GU18-20, GU24 (Lightwater - Chertsey area)
Zone 5	-	RH4 & 5, KT22 & 23 (Dorking area)
Zone 6	-	RH12 (Horsham area)
Zone 7	-	GU9-12, GU26 (Farnham area)
Zone 8	-	GU7 (Godalming area)

3.7 The study area as defined by these postcode sectors is shown on Plan 1. It was designed to cover an area sufficiently large to ensure that the extent of Guildford's catchment could be accurately determined. Field work for the survey was carried out in November and December 2005.

3.8 Structured interviews were carried out by telephone with the person responsible for the main household shop in a total of 1,000 households. The remainder of this section describes the main results of the survey. The full tabulated results are provided in an accompanying volume.

3.9 The survey was designed so as to enable destinations to be identified for the following types of shopping trips:

- main food,
- top up food,
- clothes, footwear and fashion,

- furniture, flooring coverings,
- household textiles, soft furnishings,
- domestic appliances, e.g. fridges, washing machines,
- radio, TVs, hi-fi, photographic equipment,
- china glass and hardware,
- DIY goods,
- books, jewellery, watches, recreational and luxury goods.

3.10 It also sought information on how shoppers usually travelled (e.g. modes of transport) and general attitudes to shopping in Guildford town centre.

3.11 With regard to comparison goods shopping, the household survey sought to identify which of the various categories of goods were bought recently, and thereafter where they were bought. Since not all respondents had bought all the various categories of goods recently, the response rate was, for some categories, relatively low. As such, in order to augment information on comparison goods shopping habits in the study area, a further survey was commissioned (500 households), in order to provide further data on where households did most of their comparison goods shopping. In this way, the use of two householder surveys provides a robust data set to enable decisions to be made on the extent of Guildford's catchment areas.

Results

3.12 The survey revealed that catchments for food shopping are less extensive than for non-food shopping. For example, few households outside Zone 1 visited food stores in Guildford for their main food shop. In each zone, the clear majority of main food shopping trips were to local superstores and supermarkets.

3.13 In the circumstances, we consider that Guildford's food catchment comprises GU1-5 and KT24 (Zone 1).

3.14 Within Guildford, the following stores were the most frequently mentioned main food destination:

Sainsbury, Burpham	-	36%
Tesco, Ashendon Road	-	24%

Sainsbury, High Street - 10.4%

M&S, High Street, Guildford - 5%

3.15 In the defined Guildford food catchment, the survey revealed that some 77% of respondents undertook their main food shopping trip by car. Again, 30% of respondents combined their main food shopping trip with a non-food shopping trip.

3.16 As for top-up food shopping, it can be noted that this is spread widely throughout the study area. In the Guildford zone, the Sainsbury store in the High Street was the most frequently mentioned top-up destination.

Town Centre Catchment

3.17 The town centre's catchment is more complex to identify since it requires consideration of the survey results addressing a wide range of goods categories. What is clear is that across the range of goods considered, the town centre attracts few trips from Zones 3, 5 and 6, Woking being the prime location in Zone 3, Dorking/Leatherhead in Zone 5 and Horsham in Zone 6.

3.18 In light of the survey results across the whole range of non-food goods, but in particular the responses given to the questions addressing clothing, footwear and fashion shopping destinations, and the most favoured centre for books, jewellery, watches, recreational and luxury goods, we consider the town centre's catchment to comprise the following postcode areas:

GU1-5, KT24 (Zone 1 – Guildford area)

GU6, GU8, GU27 (Zone 2 – Haslemere area)

KT13-16, GU18-20, GU24 (Zone 4 – Lightwater – Chertsey area)

GU9-12, GU26 (Zone 7 – Farnham area)

GU7 (Zone 8 – Godalming area)

Non-Food Bulky Goods Catchment

3.19 The survey reveals that the town centre is perceived to have a continuing role as a bulky goods shopping destination, notwithstanding the present complement of retail warehouses catering for bulky goods located outside the town centre.

3.20 Focusing on the defined town centre catchment, it can be noted that the town centre is still perceived to be an important centre for furniture and carpets, soft furnishings, electrical goods, china glass and hardware, but less so for DIY goods.

3.21 When considering the range of traditional bulky goods, e.g. DIY and hardware, furniture, floor coverings, household textiles and electrical goods, it is again the case that households in Woking, Dorking and Horsham (Zones 3, 5 & 6 respectively) do not choose to shop primarily in Guildford, either in the town centre or the retail warehouses. Again, few households in Zones 7 and 4 selected Guildford for their bulky goods purchases.

3.22 In the circumstances, we consider that Guildford's non-food bulky goods primary catchment area is, to all extents and purposes, Zones 1, 2 and 8.

Guildford Town Centre: Likes and Dislikes

3.23 The opportunity was taken to include in the questionnaire general questions as to main likes and dislikes of Guildford town centre. In this case, of those households that shopped in the centre, the main likes were:

- good range of non-food stores,
- attractive environment,
- close to home,
- easy to get to.

3.24 The main dislikes mentioned were:

- steep hill,
- difficult to park near shops,
- difficult to get to by car.

Overview of Survey Data

3.25 The survey data has been fundamental in seeking to establish the extent of the catchments of the town. The comprehensive database is useful, therefore, not only in the information it presently provides, but also as a foundation upon which future surveys may be undertaken, so that a time series of empirical data and shopping in the Guildford area may be developed.

3.26 Key points to emerge are that the town's catchment area is considerably more extensive for non-food shopping than food shopping. Again, the town centre's catchment area is more extensive than the town's retail warehouse park catchment area. These are important issues in considering the need for further provision.

4. Town Centre Performance and Prospects

4.1 Guildford's retail performance and prospects cannot be divorced from those of competing centres and in this connection the town centre competes at a sub-regional level principally with Woking, Aldershot, Farnham, Godalming, Horsham, Farnborough, Crawley and Dorking. It also competes with Kingston upon Thames, Basingstoke and Bracknell, larger centres a little further afield.

4.2 Evaluation of various Experian Goad Street Trader Plans and related Centre Reports (see Appendices A-I) reveals the following levels of comparison goods retail floorspace in the competing centres, after adjusting for stores trading on multiple levels:

Kingston	123,500 sq m	1,329,386 sq ft
Guildford	**120,150 sq m**	**1,293,326 sq ft**
Crawley	99,000 sq m	1,065,662 sq ft
Woking	68,350 sq m	735,737 sq ft
Basingstoke	66,500 sq m	715,823 sq ft
Aldershot	62,550 sq m	673,304 sq ft
Farnborough	48,310 sq m	520,021 sq ft
Horsham	45,950 sq m	494,618 sq ft
Camberley	43,800 sq m	471,475 sq ft
Dorking	40,100 sq m	431,647 sq ft
Bracknell	27,700 sq m	298,170 sq ft
Farnham	21,950 sq m	236,276 sq ft

4.3 Kingston and Basingstoke are large centres, with Kingston in particular growing in retailing strength. Kingston-upon-Thames Borough Council have identified a need for a further 50,000 sq m gross retail floorspace by 2011 and discussions are underway with a number of developers to meet this need through redevelopment of parts of the town centre. Basingstoke's Festival Place redevelopment considerably strengthened that centre when it opened in 2003. These developments will impact on the fringes of Guildford's catchment and highlight the importance of improving Guildford's own retail offer in order to maintain its status in the south-east's retailing hierarchy.

4.4 In Crawley, the Town Centre North site is to be redeveloped with John Lewis the anchor store for approximately 70,000 sq m (753,474 sq ft) of gross retail floorspace. This will obviously strengthen Crawley considerably. However, this is only in the very early stages of development with a planning application not expected until summer 2007 and with trading not expected to start until 2012 or 2013. Bracknell has a scheme coming forward that promises to double the retail floorspace of the town.

4.5 In Guildford, the planned expansion of the Friary Centre will add a further 24,923 sq m (268,271 sq ft) to Guildford's retail floorspace, bringing the total to 145,073 sq m (1,561,565 sq ft), considerably strengthening the centre. There is also a scheme coming forward in Camberley for the redevelopment of a town centre site which will add 10,741 sq m (115,615 sq ft) of retail floorspace. Aldershot has two schemes coming forward shortly, one on the High Street and one at Wellington Avenue that will increase the town's retail floorspace by approximately 3,693 sq m (39,751 sq ft).

4.6 Taking these new developments into consideration the approximate projected floorspace figures will be as follows:

Kingston	173,500 sq m	1,867,599 sq ft
Crawley	169,000 sq m	1,819,160 sq ft
Guildford	**145,100 sq m**	**1,561,895 sq ft**
Woking	68,350 sq m	735,739 sq ft
Basingstoke	66,500 sq m	715,823 sq ft
Aldershot	66,250 sq m	713,132 sq ft
Camberley	54,550 sq m	587,191 sq ft
Farnborough	48,310 sq m	520,021 sq ft
Horsham	45,950 sq m	494,618 sq ft
Dorking	40,100 sq m	431,647 sq ft
Bracknell	27,700 sq m	298,170 sq ft
Farnham	21,950 sq m	236,275 sq ft

4.7 The above figures show that, although other centres are improving their retail offer, Guildford is strengthening its position as Surrey's premier retailing destination.

Town Centre Health Check

4.8 Guildford is a sub-regional centre and is the principal retailing destination in Surrey. The town centre is dominated by comparison goods retailing, occupying 72.5% of the total floorspace in the centre, according to the most recent Goad Centre Report (October 2005). The total number of retail units (A1, A2, A3, A4 and A5) including miscellaneous properties (i.e. under construction and vacant) is 515 according to our survey conducted in October 2005. This includes 26 convenience stores, 313 comparison stores and 145 units accommodating services. There were 17 vacancies at the time of our survey.

4.9 Compared to the national picture, there is a low concentration of convenience floorspace in the town centre (looking at the Goad Centre Report figures), with an index of 20 against the national average index of 100. Comparison floorspace shows a higher index of 137 with service provision just below the national average at 94. Despite this, the survey of town centre retailers (Appendix M) shows that most retailers consider the range of shops to be good with no suggestion that more convenience goods floorspace is badly needed.

4.10 In addition to the town's retail function, Guildford is also a notable administrative and office centre. In this connection, Guildford Borough Council, with its main offices at Millmead, is one of the town's largest employers and Guildford Business Park is home to companies such as Phillips, Eriksson and Colgate-Palmolive. Other significant administrative organisation employers in the town include the South East England Regional Assembly (SEERA), South East England Development Agency (SEEDA) and Government Office for the South East (GOSE). Guildford is also a university town, being home to the University of Surrey. Other notable education establishments include Guildford College and the Royal Grammar School. Guildford is also home to the Royal Surrey County Hospital, Nuffield Guildford Hospital, and Mount Alvernia Hospital, giving the town the finest hospital provision in the county.

Retailer Representation and Intentions to Change Representation

4.11 Attached at Appendix N is a schedule setting out leading multiple retailers, across a variety of goods categories, present in Guildford town centre. The schedule also shows multiple retailer presence in neighbouring and competing centres, specifically Aldershot, Basingstoke, Bracknell, Camberley, Crawley, Farnborough, Farnham, Horsham, Kingston and Woking. In overall terms, it can be noted that Guildford has considerably more multiples than any of its principal competitors as shown on the following table:

Centre	Multiple Count
Kingston	240
Guildford	**178**
Basingstoke	172
Crawley	167
Woking	127
Horsham	109
Bracknell	97
Camberley	85
Aldershot	73
Farnborough	73
Farnham	66
Dorking	48

4.12 Attached at Appendix M are the results of the survey of retailers undertaken by Chase & Partners in October 2005. Examination of the results shows that 64% of retailers consider the provision of multiples in Guildford to be good, with less than 1% considering provision poor.

4.13 In the important fashion sector, it can be noted that Guildford, with 45 retail units, is considerably ahead of its rivals:

Centre	Fashion Retailer Count
Kingston	53
Guildford	**45**
Crawley	37
Basingstoke	37
Woking	21
Aldershot	16
Bracknell	15
Farnham	13
Camberley	11
Farnborough	11
Horsham	10
Dorking	4

4.14 Of these competing centres, only Crawley and Woking have department stores, in both cases Debenhams, whereas Guildford has two department stores in Debenhams and House of Fraser.

4.15 Retailer demand for a presence in any town centre is a very important indicator of the centre's health. Set out below is an extract from the reputable Town Focus database identifying trends and the number of retailer requirements (the number of new shops sought by national multiple retailers) for Guildford town centre over the period April 1998 to April 2005. In this connection, the Town Focus database ranks the town's position within the UK retail hierarchy based upon some 1,500 shopping centres.

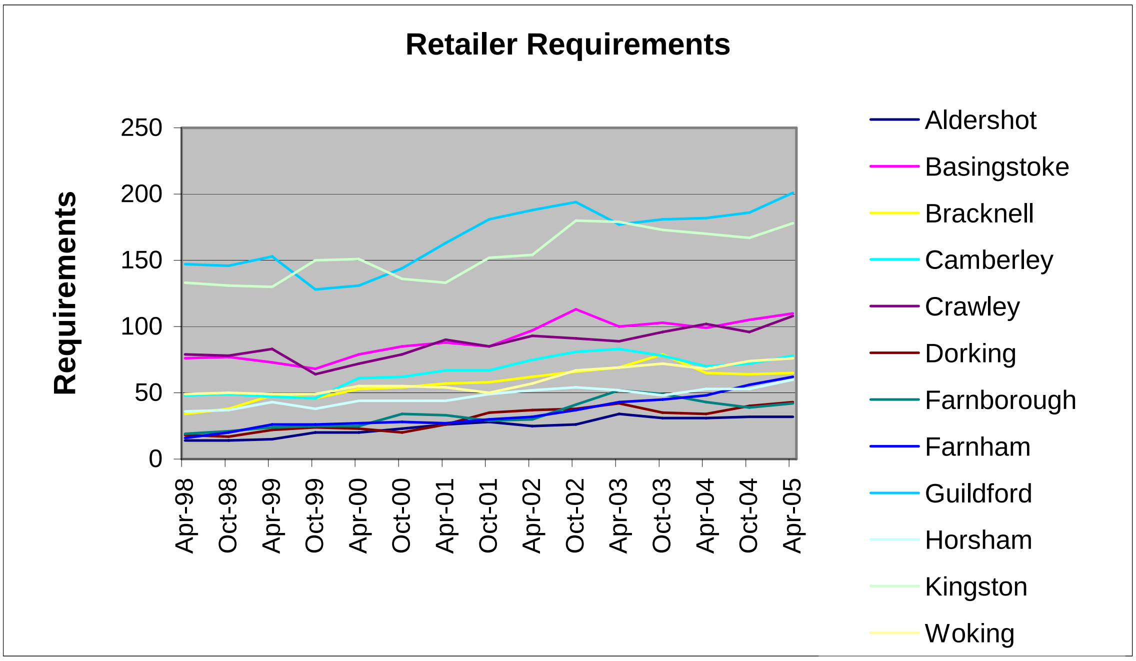
No. of Multiple Retailer Requirements	Ranking (1^{st} Highest)	Date
203	4	Oct 05
201	3	Apr 05
186	4	Oct 04
182	3	Apr 04
181	5	Oct 03
177	4	Apr 03
194	4	Oct 02
188	4	Apr 02
181	2	Oct 01
163	6	Apr 01
144	8	Oct 00
131	13	Apr 00
128	14	Oct 99
153	9	Apr 99
146	8	Oct 98
147	7	Apr 98

4.16 It can be noted from the figures above that Guildford has consistently been one of the most sought after retailing locations in the country. The number of retailers seeking representation in Guildford has steadily increased from 147 in April 1998 – a healthy figure itself – to a very impressive 203 in October 2005. This should be compared with the retail Focus rankings for Guildford's neighbours and competitors, prepared on the same basis:

Date	Aldershot		Basingstoke		Bracknell		Camberley		Crawley		Dorking	
	Reqs	Rank	Reqs	Rank	Reqs	Rank	Reqs	Rank	Reqs	Rank	Reqs	Rank
Oct 05	43	191	106	47	64	110	88	68	111	43	40	202
Apr 05	32	230	110	42	65	98	78	76	108	44	43	174
Oct 04	32	223	105	42	64	95	72	79	96	49	40	183
Apr 04	31	217	99	43	65	88	70	76	102	40	34	207
Oct 03	31	220	103	42	79	68	78	70	96	48	35	202
Apr 03	34	191	100	43	69	72	83	55	89	50	42	152
Oct 02	26	244	113	33	66	84	81	63	91	50	38	167
Apr 02	25	243	97	39	62	97	75	66	93	43	37	172
Oct 01	28	216	85	44	58	88	67	66	85	44	35	175
Apr 01	26	218	88	43	57	92	67	71	90	39	26	218
Oct 00	23	237	85	43	54	102	62	76	79	49	20	164
Apr 00	20	251	79	49	53	101	61	78	72	55	23	224
Oct 99	20	238	68	56	46	114	46	114	64	62	24	213
Apr 99	15	298	73	63	48	126	47	133	83	52	22	233
Oct 98	14	274	77	51	38	150	49	114	78	49	17	240
Apr 98	14	269	76	49	34	163	48	117	79	48	18	232

Date	Farnborough		Farnham		Horsham		Kingston		Woking	
	Reqs	Rank	Reqs	Rank	Reqs	Rank	Reqs	Rank	Reqs	Rank
Oct 05	48	165	64	110	65	106	176	6	86	71
Apr 05	42	176	62	106	60	119	178	8	76	79
Oct 04	39	188	56	123	53	136	167	7	74	75
Apr 04	43	159	48	144	53	132	170	6	68	79
Oct 03	49	143	45	158	48	147	173	7	72	81
Apr 03	52	120	43	144	52	120	179	-	69	72
Oct 02	41	156	37	177	54	125	180	6	67	81
Apr 02	30	211	32	202	52	122	154	6	57	105
Oct 01	29	207	30	196	49	126	152	9	50	118
Apr 01	33	182	27	213	44	134	133	9	54	101
Oct 00	34	177	28	202	44	133	136	12	55	96
Apr 00	25	218	27	207	44	125	151	10	55	96
Oct 99	25	213	26	203	38	144	150	8	49	109
Apr 99	24	221	26	219	43	145	130	11	49	123
Oct 98	21	214	20	223	37	153	131	12	50	108
Apr 98	19	224	16	250	36	157	133	13	49	112

Source: Focus database



4.17 From the above table and associated chart of retailer requirements, it is clear that Guildford has attracted far greater interest from retailers than any of its neighbours and competitors. Only Kingston has enjoyed a similar level of demand. Furthermore, while all of the neighbouring and competing centres have risen in the rankings over the last seven years, none have come close to Guildford's position which has remained inside the top five for the last five years.

4.18 Appendix O provides an insight into the nature and range of Guildford's published retailer requirements, again taken from the Focus database. Whilst this cannot be comprehensive (other retailers may be tempted into the centre if the right unit were to become available in the right location), it does demonstrate that retailers perceive the centre to be a highly desirable trading location, with 201 published requirements. This compares to 46 published requirements for Aldershot, 88 for Basingstoke, 69 for Bracknell, 90 for Camberley, 101 for Crawley, 43 for Dorking, 57 for Farnborough, 64 for Farnham, 65 for Horsham, 176 for Kingston and 86 for Woking. Furthermore, the list of operators seeking representation in Guildford includes the full range of retailers from discount stores to quality high street retailers and bulky goods operators.

4.19 Plan 2 sets out the location of national multiple retailers within the town centre. This demonstrates that comparison goods retailing is focused on the lower end of the High Street, North Street and the Friary Centre.

Shopping Rents

4.20 Plan 3 is a rental tone map which illustrates the geography of Zone A rental levels throughout the centre. The map clearly shows the lower end of High Street in the vicinity of Marks & Spencer and House of Fraser as the principal retailing area of Guildford with Zone A rents reaching £240 per sq ft. Around this area rents remain healthy, registering at £170 per sq ft on White Lion Walk, £140 per sq ft in the Friary Centre and £120 per sq ft on North Street. Beyond this, Zone A rents drop off to around £75 per sq ft at the eastern end of High Street and £70 per sq ft at the Tunsgate Square shopping centre. In the other direction, the River Wey acts as a natural barrier for the town centre retail function.

4.21 To set Guildford's Zone A rentals into context, the table below compares Guildford's levels with those of its principal competitors (£ per sq ft):

Town	**'95**	**'96**	**'97**	**'98**	**'99**	**'00**	**'01**	**'02**	**'03**	**'04**	**'05**
Aldershot	45	40	40	40	45	40	40	45	45	55	55
Basingstoke	120	120	125	125	135	135	135	135	155	155	160
Bracknell	70	70	70	90	90	90	80	90	90	110	110
Camberley	85	90	90	95	95	95	90	100	100	100	120
Crawley	85	85	100	115	120	120	115	115	130	130	135
Dorking	35	40	40	40	40	40	43	45	45	45	50
Farnham	45	50	50	50	50	50	50	55	60	70	80
Farnborough	40	45	45	45	45	45	45	45	55	55	60
Guildford	**140**	**150**	**185**	**200**	**200**	**200**	**200**	**205**	**225**	**230**	**240**
Horsham	75	80	80	90	90	95	95	90	90	95	100
Kingston	160	165	200	255	260	260	250	260	275	275	295
Woking	70	80	80	80	90	90	90	95	105	110	115

Source: Colliers CRE Retail Rents Map 2003, 2004, 2005

4.22 It can be noted that Guildford's prime Zone A rents have increased substantially in the last ten years, rising from £140 per sq ft to £240 per sq ft. This increase outstrips that of other centres (excluding those centres such as Kingston which are some distance away), demonstrating that Guildford is not only a higher order of centre than its neighbours and competitors, but that it is pulling away in rental terms.

Proportion of Vacant Street Level Property

4.23 Plan 4 shows the location of vacant units throughout the centre, according to our survey in October 2005. The plan shows 17 vacant units representing 3.3% of the total, well below the national average of 10%. The survey of retailers shows that 83% of retailers intend to remain in their unit for the next two to five years. This shows confidence in Guildford's future retailing prospects.

4.24 Most vacant units are to be found at the eastern end of the High Street in the Local Plan defined secondary and tertiary parades and a number of these are known to be under offer. There are no vacancies at all in the primary shopping frontage, and 73% of the retailers within the survey stated that they are happy with their accommodation. Guildford town centre is clearly vital and viable and benefits from strong demand and occupancy rates.

Commercial Yields on Non-Domestic Property

4.25 Set out below is a table of yields taken from the Property Market Report prepared by the Valuation Office and dated July 2005. In brief terms, yield is a measure of property value, it is a ratio of rental income to capital value and is expressed in terms of the open market rent of a property as a percentage of the capital value. In this way, the higher the yield, the lower the rental income is valued and vice versa. A higher yield is an indication of concern by investors that rental income might grow less rapidly and be less secure than a property with a low yield.

Town	**1/4/98**	**1/10/98**	**1/4/99**	**1/10/99**	**1/4/00**	**1/10/00**	**1/4/01**	**1/10/01**	**1/4/02**	**1/10/02**	**1/4/03**	**1/1/04**	**1/7/04**	**1/1/05**	**1/7/05**
Aldershot	6	6.5	6.5	7.5	8	8	8	8	8	8	8	8	8	7	7
Basingstoke	5.75	5.75	5.75	6.75	7	7	7	7	6.5	6.5	6.5	6.5	6.5	5.5	5.5
Bracknell	6.5	6.5	7.25	7.25	6.75	6.75	7	7	7	7	7	7	7	7	6.5
Camberley	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.25	6.25	6.25	6.25	6.25	6.25
Crawley	9.5	9.5	9.5	7.5	6	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Dorking	8	8.25	8	8	8	8	8	8	7	6.75	6.75	7	7	7	7
Farnham	6.5	6.5	6.5	6.5	6.5	7	7	7	7	7	7	7	7	7	7
Farnborough	7	8	8	8	8	8	8	8	8	8	8	8	8	7.5	7.5
Guildford	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**4.75**	**4.5**	**4.5**	**4.5**	**4.5**	**4.5**	**4.5**
Horsham	5.75	5.75	5.5	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.5	5.5	5.5
Kingston	4.5	4.5	4.5	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25
Woking	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.25	6.25	6.25	6.25	6.25	6.25

Source: Valuation Office Property Market Report July 2005

4.26 The above table reveals that relative to its principal competing centres, Guildford's yield at 4.5% is low, reflecting healthy prospects for rental growth and a low risk factor associated with retail investments in the town. Indeed, Guildford's yield has declined over the last seven years, reflecting an increasingly healthy market.

4.27 Examination of the table also shows that Guildford has had consistently lower yields than its competitor centres. This suggests Guildford has a more attractive investment market. It should also be noted that while Guildford's yield has fallen in recent years, other centres' yields have risen, (Dorking, Farnham and Horsham), remained static (Crawley, Kingston) or fallen only slightly (Aldershot, Farnborough, Woking and Camberley). In this way, Guildford's rental market can be seen to be pulling away from its competitors in terms of rental growth prospects.

Pedestrian Flows

4.28 The most recent survey of pedestrian flows in and around the town undertaken by Pedestrian Market Research Services (PMRS) was carried out on 17/18 December 2004. However, this survey relates to the Christmas shopping period and is not representative of normal pedestrian flows. Our own recent observations, however, confirm that the highest levels of footfall occur in the area of High Street between White Lion Walk and House of Fraser.

4.29 The survey of retailers attached at Appendix M shows that most of those surveyed consider Guildford to be a good centre for the movement of pedestrians, with almost no one considering provision to be poor. This is no doubt due to the pedestrianised areas in the primary retailing area on High Street as well as the large amount of covered shopping floorspace.

Accessibility

4.30 Guildford benefits from a mainline train station in close proximity to the town centre that provides excellent links to London and to Guildford's catchment, designated district centres and surrounding towns. The Guildford to Waterloo service operates six times every hour Monday to Saturday and every half hour on Sundays. Trains to Ash leave three to four times an hour Monday to Saturday and twice an hour on Sundays. Trains to Horsley leave Guildford four times an hour Monday to Saturday and once an hour on Sundays. There are also direct trains to Aldershot, Camberley, Dorking and Woking.

4.31 Bus services link Guildford to all surrounding towns, all parts of its catchment and to important destinations such as the Royal Surrey County Hospital, the University of Surrey and the major out of town food stores of Tesco and J Sainsbury. Accessibility to the town centre will be enhanced when the new bus station is provided as part of the Friary Extension development. A contribution from this development will also assist the improvement of Park & Ride facilities serving the town centre.

4.32 Guildford also benefits from a Park & Ride service to the town centre from departure points at Ladymead Retail Park, the Spectrum Leisure Centre, Artington and a University of Surrey car park. Services from Spectrum operate Mondays to Fridays starting at 7.27am and continue until 11.10pm. Services from Ladymead operate on Saturdays only between 8.30am and 6pm. The Artington service operates Mondays to Saturdays between 7.30am and 7.30pm. Return tickets are £1.20 per adult and 60p for a child, which compares favourably with town centre parking costs.

4.33 The survey of retailers asked what, in their opinion, the most important issues facing Guildford currently are. The two issues of most concern to retailers were traffic congestion and a perceived lack of car parking. Indeed, 59% of retailers considered Guildford's car access to be poor and 56% considered the car parking provision poor. Access by public transport was considered average by 55% of those surveyed but 58% considered Guildford's arrangements for pedestrians to be good, with only 9% considering them poor. Increasing parking spaces also came top of the priorities for retailers for improvements to Guildford Town Centre, closely followed by reducing congestion.

4.34 Guildford Borough Council provides information on the town centre car parking provision (Appendix P). It should be noted that the figures shown are maxima, with the total number of spaces varying throughout the week, but around 5,000 car parking spaces are normally available for public use.

Diversity of Main Town Centre Uses

4.35 As noted above, Guildford is host to a variety of uses besides its retail function. Guildford is an important administrative centre, with regional offices (SEERA, SEEDA, GOSE) within or close to the town centre. The main office of local authority Guildford Borough Council are also centrally located. Private sector offices are also a significant land use on the town centre's periphery.

4.36 Educational establishments are significant with the Academy of Contemporary Music, Royal Grammar School and the Guildford School of Acting located within the town centre's boundary and Guildford College, and Surrey County Council Adult Education Centre at Harvey/Sydenham Road, are just beyond. Hotels, theatres and the Odeon cinema are all within walking distance of the centre, as are two large nightclubs, several churches, the Yvonne Arnold and Electric Theatres.

Amount of retail floorspace in edge-of-centre and out-of-centre locations.

4.37 Appendix Q shows the amount of retail floorspace serving Guildford from out-of-town locations. The total amount of food and non-food retail floorspace comes to some 31,461 sq m (338,647 sq ft). Figures taken from the latest Goad Centre Report (adjusted to take account of stores trading on multiple levels) shows Guildford town centre as having 120,150 sq m (1,293,284 sq ft) of floorspace, with a significant expansion of the Friary Centre of some 24,700 sq m (265,869 sq ft) to come. This will give Guildford a total of 144,850 sq m (1,559,152sq ft) retail floorspace. Against this, Guildford's level of out-of-centre retailing is not excessive.

4.38 Furthermore, all of the non-food out-of-town stores are bulky goods operators retailing goods such as carpets, furniture, electrical and DIY goods that trade less successfully in town centres. Bulky good operators typically seek large-footprint buildings with extensive car parking, sites for which are generally too large for town centre locations. In our view, Guildford's existing out-of-centre retailing complements rather than competes with the town centre.

Potential Capacity for Growth

4.39 Guildford has an affluent catchment area and a growing population and, in theory, the resultant growth in expenditure will be available to support further retail floor space. In reality, Guildford is highly developed and there are few obviously vacant sites in the historic town centre immediately available for development. Expansion will therefore have to come from redevelopment, as with the Friary Centre Extension Development (the emerging Town Centre Area Action Plan identifies known large-scale development sites within the town centre). We have considered the town centre car parks as possible locations for new development but most of these are necessary for the management of traffic and remain important to the function of the centre.

Perception of Safety and Occurrence of Crime

4.40 In reviewing this issue we have examined locally collected crime data supplied by Guildford Police as well as statistics for Guildford and the wider area obtained from the Home Office.

4.39 Appendix R shows Home Office statistics for Guildford for the period April 2003 to March 2004, firstly for all crime and then by category. It can be noted that incidence of crime in Guildford is considerably lower than the national average for almost all categories. 20.5 crimes per 1,000 people were committed in the period January to March 2004 against 27.8 crimes per 1,000 people in England and Wales.

4.40 More up-to-date figures were provided by Guildford Police and these are also shown at Appendix R. These figures show that crime overall has fluctuated over the last year but at September 2005 was lower than at the same point in 2004.

4.41 Guildford retailers were asked how they viewed the local crime situation as part of the retailer survey. The response was mixed with 26% considering the crime situation good, 58% considering it average and 16% considering the situation poor. The distribution of these responses makes judging the perception of crime in Guildford difficult.

State of Town Centre Environmental Quality

4.42 The main retailing area of Guildford, centred on the High Street, is of the highest quality. Free from traffic during core hours and with many attractive buildings, much of the town centre lies within a designated conservation area. 66% of Guildford retailers rated the town's appearance and character as good with only 5% considering it poor. Improving the town's appearance scored extremely low on the list of most important things to be improved in Guildford.

4.43 The only area of poor quality is to the southern end of Woodbridge Road. This area is in need of redevelopment which is coming in the shape of the Friary Extension Development, thus improving the quality of the shopping environment further.

Customer and Residents' Views and Behaviour

Retailers

4.44 Retailers in Guildford were surveyed in October 2005 as to their perceptions of Guildford as a retailing destination. Questions were agreed with officers of Guildford Borough Council and distributed to 491 Guildford retailers. 124 responses were received, a response rate of 25%. Full results are given at Appendix M with the key points shown below.

4.45 The survey results show that most Guildford retailers consider their catchment area to be a radius of ten miles or more from Guildford, though half of Guildford's trade is perceived to come from local residents.

4.46 Most retailers (73%) are satisfied with their accommodation with the vast majority (87%) renting their premises. Consistent with this general picture of satisfaction, 87% intend to remain in their current location for the next twelve months and 82% plan to remain in place for the next two to five years.

4.47 Regarding turnover, retailers appear split between those who say their turnover has decreased in the year prior to the survey, and those who say it has increased (both 38%). Retailers are also evenly split between those who believe their business is performing above the average for their sector, and those who believe they are being out-performed (23% to 27%).

4.48 Most retailers think Guildford has a good number of multiple retailers, a good range of shops, of good quality, good restaurant and café provision and they approve of the cleanliness and general appearance of the town. Car parking and access by car is considered poor and access by public transport to be average.

4.49 When asked what are the most important issues facing Guildford, retailers were of the opinion that increasing the amount of car parking and reducing traffic congestion were of paramount importance.

Residents

4.50 In addition to the survey of Guildford retailers, residents of the study area were surveyed to ascertain their attitudes toward Guildford Town Centre as part of the household survey of shopping habits. The results show that Guildford's main strength is considered to be its good range of non-food stores, with 32% of all those surveyed stating this to be what they most like about the centre. 20% of those surveyed responded that there is nothing or very little they like about Guildford Town Centre, with the highest proportions of these responses coming from Zones 1 and 8 – identified as the heart of Guildford's catchment. 18% of all respondents stated that they don't shop in Guildford, though most of these responses came from Zones 4, 5 and 6 which are dominated by other centres. 16% considered Guildford town centre to have an attractive environment.

4.51 When asked what they disliked about Guildford town centre, 24% of those surveyed responded "nothing/very little", indicating that although some people are unimpressed with Guildford, a greater number clearly are favourably impressed. The most common complaint was about the steep hill (29%) with the only other major complaint being the perceived inability to park near to the shops (15%). The full tabulated survey results have been passed to the Council.

Conclusions: Health of the town centre

4.52 Guildford is a highly successful, vital and viable retailing destination. While it lacks a large sized food store, its comparison goods offer is extensive and set to grow. The town has shown strong rental growth, low and falling yields and, as the extension to the Friary Centre and the long list of retailer requirements shows, it can attract significant investment. The extension to the Friary Centre will go some way to meeting retailer demand in the plan period to 2016.

4.53 Retailers in Guildford appear satisfied with their premises, indicating that the physical accommodation is generally suitable to modern retailers' needs. There appears to be little desire to change accommodation or to leave the town altogether. Retailers' main concerns appear to be the level of traffic congestion and the perceived shortage of car parking.

4.54 In terms of Guildford's relationship to nearby and competing centres, it is the major retail centre for Surrey and although other centres are improving their retail offer, Guildford is pulling away in terms of total floorspace and Zone A rents. Guildford is therefore unlikely to be removed from the top of the retail hierarchy.

5. District Centres' Performance & Prospects

5.1 As we have already indicated, shoppers in and around the Guildford area have a considerable choice of destination for shopping trips. The shopping hierarchy in the area is dominated by Guildford town centre which contains department stores, a representation of variety stores and over 170 national multiple retailers. Moving down the hierarchy, the likes of Horsham and Dorking address district rather than sub-regional needs and requirements. At this level in the hierarchy, national multiple retailers are present but there is no significant full range department store representation.

5.2 Further down the shopping hierarchy are centres such as Godalming, where the shopping function serves more local needs. At this level, multiple retailer representation is limited and typically less than twenty, and the all important anchor function is served by food superstores and larger food supermarkets. There is, however, a lower level still in the shopping hierarchy which embraces the centres of Ash and East Horsley. In these centres, multiple retailer representation is negligible.

5.3 At the different levels in the sub-regional shopping hierarchy, each centre has a different role and function, different performance levels and different prospects.

5.4 At the lowest level of the shopping hierarchy, it is important that the basic level of retail and, for that matter, service facilities are provided. Provision over and the above the basics is in our view an added bonus. In this regard, we consider the basic level of facilities to include:

- greengrocer,
- baker,
- butcher,
- chemist,
- food store/supermarket,
- off-licence,
- newsagent,
- post office,

- bank/building society.

5.5 It is perhaps more appropriate, in our view, to assess the health of these very small centres in terms of the availability, or otherwise, of the basic level of these facilities. This is especially so in the absence of available data concerning retailer demand, rental levels, yields and pedestrian footfall.

Shopping Rents

5.6 The level of commercial rental values is an indication of the perceived strength of a centre and such values can also provide a measure of the relevant importance of different streets and locations within a centre, giving an indication of a retailer's desire to relocate within specific areas.

5.7 It should be noted that the market place for shopping centres and retail property when undertaking rental valuations still uses imperial measurements and not metric units.

5.8 With the exception of the occasional supermarket, typical rental levels for unit shops located in the subject centres will be between, say, £10,000 and £15,000 per annum exclusive. Since neither of the district centres comprise modern purpose built shopping centres, typical shops are limited and somewhat uniform in size, between say 600 sq ft to 1,000 sq ft. With a typical internal width of 15-20 ft, this would imply a Zone A figure of around 350 sq ft. Equivalent Zone A rents (which relate to the first 20 ft depth of the shop), would therefore analyse back to rates of between £18 to £25 per sq ft per annum.

5.9 It is important to note, however, that particularly for small district centres, Zone A rates are not usually applicable as some shop tenants will consider their rents in overall annual terms only, not as an analysed per sq ft rate. Analysis of this nature is the domain of more sophisticated markets where rents are typically higher and there is an active rent review market.

5.10 Exercising our judgement however, we would consider that the equivalent Zone A level for Ash would be of the order of £25 per sq ft. For East Horsley, we consider equivalent Zone A levels to be about £21.50.

Yields

5.11 Whenever properties (whether commercial or residential) are let to produce an income, there will be a market of potential purchasers to buy the right to receive the income as an investment. It would therefore be wrong to say that there is no investment market in the district centres as these will have a small percentage of shops which are let as opposed to owner occupied, thereby creating an investment market.

5.12 However, in terms of transaction volume and value, the market for investments in these district centres is small. Thus the incidence of a commercial investment being created is relatively rare. Given the relatively low rental values in these centres, the typical transaction value is also low.

5.13 The overall tenant make up of the district centres is predominantly local in nature, and the streets concerned are dominated in number by local businesses and sole traders. For an investment to attract attention from the mainstream institutional markets (i.e. pension and insurance companies investing their clients' money in commercial property to provide a guaranteed annual return), income from the investment must usually be seen as secure. Typically, shops let to sole traders and local businesses change hands fairly frequently, may be let on short term leases or licence arrangements and do not offer the guarantees of steady income over, say, a 25 year period. They are therefore not considered as institutional investments.

5.14 A small number of larger shops occupied by national multiple covenants in the district centres have been the exceptional cases where they have been able to offer stock onto the mainstream investment market. Given, however, the comparatively small rentals (and small lot sizes) the district centres' exposure to the investment market has in the main been via the auction route. Again, given the very limited supply of stock, it is not surprising that examples of sales of this nature in the district centres have been few.

5.15 In normal circumstances, it is not possible to provide a uniform indicative yield for either of the district centres, since the value of known deals relates more to the occupier than to the centre itself. However, this is not to say that the centres in question are fundamentally fragile. The point to make is that the institutional investment market sees a more secure income stream in other centres, higher up the hierarchy.

5.16 Against this background, we go on to consider the performance and prospects of Wharf Road Ash and East Horsley, the borough's two identified district centres.

Wharf Road Ash

5.17 We have surveyed the land uses in Ash district centre and have presented the resultant information in the format used by Experian Goad. In this connection, the district centre contains twenty-seven units comprising 3,530 sq m (38,000 sq ft) of retail floorspace.

5.18 Of the twenty-seven units, only two were vacant at the time of our survey in December 2005. Six of the units (27%) were occupied by multiple retailers. Appendix S contains the full breakdown of the centre.

5.19 Of the basic level of facilities set out in paragraph 5.4 above, Ash contains the following:

- supermarket (Budgens),
- bakery,
- chemist,
- post office (part of Spar convenience store),
- off licence.

5.20 There is also the large Vale Furnishers unit, which we can only assume is located in this district centre for historic reasons. The store grew as a family business.

5.21 The all important anchor role is performed by the Budgens supermarket and, in addition to the above basic facilities, the centre also accommodates restaurants/takeaways, a pet shop, dry cleaners, hairdressers, a bookmaker and estate agents. There are no banks or building societies present.

5.22 Although the vacancy ratio in the centre is low (7% by unit number, 3% by floorspace), the amount of floorspace devoted to services is high (44% of units and 25% of floorspace). If the Vale Furnishers unit were to be vacated, it is difficult to see how the space would be reused for retail purposes. As such, the vacancy and/or service floorspace elements within the centre would escalate.

5.23 For the moment, the all important anchor function to the district centre appears to be trading well, and the store is well located within the centre to facilitate linked trips to other shops/services.

5.24 Whilst the further loss of A1 retail floorspace should be resisted from the policy perspective, better provision of banks/building societies would generally assist the vitality of the centre, as they do encourage high and regular footfall.

5.25 Our view of Ash is that it currently fulfils its role at this level of the shopping hierarchy. However, the loss of the Vale Furnishers unit would undermine the centre's well being, as would the loss of the Budgens unit. The distortion to the vacancy level and diminution of footfall would pose a threat to the centre's future. These two stores are key to the centre's future well-being and local planning policy should give them all the support possible.

East Horsley

5.26 We have also surveyed East Horsley district centre and presented the information in the Experian Goad type format. This is contained at Appendix T. The district centre contains twenty-nine units, comprising 37,800 sq ft of floorspace (3,500 sq m).

5.27 As can be seen from Appendix T, the vast majority of floorspace in East Horsley is devoted to services and convenience goods, with only a very small element of floorspace devoted to comparison goods (10% of shop units and 6% of floorspace). In fact the centre contains only three shops selling comparison goods, comprising ladies wear, gifts and electrical goods.

5.28 Of the basic shops and services identified in paragraph 5.4 above, East Horsley contains the following:

- supermarket (Budgens),
- butcher,
- baker,
- newsagent,
- greengrocer/fruiterer,
- chemist,
- off licence,
- banks,
- post office.

5.29 It also contains a library, estate agents, restaurants/takeaways, hairdressers and dry cleaners. It can therefore be seen to accommodate the full range of services considered to be important at this level of the shopping hierarchy.

5.30 Vacancy in the centre is quite high (14% by unit numbers, 16% by floorspace), but there is no sign of environmental dereliction. We consider the centre to be vital and viable at the moment. The absence of comparison shops is not a cause for concern.

5.31 A very recent trend in retailing at the lower levels of the hierarchy in the UK, has been the interest from superstore operators such as Tesco and Sainsbury, in acquiring smaller convenience stores, and thereby increasing the operators' overall market share by properly addressing local shopping needs. At the moment, the leading operators are trialling the neighbourhood level operation. If this provides successful, we can expect to see further interest from such operators, more investment in such stores, and more vital smaller, local shopping centres.

6. Quantitative Assessment

6.1 Having identified Guildford's catchment(s), it is now possible to estimate the total amount of expenditure on comparison and convenience goods arising within the relevant catchments. It is also possible to estimate the growth in such expenditure over the periods to 2011 and 2016 (and to 2021, refer Appendix U) as required by the local planning authority. The standard methodology in so doing is to apply a per capita expenditure estimate prepared by MapInfo (formerly the Unit for Retail Planning Information, URPI), to population estimates of the catchment(s). Calculations as to growth can then be prepared having regard to population estimates and MapInfo forecasts of changes in per capita expenditure over time (as set out in MapInfo Briefs, a copy of which is attached as Appendix U).

6.2 On a note of caution, MapInfo has long advised that the longer the term utilised for projecting forward growth in expenditure per capita, the less reliable are the conclusions. For this reason, greater reliance can be given to the forecasts in expenditure growth in the period 2006 to 2011 than the 2011 to 2016 estimates. In practical terms, we would anticipate that the 2011 to 2016 and 2021 estimates and forecasts would be reviewed over the next five years when the LDF is reviewed.

6.3 In addition to the original study brief timeframe (to 2016), we have been asked to provide retail floorspace guidelines for the period 2016 to 2021, and these we include at Appendix V. The point made above regarding greater reliance being given to the forecasts in expenditure growth in the first five year period, (then the subsequent quinquennia) must be reiterated.

6.4 In forecasting forward to 2016, we use the MapInfo goods base. As for the actual growth rate utilised, we have had regard to MapInfo Brief 05/2 "UK Goods Based Retail Expenditure Estimates and Price Indices". In this Brief, advice is given that growth in expenditure per capita in the period 2001 to 2004 exceeded earlier estimates and forecasts, especially for comparison goods. With this in mind, in our forecasts of future expenditure per capita levels in Guildford's catchments, we have utilised actual expenditure growth recorded in the years 2001 to 2004 and thereafter the MapInfo annual forecast growth rates. For comparison goods, this equates to 4.1% per annum in the period 2004 to 2011, and 4.3% per annum in the following five year periods. For convenience goods, we adopt actual growth rates to 2004, then 0.8% for the period 2004 to 2011, followed by 0.9% for the following five year periods. The net effect of the above is that the pool of expenditure on convenience and comparison goods arising is higher than has been estimated in other, earlier, retail studies.

Expenditure Per Capita: Estimates & Forecasts, Comparison Goods

6.5 A Targetpro report has been commissioned from MapInfo addressing the study area, and this provides expenditure per capita estimates for both comparison and convenience goods. In this way, MapInfo calculate that in 2001, consumer retail expenditure per capita summed to £2,953 and £1,731 for comparison goods and convenience goods respectively (2001 prices).

6.6 Allowing for a small percentage of expenditure that does not take place in shops (special forms of trade, e.g. mail order, the internet, vending machines) and utilising the above annual growth rates, the following per capita forecasts are produced (comparison goods):

2001	-	£2,796.49
2006	-	£3,946.16
2011	-	£4,824.24
2016	-	£5,954.57

6.7 Incidentally, MapInfo calculate that special forms of trade declined in the early part of this decade, from 8.4% to 5.3% of all comparison goods expenditure. This suggests that the vast majority of retailers continue to pursue store based selling strategies.

Expenditure Growth

6.8 The MapInfo Targetpro report referred to earlier also contains population estimates and forecasts for the constituent postcode areas of the study area, and from these we calculate that the population of the town centre's primary catchment is due to increase as follows:

Year	Population
2006	397,948
2011	405,261
2016	413,432

6.9 By applying the forecast expenditure per capita estimates to the population forecasts, the following levels of growth in expenditure can be calculated:

Year	Population	Expenditure Per Capita (£)	Total Expenditure (£m)
2006	397,948	£3,946.16	£1570.36
2011	405,261	£4,824.24	£1995.07
2016	413,432	£5,954.57	£2461.80

Growth in Expenditure:

2006-2011	£424.71 m
2011-2016	£466.73 m

6.10 Although growth in expenditure on comparison goods in the town centre's catchment in the period 2006 to 2011 is considerable (some 27% of the current pool of expenditure), not all of this is available to support new and existing floorspace in the town centre. To gain an insight into the level of expenditure growth that would reasonably be available to support new and existing floorspace, we need first to provide an estimate of the town centre comparison goods turnover and assess the share that such a level of turnover enjoys in terms of total comparison goods expenditure arising from the catchment.

6.11 In order to gain such an insight, we have adopted two different approaches, one based upon town centre floorspace and the other based upon the results of the household survey.

Town Centre Turnover: Comparison Goods

6.12 Since the Census of Distribution was dispensed with by the government, detailed and accurate floorspace figures for any town or city centre are difficult to provide. In order to provide guidance on the likely general level of town centre comparison goods turnover, we have adopted floorspace estimates of the town centre extrapolated from the Experian Goad plan and as produced in summary form by Experian.

6.13 In this connection, the table below contains the total comparison net floorspace of the town centre, broken down into sixteen separate goods categories. For each goods category we have applied a turnover per square foot estimate, derived from analyses of recorded turnover levels of national multiple retailers within each goods category, adjusted where necessary to reflect the mix of independent/multiple retailers in the centre, the position of Guildford in the regional shopping hierarchy, and its prime Zone A rental levels.

Town Centre Turnover: Comparison Goods (2006)

Goods Categories	**Net Floorspace Estimates (000's sq ft)**	**Turnover (£ per sq ft)**	**Turnover Estimate (£m)**
Footwear & repairs	20.3	600	12.18
Mens & boys wear	25.2	620	15.62
Womens, girls & childrenswear	88.2	750	66.15
Mixed and general clothing	80.9*	700	56.63
Furniture, carpets and textiles	70.7	400	28.2
Books, arts/crafts, stationers/copy	52.2*	500	26.10
Elec, home ent, phones & video	38.5	750	28.87
DIY, hardware & household goods	19.6	200	3.92
China, glass, fancy & leather goods	11.9	450	5.35
Cars, motorcycles & motor accessories	4.2	300	1.26
Chemists, drug stores & opticians	29.4	700	20.58
Variety, department & catalogue	364.10*	550	200.25
Florists & gardens	1.4	250	0.35
Sports, toys, cycles & hobbies	32.4	400	8.96
Jewellers, clocks & repairs	9.1	900	8.19
Charity, pets & other comparison goods	4.2	400	1.68
TOTAL	**842.30**	**575**	**484.29**

Source: Goad (70% Footprint Floorspace except*)
* includes upper floor trading (where appropriate)
Retail Rankings (2005)
Chase & Partners

6.14 From the above it can be seen that the comparison goods turnover of the town centre is estimated to be some £485 million in 2001 prices.

6.15 However, and in order to cross check this figure, we have also modelled the household survey results, taking on board the recorded expenditure flows to the town centre of all the various comparison goods categories identified in the questionnaire. These are contained in Appendix V. In this way, the modelled household survey data reveals that the comparison goods turnover of the town centre sums to approximately £590 million, again in 2001 prices.

6.16 There are inevitably differences between the constituent elements of the two turnover estimates and we acknowledge that neither is perfect. In our experience, the results provided from modelled expenditure flow analyses tend to be high, perhaps due to the assumption that where people usually shop for particular goods is where they always shop for those goods. In our view, the town centre's present comparison goods turnover is likely to be closer to the floorspace based estimate than the modelled estimate. The overall picture to emerge is that of a total town centre comparison goods turnover of the order of £500 million and this estimate we adopt here. This comprises a share of some 32% of the town centre's catchment pool of comparison goods expenditure. However, on the realistic assumption that 90% of the town centre comparison goods turnover is derived from the identified catchment, the town centre market share is circa 29%.

Town Centre Floorspace Guidelines

6.17 Referring back to the forecast level of growth in comparison goods expenditure arising from the catchment in the period 2006 to 2011 (£424.71 million), applying the town centre's present market share of circa 29% would indicate that, other things being equal, some £123.2 million would be available to support new and existing comparison floorspace in the town centre in the period to 2011.

6.18 Allocating £25 million of this to allow for a 1% per annum increase in the efficiency of existing floorspace would result in some £98.2 million as being theoretically available to support new comparison goods retail floorspace. Since it can be anticipated that modern purpose built retail floorspace would attract good quality retailers to Guildford, we consider it appropriate to assume that any new floorspace provided would achieve an average turnover to floorspace efficiency of £600 per sq ft in 2011. At this general level, the additional £98.2 million referred to above could support circa 163,650 sq ft (15,205 sq m) of new net comparison goods retail floorspace in 2011. This would equate to circa 235,000 sq ft gross floorspace (21,830 sq m).

6.19 Adopting similar assumptions and conventions for the period 2011 to 2016, we calculate that an additional circa 152,000 sq ft (14,121 sq m) of comparison goods net retail floorspace could be supported in the town centre assuming turnover efficiencies of circa £650 per sq ft. Again, this would equate to circa 217,000 sq ft (20,170 sq m) gross floorspace.

6.20 We must emphasise, however, that these are floorspace guidelines and not ceilings or targets. They are founded in constant market share and other assumptions.

Expenditure Per Capita Estimates & Forecasts, Bulky Goods

6.21 Assessing growth and expenditure in the bulky comparison goods categories is not straightforward since there is no generally accepted list of legitimate bulky goods categories. As such, any quantitative assessment of future capacity must, in the first instance, be founded in agreement as to the constituent elements of the bulky goods category.

6.22 Having reviewed the bulky goods retail warehouse provision in Guildford (see Appendix Q), the following range of goods has in the past been accepted as bulky:

- DIY;
- electrical goods;
- furniture/furnishings;
- floor coverings;
- automotive products.

6.23 For our part, we take the view that the above range of goods comprises the core range of legitimate bulky goods. Additionally, any case for other goods, such as office supplies, pet supplies or sports goods, should be considered on their merits.

6.24 In this way, a quantitative assessment of future capacity in the above bulky goods categories can be provided, although further consideration will have to be given as to whether such capacity should, as a matter of policy, support retail warehouses or more traditional retail floor space.

6.25 Analysis of the MapInfo Targetpro report reveals that expenditure per capita on the DIY, furniture, furnishings, floor coverings and electrical goods categories sums to 38.4% of expenditure per capita on all comparison goods. Allowing for expenditure per capita on goods sold in the automotive products categories, we consider that expenditure per capita on the bulky goods categories listed above will sum to approximately 40% of expenditure on all comparison goods.

6.26 Choice of an expenditure growth rate for bulky goods categories is also not straightforward. Information supplied by MapInfo (Brief 98/3 "Trends in Furniture, Electrical and DIY goods expenditure"), reveals that expenditure per capita on these goods has grown at markedly different rates over the period since 1965, and notably 1.8%, 7.1% and 3% respectively. However Brief 98/3 (the latest Brief available on this specific topic) cautions against utilisation of the electrical goods growth rate in particular, since expenditure per head on electrical goods would double in ten years, and electrical goods expenditure would very soon dominate total comparison goods expenditure, and all comparison goods expenditure would apparently be made in electrical goods.

6.27 As asserted in Brief 98/3 this would clearly be unrealistic. In the circumstances, we consider it appropriate to utilise the same growth rates for the above bulky goods categories as for all comparison goods, accepting the limitations on the outcome involved. As already set out, we consider Guildford's bulky goods catchment area to equate to Zones 1, 2 and 8, since in the other zones the clear majority of expenditure on bulky goods is spent locally. The population of this catchment is as follows:-

2006	-	175,761
2011	-	178,501
2016	-	181,614

6.26 Total comparison goods expenditure arising from this catchment area is as follows:

2006	-	£693.58 million
2011	-	£861.13 million
2016	-	£1079.35 million

6.27 Since expenditure on the above bulky goods range amounts to some 40% of expenditure on all comparison goods, in Guildford's bulky goods catchment therefore growth in such expenditure will be as follows:

2006 to 2011	-	£67.02 million

2011 to 2016 - £82.29 million

6.28 As with spending on all comparison goods, not all of this growth in expenditure will be available to support new floorspace in Guildford.

6.29 Interrogation of the household survey results reveals that expenditure in Guildford's bulky goods retail warehouses amounts to some £50 million, which is approximately 20% of all expenditure on bulky goods categories arising from Guildford's identified catchment. However, utilising published national average turnover efficiencies for the various bulky goods retailers represented in Guildford, we estimate that their turnover would be circa £70 million in 2006. This is approximately 25% of all expenditure on bulky goods categories arising from Guildford's identified catchment. Given the recorded retail warehouse rental levels in Guildford, we consider the latter estimate of turnover to be more realistic.

6.30 In the event that Guildford's present share of retail warehouse bulky goods expenditure were to be held constant at 25%, then the forecast suggests that growth in expenditure on the bulky goods categories available to retail warehouses in Guildford would be as follows:

2006 to 2011 - £16.75 million

2011 to 2016 - £20.57 million

6.31 If this share were to be held constant, and on the basis of an average bulky goods turnover to floorspace ratio of £325 per sq ft, then growth in expenditure alone would support the following levels of additional retail warehouse floorspace:

2006 to 2011 - 51,550 sq ft (4,789 sq m net) (5,986 sq m gross)
2011 to 2016 - 63,290 sq ft (5,880 sq m net) (7,350 sq m gross)

6.32 Once again, however, we would emphasize that the above figures are guidelines only, not ceilings or targets and are very much dependent upon the assumptions adopted.

Expenditure per capita: Estimates and Forecasts: Convenience Goods

6.33 We have already set out that consumer retail expenditure on convenience goods in the study area summed to £1,731 per capita in 2001. Allowing for a small percentage of expenditure that does not take place in shops, (as before), and utilising the actual and forecast annual growth rates as set out in MapInfo Brief 05/2, the following forecasts are produced:

Year	Amount (£)
2006	£1,802.52
2011	£1,875.78
2016	£1,959.78

6.34 The convenience goods catchment of Guildford is, as already explained, smaller than the comparison goods catchment and we calculate that the population is due to increase as follows:

2006 - 104,819

2011 - 105,847

2016 - 107,182

6.35 By applying the forecast expenditure per capita estimates to the population forecasts, the following levels of growth in expenditure can be calculated:

Year	Population	Expenditure Per Capita (£)	Total Expenditure (£m)
2006	104,819	£1,802.52	£188.93 m
2011	105,847	£1,875.78	£198.54 m
2016	107,182	£1,959.78	£210.05 m

Growth in Expenditure

2006 to 2011	£9.61 million
2011 to 2016	£11.51 million

6.36 The limited scale of growth in expenditure forecast would not, of itself, support a new convenience goods superstore. Floorspace efficiencies of supermarket and superstore retailers vary tremendously. On the basis of a range between £500 and £1,000 per sq ft, the level of growth forecast in the period 2006 to 2011 would only support 9,610 to 19,220 sq ft (892 to 1,785 sq m) of new net floorspace, without any allowance being made for growth in expenditure helping to support/enhance trading in existing floorspace. On a similar basis, forecast growth in expenditure in the 2011 to 2016 period would support some 11,510 to 23,020 sq ft (1,069 to 2,138 sq m) of net new floorspace.

6.37 We are aware that proposal GT8 in the Adopted Guildford Borough Local Plan refers to land and buildings at Guildford Railway Station. This proposal permits retail development and the plan points out that any development involving retail should be primarily for food.

6.38 On this basis, we do not consider there to be a quantitative need for a further large new food superstore allocation until towards the end of the study period (2016). That said, from the qualitative perspective, there would be clear-cut benefits arising from the provision of further food stores within the recognised town and district centres as they would enhance vitality and the mix of the retail offer. It will be recalled that the need for such provision in recognised centres does not have to be demonstrated (see PPS6).

Conclusions

6.39 Our quantitative assessment of need/capacity for further retail floorspace serving Guildford reveals the following guidelines:

Town Centre Comparison Goods

2006 to 2011 - 21,830 sq m gross

2011 to 2016 - 20,170 sq m gross

Bulky Goods Retail Warehousing

2006 to 2011 - 5,986 sq m gross

2011 to 2016 - 7,350 sq m gross

Convenience Goods

2006 to 2011 - 1,274 sq m to 2,250 sq m gross

2011 to 2016 - 1,527 sq m to 3,054 sq m gross

6.40 We would emphasize that the above figures are guidelines only, not ceilings or targets and are very much dependent on the assumptions and conventions adopted.

6.41 For the avoidance of doubt the above guidelines are not in addition to existing commitments.

6.42 For lay readers, a typical department store would have circa 9,290 sq m gross floorspace, a typical food superstore would have circa 6,050 sq m gross floorspace, and a typical DIY retail warehouse would have circa 3,250 sq m gross floorspace.

7. Adequacy of Existing Provision & Commitments

Town Centre

7.1 It is clear by now that the town centre's comparison goods retail offer is good but, as already noted, in retail terms, standing still is akin to decline. It is therefore in the town centre's interests to continue to review and improve its quantitative and qualitative offer. In this connection, the proposed extension to the Friary Shopping Centre is an important development for the future performance and prospects of Guildford town centre.

7.2 The borough council has sought to compulsorily acquire land adjoining the Friary Centre, in order to assist in the implementation of proposals that have been in existence, in one form or another, for a decade. A public inquiry was held in September 2005 to consider objections to the proposed Compulsory Purchase Order (CPO). This was confirmed in January 2006.

7.3 At the public inquiry, the constituent elements of the proposed extension to the Friary Centre were elaborated upon, although as yet there are no named retailers signed up to the scheme.

7.4 Planning permission was granted, in outline form, in December 2004 for a comprehensive mixed-use development to include retail and residential uses, restaurants, a replacement bus station, a public square, and refurbishment of the existing Friary Centre (refer GBC planning reference 04/P/0090). With regard to the retail element of the scheme, an additional 24,923 sq m of floorspace (268,250 sq ft) were permitted for uses to include retail, professional and financial, and restaurants/cafes. The reserved matters application pursuant to this outline permission was approved in March 2006 (06/P/0028 refers).

7.5 The proposed developer is a high profile experienced retail developer, and the constituent elements of the proposal reflect their expertise. In this connection, a robust mix of unit sizes is being promoted to cater for standard unit shops and a number of medium space units (MSU's), reflecting the limited potential for such units in the historic Guildford High Street. The critical mass of the scheme will ensure that the new development will be attractive to a mix of retailers, including leisure, fashion, home wares, gifts, sports, music and video, cosmetics and general entertainment. We understand that the developers are seeking a food store element, although again our understanding is that this will not be a fully-fledged superstore.

7.6 For any town centre retail scheme to be successful it must be well located, well conceived in layout terms and attractively anchored. In terms of location, it should link into the existing prime retail pitch or main shopping area. In terms of design/layout, it should be pleasant and easy to use with good car parking facilities and good access to public transport. Shop frontages and depths should be adequate and flexible, shopper flow well distributed and services exemplary.

7.7 In our view, the proposed Friary Extension meets all of these commercial pre-requisites. It also has the further advantages of improving a run down area of the town centre and bringing new development and environmental improvements.

7.8 At 24,923 sq m additional floorspace, it appears to slightly exceed the comparison goods retail floorspace guideline for the period 2006 to 2011. However, it should be noted that the above figure also includes an allowance for professional offices and restaurants. The proposed development is also likely to include convenience goods floorspace in the shape of a food store. In our view the proposal is in the right location, of the right scale and is properly and sensitively conceived to make a significant contribution to the retail offer and overall competitiveness of the town centre.

7.9 The advent of a large new purpose built shopping development in any town centre is likely to affect existing shopping habits and patterns. In the case of Guildford, we consider it entirely appropriate for the local planning authority to await its implementation and monitor its effect on shopping in and around Guildford, before seeking to encourage another major development to meet the floorspace guidelines identified for 2011 to 2016. If the Friary Extension fits seamlessly in to the town centre's retail role, in the way intended, once it has been assimilated further expansion can then be contemplated in a practical and cautious way.

7.10 Our earlier analysis of the performance and prospects of the town centre highlighted the relative under provision of convenience goods retail floorspace in the town centre (an index of 20 against the national average of 100). Whilst further food floorspace would add variety to the town centre's offer, and is to be encouraged from the policy perspective, we are not convinced of the merit and utility of the provision of a full line food superstore catering primarily for main food shopping trips. This is due to the relative scarcity of floorspace vis a vis comparison goods retailer demand, and the intensity of use of the car parking facilities associated with a food superstore.

7.11 In our view, a supermarket would adequately and properly enhance the town centre's qualitative and quantitative shopping offer, without bringing with it the disadvantages of a superstore.

Bulky Goods Retail Warehouses

7.12 Despite the twists and turns of national policy guidance over the past decade, there is a long body of appeal precedent that establishes that bulky goods retail warehouses, properly conditioned, tend to compete primarily with other retail warehouses and not town and city centres. Moreover, despite some ministerial observations that there is nothing special about retail warehouses, or bulky goods shopping, PPS6 does advise local planning authorities to plan for a range of business models, and this logically would include retail warehousing.

7.13 Guildford's existing complement of bulky goods retail warehouses is set out at Appendix Q. It can be seen to include two DIY operators, two floor coverings operators, three electrical operators (including PC World), a furniture store and an automotive products/bicycles store.

7.14 In this way, all of the legitimate bulky goods operators are present, usually with an element of choice. There is no obvious shortfall in provision requiring an allocation of land in the short term (2006-2011) in the GDF.

7.15 That said, our quantitative capacity analysis does point to the scope for further provision over the period to 2016, and such provision, properly conditioned, would enhance Guildford's overall shopping profile, performance and prospects. To this we would add that we are aware that there is tremendous market demand from retail warehouse operators for a presence in Guildford.

7.16 In the circumstances, we are of the view that no specific allocation should be made for the period 2006 to 2011. However, once the Friary Extension has been implemented, and the range of new retailers noted and trading patterns have settled down, the Council should actively consider encouraging a further modest element of bulky goods retail warehousing, to reflect the floorspace guidelines outlined.

Food stores

7.17 Growth in expenditure on convenience goods is forecast to be much lower than on comparison goods. This scale of convenience goods growth would not support a new food superstore, at least not until the end of the study period.

7.18 Experience shows that Guildford's convenience catchment population (circa 105,000 people) could support three food superstores; both the Sainsbury and Tesco superstores are over trading, implying capacity for further provision. However, the southern part of Guildford's catchment is also served by good food store provision in Godalming. Furthermore, potential convenience provision in the Friary Extension and Railway Station redevelopment would go some way to meeting this need. It would therefore be appropriate to wait until the extent of the food element of these developments is known before allocating any further sites for food store purposes.

7.19 Accordingly, it will not be necessary to allocate any further sites for development for food store purposes in the period 2006 to 2011. However, this should be actively reviewed in the period 2011 to 2016.

District Centres

7.20 PPS6 highlights the important role of local shopping centres in catering for day to day needs and although Wharf Road Ash and East Horsley are allocated as district centres in the Guildford Local Plan, it is clear that they mainly provide for the day to day needs of a very localised catchment.

7.21 PPS6 also advises that local centres will generally be inappropriate locations for large scale developments.

7.22 From the market perspective, the principal challenge today is to promote and encourage the maximum number of retail uses within the existing stock of floorspace, and in so doing, prevent an over provision of service and other non-retail uses.

7.23 In these circumstances, we do not recommend that further retail floorspace guidelines be provided for the district centres. Rather, the planning response should be to focus on the careful husbandry of existing provision, with the objective that existing retail uses be promoted and supported wherever possible.

8. Policy Response

8.1 An important component of our retail study is to analyse whether there is a need for any revision of the policy approach to local shopping centres. We have also considered the case for any revision to the town centre retail policies as set out in the Adopted Guildford Borough Local Plan 2003.

8.2 In this connection, Policy S1 closely follows the sequential approach to site selection as set out in PPG6 e.g. town centres first, then edge of centres, followed by district and local centres and only then out of centre sites. As we point out in Section 2 to this report, this has been modified by PPS6, particularly with regard to district and local centres, which are now considered to be inappropriate locations for large scale developments. The GDF therefore will have to reflect current guidance (PPS6) regarding the sequential approach to site selection.

8.3 Policy S2 addresses additional retail development in the town centre but identifies a floorspace level of up to 2,500 sq m as being normally acceptable, and whereby proposals over 2,500 sq m should satisfy additional criteria. We are not convinced that such an approach is necessary or advisable in today's circumstances. Similarly, Policy S3 seeks the provision/retention of small units (no larger than 100 sq m) in major retail developments. Whilst the availability of smaller units is desirable from the perspective of new and/or independent businesses, this approach may constrain market forces, potentially proving counter productive to attracting developer interest and commitment and we are not therefore convinced that it is necessary or beneficial.

8.4 Whereas PPS6 now empowers local planning authorities to identify primary and secondary shopping areas in appropriate centres, the Adopted Guildford Borough Local Plan 2003, developed under PPG6, identifies primary, secondary and tertiary shopping frontages (Policies S4, S5 and S6 apply). Given the identified need for further retail floorspace in the town centre, it seems inconsistent to, on the one hand, encourage and promote further retail development in the town centre, whilst on the other hand, permitting changes of use from retail to other activities in secondary and tertiary areas.

8.5 As such we include at Plan 5 our view as to the extent of the primary and secondary shopping frontages in the town centre. They differ from those identified on the Adopted Local Plan Proposals Map, with the primary shopping frontages being more extensive than currently identified. As the Friary Extension Development is now subject to full planning permission, it is recommended that this be designated as primary frontage within future emerging GDF documents. Even within the currently defined primary shopping areas, there are existing non-retail frontages. We do not consider it necessary to permit further non-retail frontages in the primary shopping area, although a less cautious approach will be appropriate in the secondary shopping area. Clearly, the permissible uses should reflect those set out in the revised Use Classes Order (A1 to A5).

8.6 Policy S8 addresses the two district centres of Wharf Road Ash and East Horsley. Again, the policy is designed to protect A1 retail uses, but is expressed in terms of the old A1, A2 and A3 use classes. The protective stance to A1 uses should be retained in the GDF, but specific reference made to the revised Use Classes Order. Classes A4 and A5 (drinking establishments and hot food takeaways respectively) will require special consideration in terms of possible impact on amenity. We note that there is currently no public house in East Horsley district centre. However, this of itself does not provide a planning case for further provision.

8.7 Policy S9 focuses on the various local centres in the borough and the policy again provides an element of protection to A1 uses. In our view, the existing policy strikes a practical balance between protecting A1 retail uses and recognising the limited demand for such uses in these very local centres. Apart from updating it to reflect the revised Use Classes Order, it has much to commend it.

8.8 Another other point to note includes the important point that PPS6 urges planning authorities to be more proactive. Reflecting this, we consider that the Friary Extension should be formally allocated for development in the Guildford Development Framework as it was in the Adopted Local Plan Proposals Map.

8.9 Over the past five years there has been considerable pressure to provide convenience goods retail outlets on petrol filling station sites. These can serve the public interest if located in areas where existing food store provision is poor (so called ' food deserts'). On other occasions, they can serve to undermine existing local stores. The GDF should include policies addressing this topic.

8.10 Again, in recent years there has been a growing trend for garden centre operators to expand the quantum of open A1 retailing permissible within garden centres. It would be prudent for the GDF to address this contemporary issue also.

9. Summary & Conclusions

9.1 We have been instructed by Guildford Borough Council to provide a retail study in order to establish whether the Council needs to identify land for additional retail floorspace in the periods 2006 to 2011 and 2011 to 2016. Additionally, the study is to inform the preparation of policies and proposals for inclusion in the Local Development Framework and assist the Council in determining applications for planning permission. We have been subsequently asked to provide retail floorspace guidelines for the period 2016 to 2021.

9.2 Contemporary national retail planning policy makes it clear that the government has an explicit preference for encouraging retail development in town centres. In this connection, planning authorities are encouraged to plan positively for the growth and development of town centres by:

- assessing the need for further main town centre uses, notably retail uses, and ensuring there is the capacity to accommodate them, and

- plan for the expansion of centres by identifying appropriate sites in development plan documents.

9.3 PPS6 advises that planning authorities should allocate sufficient sites to meet the identified need for at least the first five years from adoption of development plan documents.

9.4 National planning guidance acknowledges that a network of local shopping centres in any area is essential in order to provide for day to day needs.

9.5 In order to provide empirical evidence as to local shopping patterns and preferences, household surveys were commissioned. Agreement on the survey methodology and questionnaire format was reached with officers prior to commencement of the fieldwork.

9.6 The study area was designed to cover an area sufficiently large to ensure that the extent of Guildford's catchment(s) could be determined. Structured interviews were carried out by telephone with the person responsible for the main household shop in a total of 1,000 households.

9.7 The survey revealed that the catchment for food shopping is less extensive than for non-food shopping and that the town centres comparison goods catchment area is more extensive than the catchment of Guildford's complement of retail warehouses.

9.8 Guildford's retail performance and prospects cannot be divorced from those of competing centres and in this connection the town centre competes in the sub-region with Woking, Aldershot, Farnham, Godalming, Horsham, Crawley and Dorking. It also competes with Kingston-Upon-Thames and Basingstoke, larger centres further afield. In retail terms, standing still is akin to decline and as competing centres improve their retail offer, so must Guildford if it is to retain its position.

9.9 Retailer demand for a presence in any town centre is a very important indicator of the centre's health. Our assessment of trends in the number of retailer requirements for Guildford town centre over the period 1998 to 2005 reveals that Guildford has increased in the rankings from seventh in 1998 to third in 2005. It has consistently been one of the most sought after retailing locations in the country. The number of retailers seeking representation in Guildford has increased from 147 in April 1998 (a healthy figure itself), to an impressive 201 in April 2005.

9.10 Guildford's prime Zone A rents have increased substantially in the last ten years, rising from £140 per sq ft to £240 per sq ft. This increase outstrips that of other centres in the sub-region, demonstrating that Guildford is not only a higher order of centre than its neighbours and competitors, but that it is pulling away in rental terms.

9.11 Guildford town centre is a highly successful, vital and viable retailing destination. While it lacks a major food retailer, its comparison goods offer is extensive and set to grow. Retailers in the centre appear to have little desire to change accommodation or leave the town altogether. Their main concerns appear to be the level of traffic congestion and the perceived shortage of car parking.

9.12 At different levels in the sub-regional shopping hierarchy, each centre has a different role and function, different performance levels and different prospects. At the level of district and local centres, it is important that the basic level of retail and service facilities are provided. Such a basic level of facilities includes:

- greengrocer,
- baker,
- butcher,
- chemist,

- food store/supermarket,
- off licence,
- newsagent,
- post office,
- bank/building society.

9.13 We consider it appropriate to assess the health of very small centres in terms of the availability or otherwise of the basic level of these facilities.

9.14 Both Wharf Road Ash and East Horsley have a good representation of the basic facilities, with East Horsley having the better representation. Both serve the day to day needs of their localised catchments. However at Wharf Road Ash, the loss of the Vale Furnishers unit would serve to undermine the centre's well being, given that it occupies a large and prominent unit which could not be easily reused or sub-divided. The future well being of this store, and the supermarket, is key to the centre's future prospects.

9.15 Growth in comparison goods expenditure arising from the town centre catchment is forecast at £424.7 million in the period 2006 to 2011. Applying the town centre's present market share indicates that, other things being equal, some £123.2 million would be available to support new and existing floorspace, of which we consider £98.2 million as being available to support new comparison goods floorspace. At an average turnover to floorspace efficiency of £600 per sq ft in 2011, the additional £98.2 million referred to above could support some 235,000 sq ft (21,830 sq m) of gross floorspace. A similar estimate for the period 2011 to 2016 is 217,000 sq ft (20,170 sq m) gross floorspace. We would emphasize that these figures are guidelines and not ceilings or targets.

9.16 With regard to the need/capacity for further bulky goods retail warehouse floorspace, on the basis of Guildford's present share of expenditure arising from its catchment, growth in expenditure would support the following levels of additional floorspace:

2006 to 2011	-	5,985 sq m gross (64,422 sq ft)
2011 to 2016	-	7,350 sq m gross (79,115 sq ft)

9.17 Again, it must be emphasized that these figures are floorspace guidelines and not ceilings or targets.

9.18 Growth in expenditure on convenience goods is forecast to be much lower than on comparison goods. This plus the smaller convenience goods catchment area produces the following estimates of growth in expenditure:

2006 to 2011	-	£9.61 million
2011 to 2016	-	£11.51 million

9.19 This scale of growth in expenditure forecast would not, of itself, support a new food superstore, at least not until the end of the study period.

9.20 The proposed extension to the Friary Shopping Centre is an important development for the future performance and prospects of the town centre, comprising an additional 24,920 sq m of floorspace for retail, professional and financial services and restaurants/cafes.

9.21 This appears slightly in excess of the comparison goods retail floorspace guidelines for the years 2006 to 2011. However, the above figure includes an allowance for professional and financial services and restaurants and cafes; it is also likely to include convenience goods floorspace in the shape of a supermarket. In our view, the proposed extension is in the right location, of the right scale and is properly and sensitively conceived to make a significant contribution to the retail offer and overall competitiveness of the town centre.

9.22 That said, the mix of retailers and range of goods to be sold therefrom are at present unknown. It may include a food supermarket; it may include an element of bulky goods retailers. As such we consider it appropriate for the local planning authority to await its implementation before seeking to encourage another major development to meet the floorspace guidelines identified for 2011 to 2016. If the Friary Extension Development fits seamlessly into the town centre, in the way intended, further expansion of retail provision in the town centre can then be contemplated in a practical way.

9.23 Similarly, the need for future bulky goods provision can properly be considered once the make up of the retailers in the Friary Extension is known. Current provision of bulky goods retail warehouses is not poor and there is no obvious shortfall in provision requiring an allocation in the short term in the GDF.

9.24 In the circumstances, we are of the view that no specific comparison goods allocation should be made for the period 2006 to 2011. In the post Friary extension period, the Council should actively consider encouraging a further modest element of retail warehouse provision, to reflect the floorspace guidelines outlined.

9.25 Guildford's convenience catchment population amounts to circa 105,000 people and such a population could, in our experience, support three food superstores. Again, and notwithstanding the limitations of modelling, our modelled results of the household survey findings indicate that both the Sainsbury at Burpham and the Tesco at Ashenden Road are trading at levels greatly in excess of national averages, which also implies an element of capacity for further provision.

9.26 That said, the Friary Extension is believed to include a food element and this will divert some trade from the two superstores, thereby reducing the degree of 'over trading'. We are also aware of proposal GT8 in the Adopted Local Plan regarding land and buildings at Guildford Railway Station. In this connection the Council has set out that any redevelopment proposals could include an element of retail floorspace and that any retail floorspace proposed could include food sales.

9.27 In the circumstances, we do not consider it necessary to seek to allocate any further sites for development for food store purposes in the period 2006 to 2011. This should be actively reviewed in the period 2011 to 2016, once the make up of the Friary Extension Development is known, and also if development proposals have come forward at the Railway Station site.

9.28 As for the district centres, it is difficult to anticipate further interest from the private sector in developing new retail floorspace in these centres. The principal challenge is to promote and encourage the maximum number of retail uses within the existing stock of floorspace, and in so doing, prevent an over provision of service and other non-retail uses. In these circumstances, we do not recommend that further retail floorspace guidelines be provided for the district centres.

9.29 With regard to the policy content of the GDF, the town centre will clearly be the focus for further large scale retail development, and a proactive stance to encouraging appropriate development will be required. We believe that the Adopted Local Plan's approach to primary, secondary and tertiary retail frontages needs to be reviewed, and put forward our recommendations accordingly.

9.30 The GDF should also include policies addressing contemporary issues such as food stores at petrol filling stations, and open A1 sales at garden centres.

9.31 As it stands, Guildford town centre is healthy, vital and viable, and is one of the most successful retail centres in the country. The policies and proposals of the GDF will help the town centre retain its position at the forefront of town centre shopping.