# Castle Point Borough Council

# Retail and Leisure Study
## Main Report

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**THIS REPORT IS FORMATTED FOR DOUBLE-SIDED PRINTING.**

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## APPENDICES

# 1 INTRODUCTION

1.1 Peter Brett Associates LLP (PBA) was instructed by Castle Point Borough Council (CPBC) in April 2016 to undertake selected updates to the existing retail and leisure evidence contained within the Employment and Retail Needs Assessment (CPERA) published in August 2012.

1.2 This study has been undertaken in parallel with the South Essex Strategic Retail Study (SESRS) and both studies are informed by a common evidence base in the form of a new household survey of spending patterns. The SESRS was commissioned in April 2016 by a consortium of five authorities to provide a strategic retail evidence base for the South Essex sub-region. The five authorities are Basildon Borough Council (BBC), CPBC, Rochford District Council (RDC), Southend-on-Sea Borough Council (SSBC) and Thurrock Council (TC). The household survey was undertaken by NEMs market research in July 2016 and provides a consistent evidence base on spending patterns across the five South Essex authorities.

1.3 This study will inform future development plan policies on retail, leisure and town centre development in CPBC. The adopted development plan for CPBC comprises the Local Plan 1998 saved policies and the relevant planning guidance which is contained within the Canvey Town Centre Masterplan SPD (2012) and the Hadleigh Town Centre Masterplan (2011). CPBC submitted its new Local Plan to the planning inspectorate on 25th August 2016 and the Inspector's report is expected to be published in January 2017. Upon adoption the new Local Plan will replace all saved policies from the 1998 Local Plan. A summary of all adopted and emerging planning policies which are relevant to this study can be found at Appendix A.

1.4 The objectives of this study are as follows:

- to undertake a health check of the vitality and viability of the four main centres; Canvey Island, Hadleigh, South Benfleet and Tarpots;
- to assess retail spending patterns, and their split between convenience, comparison, and leisure. As well as identify flows of expenditure to and from Southend-on-Sea;
- to assess the need for additional convenience and comparison retail floor space and leisure floor space in Castle Point; and,
- update the recommendations for the spatial distribution of floorspace and high level advice on policy formulation and monitoring.

## Structure of the report

1.5 Responding to the tasks as set out in the terms of reference, the report is structured as follows:

- Section 2 assesses the vitality and viability of the four main centres, as well as looking at out-of-centre retail provision and briefly identifies the main competition

- Section 3 analyses retail spending patterns in the comparison (non-food) and convenience (food) sector and leisure spending patterns in Caste Point and the surrounding area in 2016
- Section 4 summarises the quantitative assessment of retail need undertaken for the comparison and convenience sector, as shown at Appendix F
- Section 5 summarises the quantitative assessment of leisure need undertaken at Appendix F
- Section 6 provides a set of overarching recommendations for CPBC to bring forward within planning policy.

# 2 HIERARCHY OF CENTRES

## Introduction

2.1 This section considers the role and function of the hierarchy of centres in Castle Point. For the four main centres; Canvey Island, Hadleigh, South Benfleet and Tarpots, full health check assessments are provided against the National Planning Practice Guidance (PPG) indicators set out in Figure 2.1. Monitoring the health of centres provides a benchmark of current performance; it identifies opportunities for growth and warning signs where centres or specific areas may be in decline. Additionally, a brief consideration of out of centre floorspace is provided.

### Figure 2.1 PPG town centre vitality and viability key indicators

| Key indicators of town centre vitality and viability: |
|---|
| ▪ Diversity of uses<br>▪ Proportion of vacant street level property<br>▪ Commercial yields on non-domestic property<br>▪ Customer views and behaviour<br>▪ Retailer representation and intentions to change representation<br>▪ Commercial rents<br>▪ Pedestrian flows<br>▪ Accessibility<br>▪ Perception of safety and occurrence of crime<br>▪ State of town centre environmental quality |

Source: NPPG (2014)

2.2 The retail hierarchy in Castle Point, as set out in the now-withdrawn draft Local Plan (2016) consists of four main town centres; Canvey Island, Hadleigh, South Benfleet and Tarpots. In addition to the main centres, Castle Point is also served by a network of 17 local shopping parades which play a significant role in the retail hierarchy providing retail facilities and services for a localised catchment.

2.3 Experian GOAD prepares regular land use assessments of retail destinations. The previous health check assessments for each centre from the 2012 CPERA were informed by 2012 GOAD updates.

2.4 PBA updated the GOAD assessments for Canvey Island and Hadleigh shopping centre in July 2016 and this data forms the basis of the health checks assessments. GOAD data was not available for South Benfleet and Tarpots and so a manual count of units was conducted by PBA in July 2016. A full schedule of uses for each town centre based on the 2016 GOAD updates and PBA town centre surveys is provided at Appendix BAppendix A .

## Canvey Island

2.5 Canvey Island is the largest town in Castle Point and is located to the south of the borough. Canvey Island has a total of 25,980 sqm of retail floorspace. The centre is located along Furtherwick Road and the High Street, as well as connecting streets in between. The primary shopping frontage is located on Furtherwick Road and within the Knightswick shopping centre, as shown in Figure 2.2.

### Figure 2.2 Canvey Island town centre map


Source: Castlepoint Draft New Local Plan (2016)

## Diversity of uses

2.6 Table 2.1 compares the diversity of uses in Canvey Island as a proportion of units and floorspace against the national average. This provides an indication of under provision or over provision of certain uses. The map enclosed at Appendix C shows the distribution of uses throughout the centre.

### Table 2.1 Canvey Island town centre diversity of uses

| Use | Canvey Island Units % | UK Average Units % | Canvey Island sqm % | UK Average sqm % |
|---|---|---|---|---|
| Convenience | 5.4 | 9.3 | 22.9 | 18.4 |
| Comparison | 38.3 | 39.7 | 41.6 | 44.9 |
| Food and Drink | 20.1 | 17.1 | 12.8 | 12.7 |
| Service retailers | 26.8 | 20.6 | 17.5 | 12.8 |
| Miscellaneous | 0.7 | 1.2 | 0.7 | 1.0 |
| Vacant | 8.7 | 12.2 | 4.5 | 10.2 |

Source: Experian GOAD and PBA (2016)

2.7 Canvey Island contains four of the current 28 GOAD key attractors which are defined as those multiple retailers which are most likely to improve the consumer appeal of a centre. The key attractors present in the comparison sector are Boots and New Look.

### *Convenience goods*

2.8 The above table shows that the number of convenience retail units in Canvey Island is lower than the national average, at 5.4%. However, the proportion of convenience floorspace is slightly higher than the national average at 23% compared to 18%. The Sainsbury superstore contributes most to this floorspace figure with the remainder of the provision being made up of bakeries, a butcher and three off-licenses.

### Comparison goods

2.9 Table 2.1 shows that the number of comparison goods units in Canvey Island is in line with the national average at 39%. The proportion of floorspace is slightly lower than the national average at 40% compared to 45%. The Knightswick shopping centre contributes significantly to this floorspace figure, as it provides 34.6% of the total comparison floorspace.

2.10 Within the comparison sector, the clothing and footwear offer is limited to a small selection of value oriented retailers, such as Lulu's clothing and Shoeworld Factory Outlet. There are only a few national multiples, including New Look, Superdrug and Boots. The majority of retailers are local independent operators.

2.11 The remaining comparison offer consists of chemists, florists, and a number of charity and second hand shops. There is also a large Poundland which occupies one of the only large units in the town centre.

### Service retailers

2.12 The above table also shows the proportion of service retailers and food and drink facilities compared to the national average. The proportion of food and drink units in Canvey Island is above the national average at 20%; however, the floorspace is in line with the national average at approximately 13%. The food and drink offer is dominated by local cafes and fast food takeaways, such as Pizza 38 and Tasty Bites. There are four national multiples, including Greggs and KFC. There is very little variety in the restaurant offer, as they mainly consist of Indian restaurants.

2.13 The number of service retailer units in Canvey Island is higher than the national average with 27% compared to 21%. The floorspace figure is also significantly higher, at 17.5% compared to the national average of 13%. Hairdressing and beauty units dominate this offer, representing 12% of the total units in Canvey Island followed by estate agents at 8%.

2.14 The retail offer in Canvey Island is complemented by a weekly indoor market at the Knightswick Shopping Centre which takes place every Friday and Saturday. While a larger street market outside the Knightswick Shopping Centre takes place on the last Thursday of every month. The products on offer include jewellery, gifts, homeware and fresh food and vegetables.

2.15 Leisure options are limited within Canvey Island. Rio Bingo is the only leisure facility in the town centre. Waterside Farm Leisure Centre is the closest sports and leisure facility and is located approximately 2.7 km from the centre. Facilities include a swimming pool, gym, exercise studios, meeting and conference facilities, a multipurpose sports hall and, sauna and steam rooms. The drinking establishment offer is restricted to local pubs.

2.16 There is a small, four-screen independent cinema along the Eastern Esplanade called Movie Starr; however, this is located outside the defined town centre boundary. There is no theatre provision in Canvey Island.

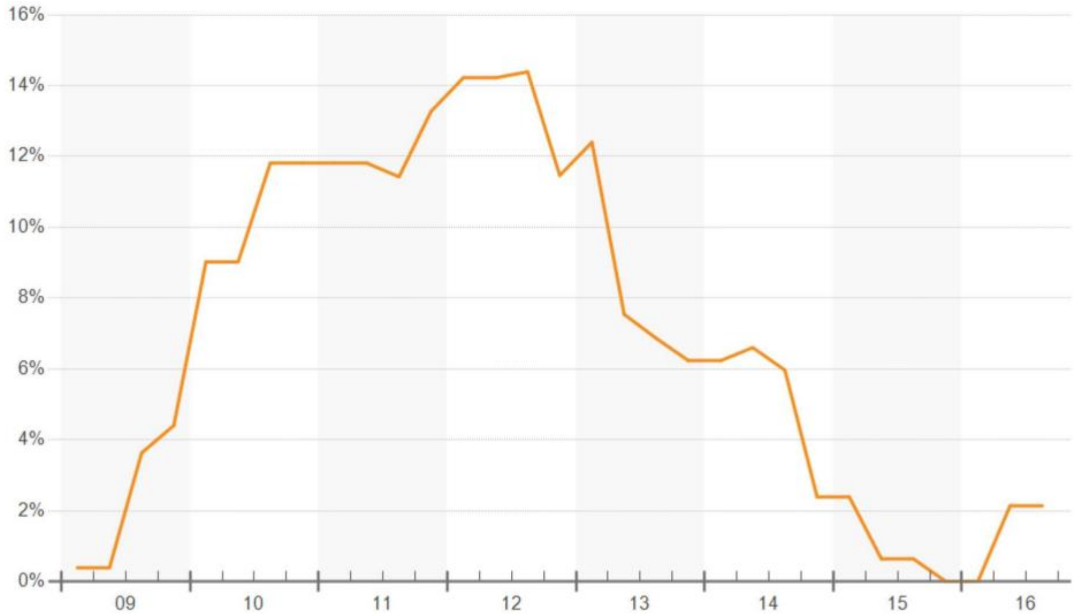
## Proportion of vacant street level property

2.17 Table 2.1 also shows the proportion of vacant units and floorspace in Canvey Island. There are 13 vacant units in the centre down from 16 recorded in the CPERA. There are no concentrated areas of vacant units in the centre except for a row of four fairly small, poor quality retail units at the corner of Oxford Road and the High Street (116-132 High Street). Three vacant units were also recorded at the Knightswick Centre.

2.18 The vacancy rate in Canvey Island is relatively low, at approximately 9% of units and 5% of floorspace. The CPERA identified a 10% vacancy rate in terms of units; the vacancy rate has therefore improved slightly since 2012.

2.19 To illustrate the change in vacancy rate over time, data provided by CoStar has been used in the production of Figure 2.3. This graph shows the vacancy rate for Canvey Island town centre between 2009 and 2016. The town centre boundary used for the calculation of the vacancy rate by PBA and CoStar will be different, and therefore so will the vacancy rate for 2016. Nevertheless, this CoStar data is useful in displaying the rate at which the vacancy rate has changed, revealing a general trend over time.

**Figure 2.3 Vacancy rate in Canvey Island**



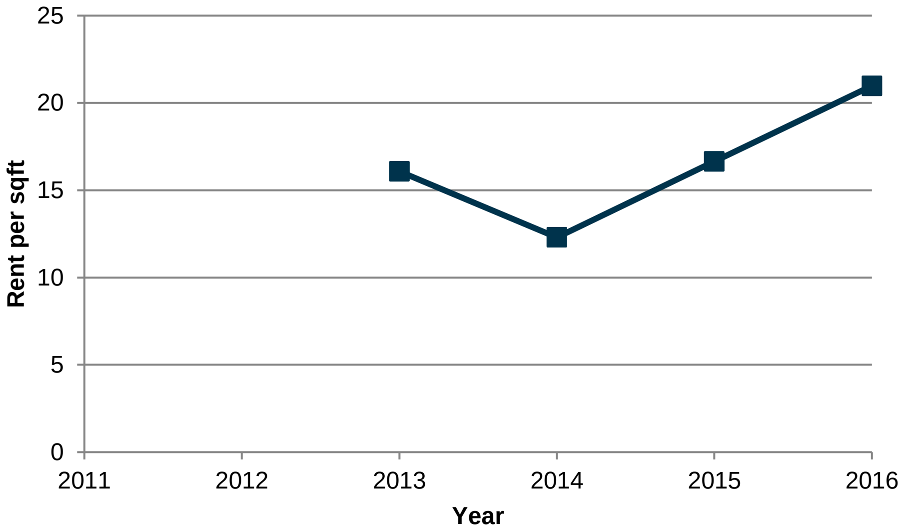

Source: CoStar (2016)

2.20 The graph above shows the current 2016 vacancy rate at just over 2%. This has come after a significant period of decline in the rate since 2012, where it peaked at 14% for retail units. The significant fall in vacancy rates implies the health of the town centre is improving.

## Commercial rents and yields

2.21 The level of rent that businesses are prepared to pay for retail space in a centre provides a further indication of the relative strength of its retail offer. Using data provided by CoStar, the graph in Figure 2.4 shows the average achieved rent per sqft in Canvey Island between 2001 and 2016. The achieved rent figure also includes effective rents; these are rents which have had an incentive, such as a discount for the first few months.

### Figure 2.4 Average achieved rent per sqft in Canvey Island 2011-2016




Source: CoStar (2016)

2.22 As shown in the above graph, there are no details available for achieved rents in Canvey Island between in 2011 and 2012. The graph does show that rental values reached their highest in 2016, at £21 per sqft. This follows on from a period of gradual incline as the rental values increased from their lowest point in 2014 at £12 per sqft.

## Retailer requirements

2.23 The level of retailer demand provides a further indication of the market strength of a town centre. Table 2.2 shows the current list of published retailer requirements for Canvey Island, provided by Shopproperty.

2.24 Published retailer requirements do not provide a comprehensive picture of retailer demand since operators are becoming less inclined to seek space in this way and as a result fewer requirements are publically available. Nevertheless, it is useful to see the type of operators seeking space in Canvey Island. There is only one retailer requirement for Canvey Island, for a large A1 foodstore.

### Table 2.2 Retailer Requirements in Canvey Island

| Operator | Class | Date | Min (sqm) | Max (sqm) |
|---|---|---|---|---|
| Aldi Foodstore Ltd | A1 | 09/05/2016 | 418 | 1,440 |

Source: Shopproperty (2016)

### *New tenants*

2.25 The quantity and type of new tenants choosing to locate in a centre can provide a perspective on the type of operators attracted to a centre. According to data from CoStar there have been two new tenants in Canvey Island in 2016, and five in 2015.

Based on the details provided, the new tenants include Roadies Kitchen and Bar and a new Salvation Army charity store.

## Environmental quality

2.26 The environmental quality at Canvey Island is average. There are no architecturally or historically significant office buildings in the town centre. Much of the centre appears to have been developed between the 1950s and 1970s with Castle View School being the most significant contemporary addition to the town centre.

2.27 There have been attempts to improve the public realm on Furtherwick Road through pavement widening and upgraded street furniture and planting. However, these improvements have been inconsistently implemented and do not extend to the whole town centre. Decluttering the High Street and improving the public realm with planting and ornamental street furniture could go a long way in making the centre feel more cohesive. The High Street also suffers from a cluster of poor quality, vacant commercial units which could potentially be redeveloped.

## Accessibility and pedestrian flows

2.28 Accessibility to the town centre by public transport is relatively poor. The closest train station is at South Benfleet which is linked to the town centre by the 21, 22 and 27 bus routes.

2.29 Pedestrian flows around the town centre appear to be good with the linear layout of the town centre easy to navigate. Furtherwick Road, the High Street, and other principal roads in the town centre, are all easy to cross.

## Perceptions of safety

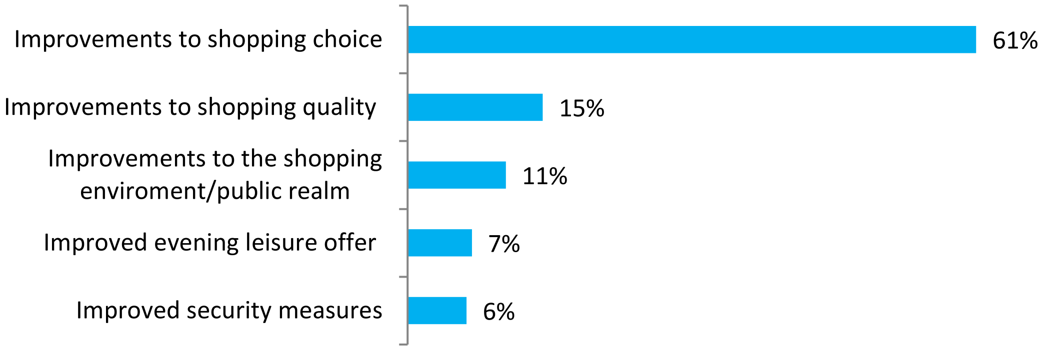
2.30 The town centre was generally perceived to be safe. The linear layout of the town centre offers clear site lines across the main streets. The town centre benefits from continuous active frontages which enhance the feeling of safety during the day time. However, there are some sections of the town centre that suffer from blank frontages and areas of open car park. This includes the northern façade of Knightswick Shopping Centre and the adjacent car park.

2.31 Canvey Island does not have a significant evening economy with the exception of a few restaurants, drinking establishments and hot food takeaways. It is therefore expected that the night time population in the town centre falls significantly.

## Customer views

2.32 A survey was carried out in July 2016 to find customer views on improvements that could be made to the town centre. Of those who responded, 61% support better shopping centre choice, with a focus on a better choice of shops in general and more national multiples.

### Figure 2.5 Customer feedback of improvements for Canvey Island town centre




Source: NEMS household survey (2016) Q32A

## Summary

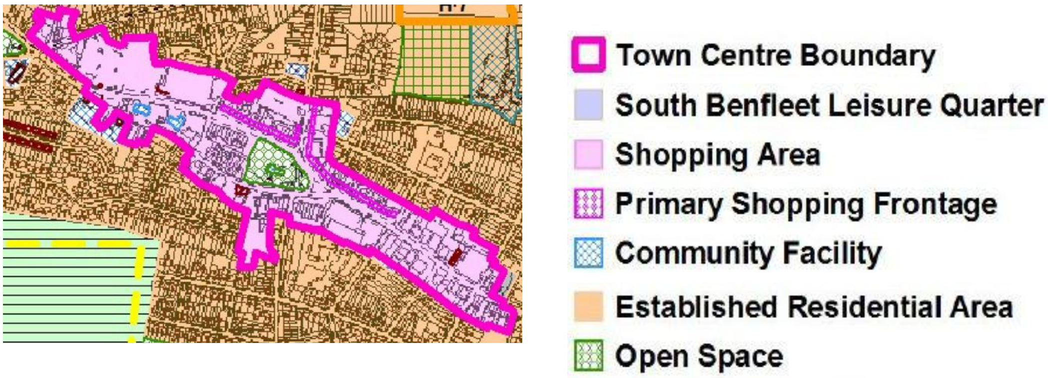
2.33 In summary, Canvey Island has a good convenience offer with the Sainsbury's supermarket offering a wide selection of goods. The weekly market further diversifies the goods on offer in the centre while supporting independent vendors. The centre appears to have a good provision of accessible parking. Additionally, the number of vacant units in the centre is below the national average. However, the comparison goods offer is aimed at the lower end of the market and the town centre contains some sections of small, relatively poor quality retail units that appear to have been vacant for long periods of time. The evening economy is limited to a handful of restaurants, a pub and hot food takeaways. Similarly, the town centre lacks a range of leisure facilities. Finally, there are few buildings of architectural merit within the town centre and some buildings are in a poor state of repair.

# Hadleigh

## Diversity of uses

2.34 Hadleigh is a designated town centre in Castle Point and is located to the east of the Borough. Hadleigh has a total of 17,945 sqm of retail floorspace. The centre extends east to west along London Road. The primary shopping frontage is located on the northern section of London Road, and extends onto Rectory Road.

### Figure 2.6 Hadleigh town centre map




Source: Castlepoint withdrawn draft New Local Plan (2016)

## Diversity of uses

2.35 Table 2.3 compares the diversity of uses in Hadleigh as a proportion of units and floorspace against the national average. This provides an indication of under provision or over provision of certain uses. The map enclosed at Appendix C shows the distribution of uses throughout the centre. Hadleigh contains only one of the current 28 GOAD key attractors, Boots.

### Table 2.3 Hadleigh town centre diversity of uses

| Use | Hadleigh units % | UK average units % | Hadleigh sqm % | UK average sqm % |
|---|---|---|---|---|
| Convenience | 8.0 | 9.3 | 40.4 | 18.4 |
| Comparison | 41.4 | 39.7 | 32.9 | 44.9 |
| Food and Drink | 16.1 | 17.1 | 10.4 | 12.7 |
| Service retailers | 25.3 | 20.6 | 12.4 | 12.8 |
| Miscellaneous | 1.1 | 1.2 | 0.3 | 1.0 |
| Vacant | 8.0 | 12.2 | 3.6 | 10.2 |

Source: Experian GOAD and PBA (2016); and, Experian GOAD (2016)

### *Convenience goods*

2.36 The table shows that the number of convenience retail units in Hadleigh is at 8%, only slightly lower than the national average of 9%. However, the proportion of convenience floorspace is higher than the national average at 40% compared to 18%. The convenience offer comprises three large foodstores; Morrisons, Iceland and Lidl. The main offer is complemented by a number of small scale local independent convenience stores, a baker and a butcher.

### *Comparison goods*

2.37 Table 2.3 shows that the proportion of comparison goods units in Hadleigh is at 41%, similar to the UK average of 40%. The comparison floorspace is however lower than the national average at 33% compared to 45%. The number of comparison units has increased slightly since the CPERA from seven to ten.

2.38 The clothing and footwear offer is limited to a small selection of independent retailers, such as Doonamis menswear and Cameo ladies wear. The remaining comparison offer is dominated by chemist and health and beauty stores, as well as furniture retailers.

### *Food and drink*

2.39 The proportion of food and drink units in Hadleigh is in line with the national average at 16%; however, the floorspace is approximately 3% less than the national average at 10%. The food and drink offer in the town centre is dominated by independent operators. The only national multiples present in the centre include fast food chains Papa Johns and Dominoes.

2.40 The proportion of food and drink units in Hadleigh has increased since the previous health check assessment was undertaken in 2012. The 2012 GOAD update identified 13 food and drink units compared with 17 units in 2016.

2.41 The town centre does not contain any commercial leisure facilities (Class D2). The closest gym is located north of the town centre at the Deans School and the nearest cinema is located at Southend.

### *Service retailers*

2.42 The proportion of service retailers in Hadleigh is higher than the national average with 25% of the units compared to 21%. The floorspace figure is broadly in line with the national average, at 12% compared to the UK average of 13%. The service operators are dominated by hairdressing and health and beauty facilities, such as Golden Scissors barber and Atlantis Beauty.

2.43 Hadleigh also contains a number of important community uses, including the library. Also, the Old Fire Station has been redeveloped to provide a community arts and culture venue.

### *Vacancies*

2.44 Table 2.3 also shows the proportion of vacant units in Hadleigh. The vacancy rate is relatively low, with seven units currently vacant which represents 8% of units and 4% of floorspace. The vacancy rate has therefore improved slightly since the 2012 GOAD updated which identified 10 vacant units in Hadleigh, representing a vacancy rate of 9%.

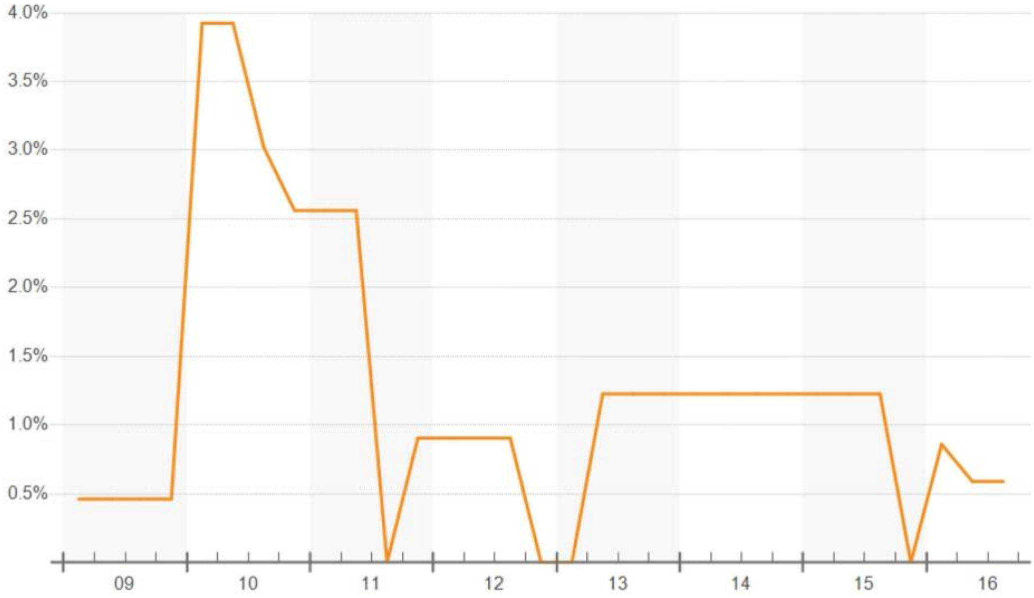
2.45 There were few vacancies along the main retail frontage along London Road. In general, this part of the town centre benefits from high pedestrian footfall.

2.46 There is a particular concentration of vacancies to the west of the centre around the High Street. This area is isolated from the main shopping frontages and on our site visit we observed a low pedestrian count. The environmental quality in this part of the centre was also relatively poor compared to London Road due to the narrow pavement, fast moving traffic and the lack of active frontages.

2.47 To illustrate the change in vacancy rate over time, data provided by CoStar has been used in the production of Figure 2.7. This graph shows the vacancy rate for Hadleigh town centre between 2009 and 2016. The town centre boundary used for the calculation of the vacancy rate by PBA and CoStar will be different, and therefore so will the vacancy rate for 2016. Nevertheless, this CoStar data is useful in displaying the rate at which the vacancy rate has changed, revealing a general trend over time.

2.48 The graph below shows that the vacancy rate in Hadleigh in the second quarter of 2016 was 0.6%. The percentage of vacant units peaked in 2010, where it reached 4%. Overall, the vacancy rate has declined over the years indicating that the health of the town centre is improving.

**Figure 2.7 Vacancy rates in Hadleigh**




Source: CoStar (2016)

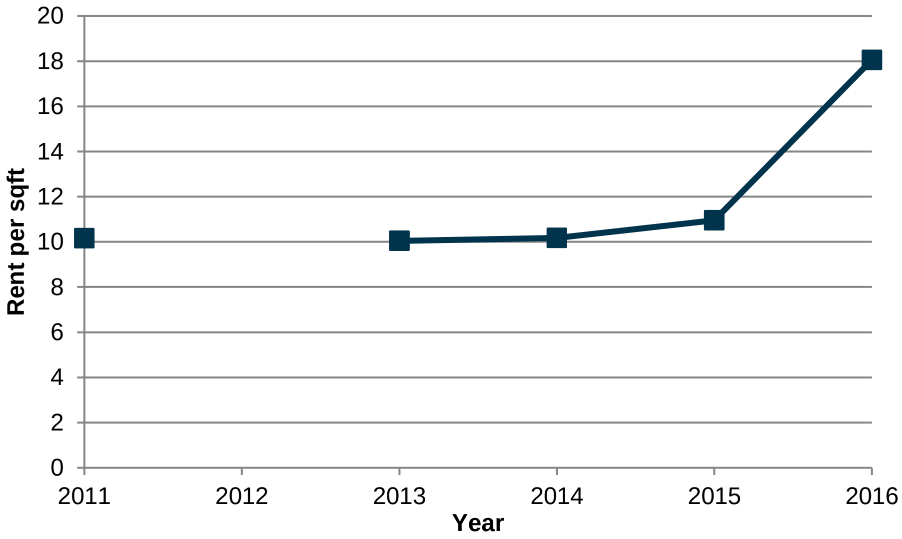
## Commercial rents and yields

2.49 The level of rent that businesses are prepared to pay for retail space in a centre provides indication of the relative strength of its retail offer.

2.50 Figure 2.8 shows the average achieved rent per sqft in Hadleigh between 2001 and 2016 using data sourced from CoStar. The graph includes data for both achieved rents and effective rents. The latter are rents where the value of any incentive has been discounted from the achieved rent.

2.51 The quality of property leases is an important indicator of the strength of a trading location. For example, where there is low demand, landlords will be more likely to grant incentives in order to attract tenants. These most often take the form of a rent free period but may also include moving allowances or above standard tenant improvements.

### Figure 2.8 Average achieved rents 2011-2016 in Hadleigh




Source: CoStar (2016)

2.52 The above graph shows that between 2011 and 2015 the average achieved rent remained relatively stable at approximately £10 per sqft until 2016 when the average achieved rents increased to £18 per sqft in 2016.

## Retailer requirements

2.53 The level of retailer demand provides a further indication of the market strength of a town centre.

2.54 Published retailer requirements do not provide a comprehensive picture of retailer demand since operators are becoming less inclined to seek space in this way and as a result fewer requirements are publically available. Nevertheless, it is useful to see the type of operators seeking space in Hadleigh.

### Table 2.4 Retailer requirements in Hadleigh

| Operator | Class | Date | Min (sqm) | Max (sqm) |
|---|---|---|---|---|
| Domino's Pizza Group Ltd | A5 | 19/10/2015 | 74 | 102 |
| Herbert Restaurants Group | A5 | 25/04/2016 | 242 | 242 |

Source: Shopproperty (2016)

2.55 There are only two published retailer requirements in Hadleigh, food and drink operators Domino's Pizza Group and Herbert Restaurants Group. Both of these are for A5 fast food and takeaway restaurants.

2.56 Where there is limited information publicly available on retailer requirements information on the type of tenants which have recently moved in to a centre can provide an indicator of the performance of that centre.

2.57 According to data from CoStar there have been two new tenants in Hadleigh in 2016, and two in 2015 including the Havens Hospices charity shop and Runners Edge specialist footwear store.

## Environmental quality

2.58 Hadleigh has a mix of modern buildings and some buildings dating from the early part of the 20th century. The town centre contains few buildings of architectural significance with the exception of the Grade I listed St James the Less Church and some locally listed buildings such as the Crown and Castle pubs.

2.59 Overall, the northern end of the centre is pleasant given the variety and diversity of ground floor commercial units. However, the fast moving eastbound traffic along London Road (A13) detracts from the amenity of the centre. The environmental quality of the southern end of the town centre (along High Street) is significantly poorer than the northern end. The relatively high number of vacancies, poorly maintained buildings and the poor quality public realm reinforces the unattractiveness of this section of the town centre.

2.60 Hadleigh could be improved through the upgrading and widening of pavements, plantings and improved pedestrian crossings. The redevelopment of prominent and highly visible vacant buildings such as the Crown pub could also go a long way in uplifting the town centre.

## Accessibility and pedestrian flows

2.61 Access to the town centre through public transport is relatively poor. The closest train station to the centre is 4 km away at Benfleet. The 27 and 21c bus routes link Hadleigh to the train station with a journey time of between 12 and 22 minutes.

2.62 The town centre is split into two sections both of which are served by the A13. Traffic along this road is fairly fast moving making crossing the road difficult for pedestrians, except at designated crossing points. Pedestrian flows were a lot higher on the northern portion of the town centre along London Road and fell significantly in the southern portion along the High Street. This is because the northern portion of the town centre had greater diversity of uses and was more inviting.

## Perceptions of safety

2.63 The perception of safety in the town centre is generally good. The northern portion of the town centre is bright and open with a clear view down London Rad and a largely unbroken block of continuous active frontages along the street. The High Street section of the town centre however lacks active frontages and suffers from a number of vacant units. In general, the town centre feels less safe in the evening due to the relatively small evening economy.

2.64 The large car park in front of Lidl and the vacant Crown Pub building appear to be particularly prone to crime especially at night.

## Customer views

2.65 According to the survey carried out in July 2016 to find customer views on improvements that could be made to the town centre, the majority of the consumers wanted to see improvements in parking and congestion. Consumers mentioned that they would benefit from more parking and cheaper, or free, parking in the town centre.

## Summary

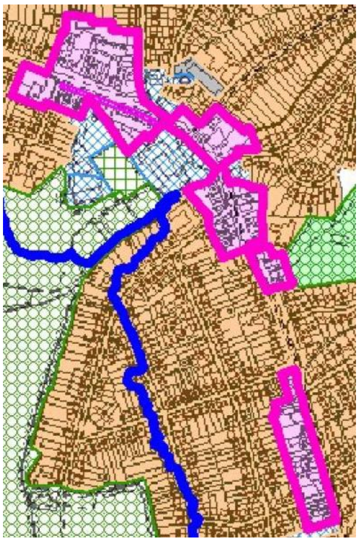
2.66 Overall, the town centre has a good provision of convenience floorspace anchored by three large food stores. There is a good amount of parking provision in the town centre. However, the environmental quality of some sections of the town centre is poor. The site of the former Crown pub is still vacant, and this negatively impacts the western end of the town centre. Furthermore, the one-way road system makes navigation of the town centre difficult for drivers. There is also a lack of a strong evening economy.

# South Benfleet

## Diversity of uses

2.67 South Benfleet is a designated town centre in Castle Point and is located to the west of the Borough. The centre is split into two distinct sections, north and south. South Benfleet has a total of 91 of retail units. The emerging local plan also identifies a leisure quarter to the south of the town centre boundary which includes a concentration of restaurants, pubs and takeaways located along the High Street. The town centre boundary is shown in the map in Figure 2.9 below.

### Figure 2.9 South Benfleet town centre map




Source: Castlepoint Draft New Local Plan (2016)

## Diversity of uses

2.68 Table 2.5 compares the diversity of uses in South Benfleet as a proportion of units against the national average. This provides an indication of under provision or over provision of certain uses. PBA conducted a manual count of the retail units within the designated town centre boundaries and the data is summarised in Table 2.5.

### Table 2.5 South Benfleet town centre diversity of uses

| Use | South Benfleet units % | UK average units % |
|---|---|---|
| Convenience | 6.6 | 9.3 |
| Comparison | 33.0 | 39.7 |
| Food and Drink | 20.9 | 17.1 |
| Service retailers | 35.2 | 20.6 |
| Miscellaneous | 0.00 | 1.2 |
| Vacant | 4.4 | 12.2 |

Source: Experian GOAD and PBA (2016)

2.69 South Benfleet does not contain any of the current 28 GOAD key attractors. This reflects the property offer which is predominantly made up of very small units and the role of the centre which serves local needs.

### *Convenience goods*

2.70 The above table shows that the number of convenience units in South Benfleet is lower than the national average at 6.6% compared to 9%. According to the 2012 CPERA, the proportion of the convenience units in the centre was at 11.9%, therefore the number of convenience units has declined significantly in the past four years. The convenience units include a Co-Op and Budgens as well as a number of independent retailers.

### *Comparison goods*

2.71 Table 2.5 shows that 33% of the units in South Benfleet offer comparison goods, which is significantly lower than the UK average at 40%. The 2012 CPERA found that 31.5% of the total units in South Benfleet were in comparison use, showing a slight increase in the number of units in the past four years.

2.72 There are a limited number of national multiple retailers in South Benfleet, as the majority of comparison good retailers are independently operated with a number of retailers specialising in gifts and women’s clothing.

### *Food and drink*

2.73 The proportion of food and drink units in South Benfleet is above the national average at 21% compared to 17%. The food and drink offer is dominated by local fast food and takeaway restaurants. There are few national branded operators; the only national operators present are Greggs and Pizza Hut.

2.74 The number of food and drink outlets (Class A3-A5) in South Benfleet has increased since the 2012 health check which recorded a total of 16 units compared with 20 recorded by PBA in 2016.

2.75 The evening economy and leisure options are very limited in South Benfleet. The Benfleet tavern is the only public house in the town centre. There are no cinemas or theatres, and the nearest facilities are located in Southend. Local sporting facilities include the Boyce Hill Golf and Country Club, which is located to the east of the town centre.

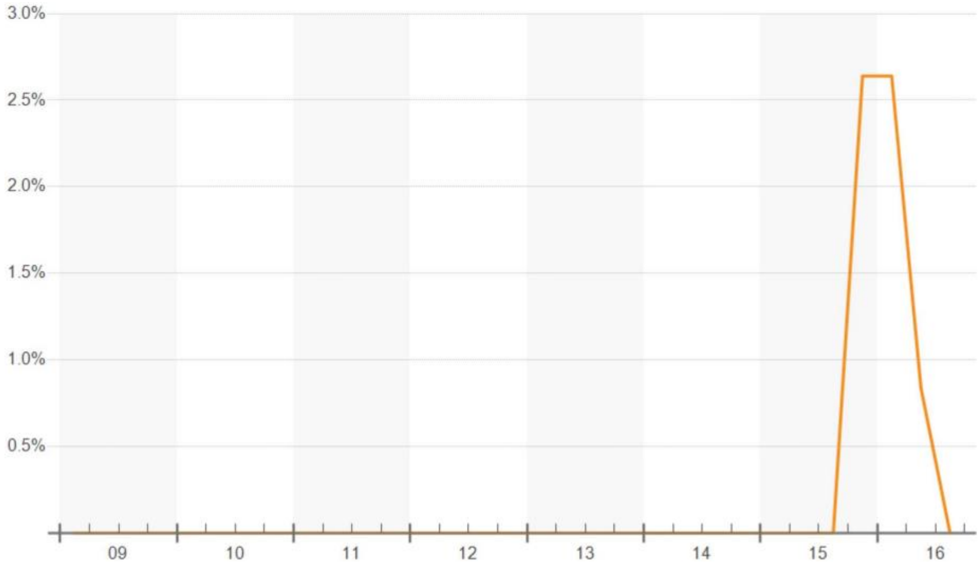
### *Service retailers*

2.76 The proportion of service units in the town centre is significantly higher than the national average at 35.2% compared to 21% for the UK. The offer is dominated by hairdressing and beauty uses, which contribute to 22% of the total proportion of units. There is also a significant selection of estate agents.

## Vacancies

2.77 The vacancy rate in South Benfleet is significantly lower than the UK average at 4% compared to 12%. Only four vacant units were recorded by PBA one of which is being refurbished as a restaurant. The CPERA recorded seven units indicating that the vacancy rate has fallen since 2012. Vacant retail units were scattered throughout the centre.

**Figure 2.10 Vacancy rate in South Benfleet**




Source: CoStar (2016)

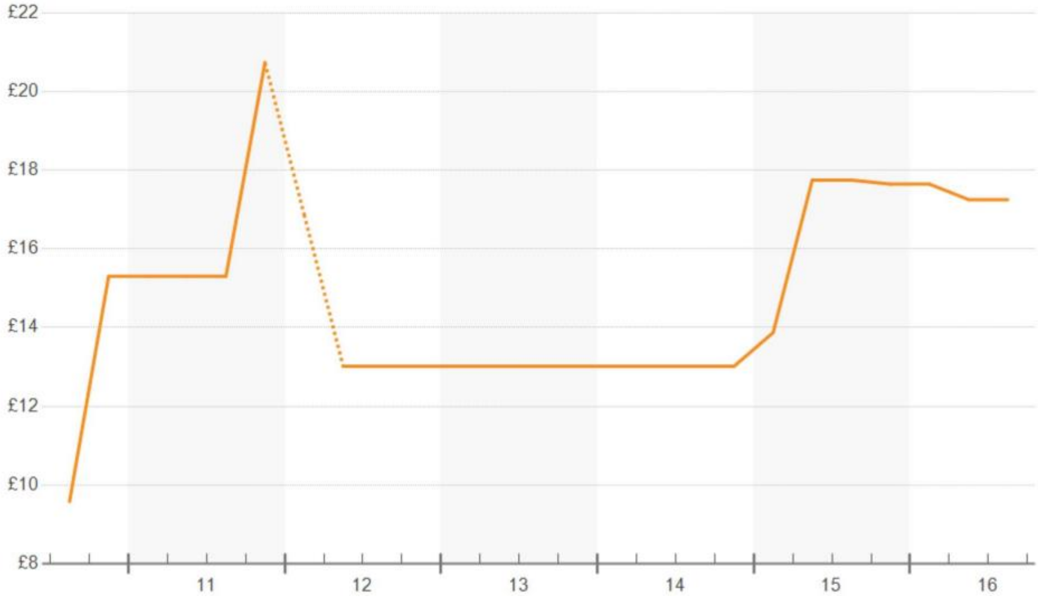
2.78 The graph above indicates that the vacancy rates for retail units have been 0% from 2009 till mid-2015. In the third quarter of 2015, the rates rose to 2.6%, and then proceeded to fall in the first half of 2016. The graph illustrates that the health of the town centre is extremely good.

## Commercial rents and yields

2.79 The level of commercial rents and yields provide an indicator of the market strength of a town centre.

2.80 The level of rent that businesses are prepared to pay for retail space in a centre provides a further indication of the relative strength of its prime retail pitch as a shopping location.

**Figure 2.11 Asking Rent per sqft in South Benfleet**




Source: CoStar (2016)

2.81 The current asking rent per sqft is approximately £17. The asking rent has declined marginally since 2015, where the rent was £18. Over the last seven years, rent was at its lowest point in 2010 at under £10 per sqft. South Benfleet has the highest rent price, but only by a small margin, it is closely followed by Canvey Island which is £16 per sqft.

## Retailer requirements

2.82 There are currently no published requirements for retailers and food and drink operators for South Benfleet. This reflects the function of the centre which predominantly provides for local shopping needs with a high proportion of service uses and/or a low proportion of national multiples.

## Environmental quality

2.83 South Benfleet's environmental quality is average. The centre is not architecturally or historically distinct. In general, the southern section of the town centre was more pleasant than the north due to its residential feel, narrower street and the presence of mature trees.

2.84 Improvements to the northern section could include the removal of barriers along the pavements, high quality street furniture and planting.

## Accessibility and pedestrian flows

2.85 The site is fairly accessible by public transport. Benfleet train station is approximately 800 m from the town centre. The 21, 22 and 27 bus routes serve the centre.

2.86 The flow of pedestrians on the centre is generally good. Both sections of the town centre have a linear layout making way finding around the town centre fairly easy and legible. The High Road is not overly dominated by vehicle traffic allowing easy crossing between both sides of the street.

## Perceptions of safety

2.87 The centre is generally open and safe. Both sections of the town centre benefit from continuous active frontages with few vacant units which improves the feeling of safety during the daytime.

## Customer views

2.88 Of those surveyed the majority wish to see parking improvements by having more parking available in the town centre.

## Summary

2.89 To summarise, the centre has a relatively strong representation in the food and drink sectors. There is also a good selection of convenience retailers meeting day to day needs. However, representation from comparison goods retailers is fairly poor.

# Tarpots

## Diversity of uses

2.90 Tarpots is the smallest designated town centre in Castle Point, located to the north of the Borough with a total of 45 retail units. Table 2.6 compares the diversity of uses in Tarpots as a proportion of units against the national average which provides an indication of under provision or over provision of certain uses.

2.91 PBA conducted a manual count of the retail units within the designated town centre boundary in July 2016 and the data is summarised in Table 2.6.

2.92 Tarpots does not contain any of the current 28 GOAD key attractors. This reflects the property offer which is predominantly made up of very small units and the role of the centre which serves local needs.

2.93 18% of units in Tarpots are occupied by convenience stores, which is double the national average at 9%. This is higher than the findings of the CPERA at 12%. Since the previous study, the convenience offer in Tarpots has been significantly boosted with the opening of the Aldi foodstore, supplementing the existing but much smaller Tesco Express and Co-op foodstores.

### Table 2.6 Tarpots town centre diversity of uses

| Use | Tarpots units % | UK average units % |
|---|---|---|
| Convenience | 17.8 | 9.3 |
| Comparison | 22.2 | 39.7 |
| Food and Drink | 20.0 | 17.1 |
| Service retailers | 35.6 | 20.6 |
| Miscellaneous | 0.0 | 1.2 |
| Vacant | 4.4 | 12.2 |

Source: PBA update (2016) and Experian GOAD (2016)

2.94 The comparison offer is significantly below the national average, at 22% compared to 40%. This has also fallen slightly since the CPERA was undertaken with the loss of one comparison retail unit. The clothing and footwear offer is limited.

2.95 The proportion of service retailers is significantly higher than the national average and mainly comprises hairdressing and beauty salons.

2.96 Table 2.7 shows the number of units in Tarpots town centre in A3-A5 use in 2016, and compares this to the findings from the CPERA. There is no GOAD plan for Tarpots; therefore, no comparison can be made between the floorspace figures. Since the CPERA, the number of A3-A5 units increased from seven to nine

2.97 The food and drink offer consists of Harvester Restaurant. This is supplemented by KFC, Wimpey and Domino's and a take-away restaurant. There are no theatres or gyms in he centre

### Table 2.7 Tarpots town centre A3-A5 uses

| Use Class | 2012 | 2016 |
|---|---|---|
| | Units | Units |
| Food and drink (A3) | - | 6 |
| Drinking establishment (A4) | - | 1 |
| Hot food takeaway (A5) | - | 2 |
| **Total** | **7** | **9** |

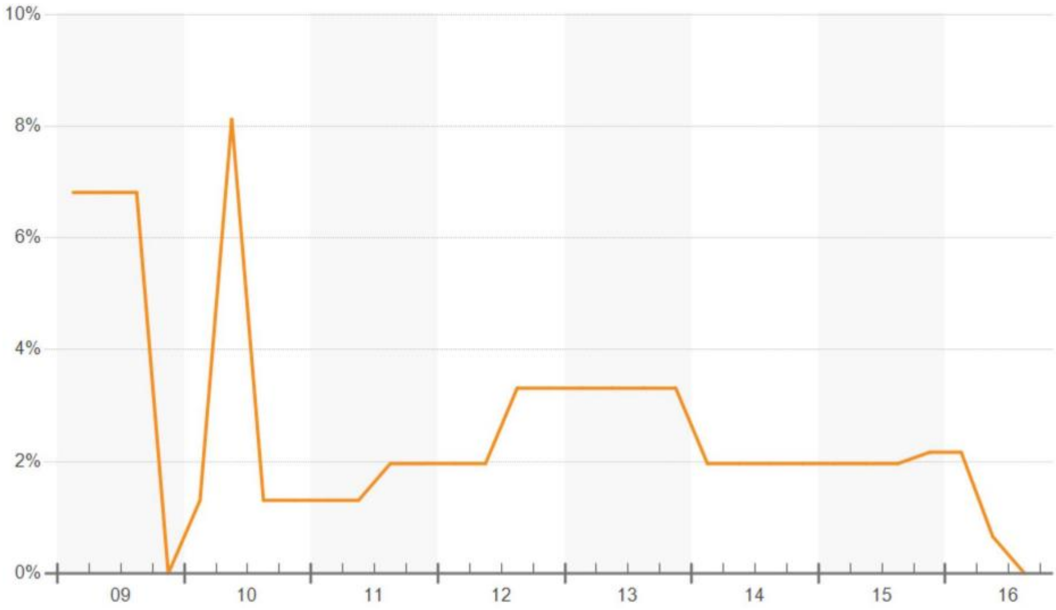
Source: PBA (2016) and CPERA (2012)

2.98 The leisure offer is limited in Tarpots. The closest leisure centre is Eversley Leisure Centre in Pitsea. The leisure centre is approximately 4 km from Tarpots and includes a sports hall, fitness suites, and badminton courts. There is no theatre or cinema provision in Tarpots.

## Vacancies

2.99 The vacancy rate in Tarpots is significantly lower than the UK average at 4% compared to 12%. Only two vacant units were recorded by PBA. The CPERA recorded four units indicating that the vacancy rate has fallen since 2012. There was no clustering of vacant retail units.

**Figure 2.12 Vacancy rates in Tarpots**



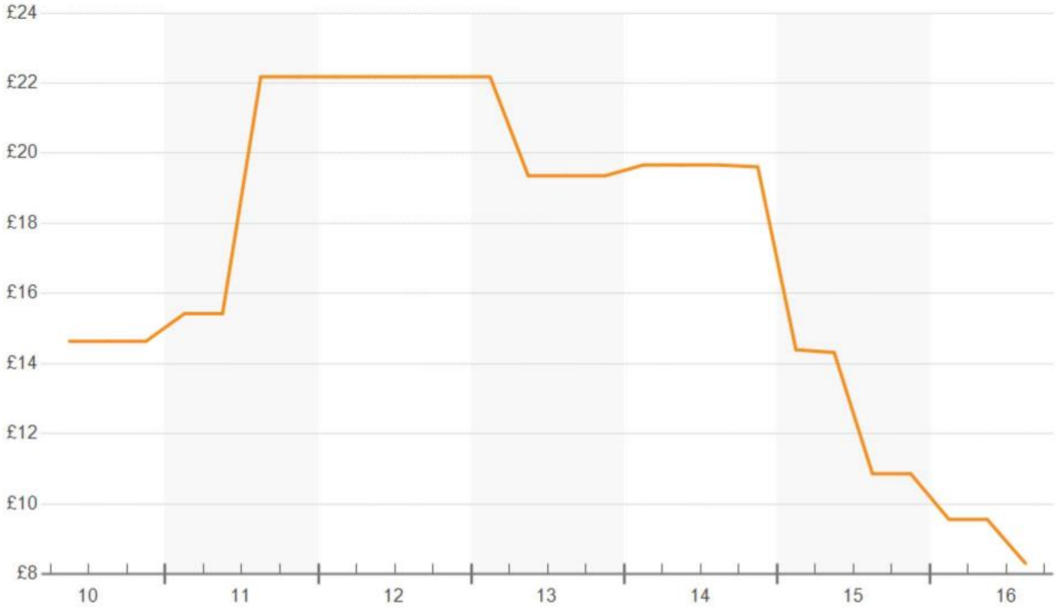

Source: CoStar (2016)

2.100 The figure above illustrates the vacancy rates between 2009 and 2016. Currently, the vacancy rate is at 0% for retail units. At the beginning of the period, the rates were more volatile ranging from 0% to 8%. Post 2010, the rates became more stable at around 2-3%.

## Commercial rents and yields

2.101 The level of rent that businesses are prepared to pay for retail space in a centre provides a further indication of the relative strength of its prime retail pitch as a shopping location.

**Figure 2.13 Asking rent per sqft in Tarpots**




Source: CoStar (2016)

2.102 The figure above shows the asking rents per sqft in Tarpots. The current asking rent is approximately £8. Rent prices have been on the decline since 2012, where they peaked at £22 per sqft. The current value is lower than the post-recession value of £14, indicating poor health of the town centre. In 2016, Tarpots had the lowest rent price in the Borough.

## Retailer requirements

2.103 There are currently no published requirements for retailers or food and drink operators for Tarpots. This reflects the function of the centre which predominantly provides for local shopping needs with a high proportion of service uses and a low proportion of national multiples.

## Environmental quality

2.104 Overall the environmental quality of Tarpots's town centre is acceptable. In terms of the public realm, there are benches and bins provided throughout the centre but the centre is not architecturally or historically distinct. The noise pollution in the centre is high due to London Road (A13) passing through the middle.

2.105 There is limited access to greenspace from the town centre, although there is a small park located 200 m north of Aldi.

## Accessibility and pedestrian flows

2.106 Access to the centre by public transport is relatively poor. Tarpots is approximately 3.3 km from Benfleet train station. The 22 route bus links Tarpots to Benfleet train station. This service is frequent and runs every 15 minutes.

2.107 There is minimal parking within the town centre. There is some on-street parking, and Tarpots Harvester and Tesco Express have small car parks. Although due to the small size of the centre, this seems adequate and an appropriate amount.

### Perceptions of safety

2.108 The town appeared to be relatively safe with no vacant sites or closed off alley ways. The town centre is compact and fairly open, with London Road and the High Road acting as a busy thoroughfare. Like the other centres in Castle Point, Tarpots has a limited evening economy and is therefore relatively isolated in the evenings. The presence of the Harvester Restaurant on the corner of London Road and the High Road provides some evening activity.

### Customer views

2.109 The survey didn't obtain any responses for customer views of Tarpots. As the survey asked respondents what improvements they would like to see to their nearest large town centre, it is likely that people did not provide answers for Tarpots as they do not consider it to be a main town centre.

### Summary

2.110 Overall, the town centre is compact and easy to navigate. Since the opening of Aldi, the convenience offer in the town has improved significantly. While the comparison goods offer is relatively poor, it is not untypical of a centre of this scale. The centre has very few vacancies meaning that there is a lack of units to accommodate new operators or allow existing retailers the flexibility to expand.

## Elsewhere in Castle Point

2.111 As is common elsewhere in the country, not all retail provision is provided in the existing network of centres. Existing centres compete with retail parks and retail warehouses in addition to freestanding, large-format convenience stores. These types of facilities focus on the retailing of 'bulky goods' which include furniture and DIY.

2.112 There are two main out-of-centre retail destinations in Castle Point; Stadium Way Retail Park in Rayleigh and Northwick Road in Canvey Island. The table below outlines the out-of-centre retail destinations in the Borough and the current tenant line up.

**Table 2.8 Castle Point out-of-centre retail offer**

| Centre | Location | Store/facility |
|---|---|---|
| Rayleigh | Stadium Way | Argos Extra, Homebase, Smyths Toys, Halfords, Wickes, Sizedwell Clothing, McDonalds and Sainsbury's |
| Canvey Island | Northwick Road | Morrisons and McDonalds |

Source: CompletelyRetail (2016)

2.113 Stadium Way is the location of the borough's main out-of-centre retail provision. The retail park is approximately 3 km north of Hadleigh town centre. Most of the units in the retail park are let to national multiple retailers and there is only one unit currently vacant.

2.114 In addition to the large foodstore, the retail provision is geared to large format furniture, homeware and DIY retailers. There is also one mid-range fashion retailer in the park. The retail park does not include any leisure provision, and only one food and drink operator, McDonalds.

2.115 The retail park adjoins the Stadium Way employment area which is one of the Borough's main employment areas. We note that while the Stadium Way employment area is successful and well occupied, a large proportion of the industrial units are occupied by trade counters which complement the bulky goods retail uses in the retail offer.

2.116 Northwick Road is approximately 3 km from Canvey Island town centre. In its Local Plan allocation, provision was made for a large format food store and retail warehouse development. Out of this allocation, only the foodstore operated by Morrisons and a standalone McDonalds drive-through restaurant have been built out. There is outstanding permission for an additional 5,378 sqm of non-food retail floorspace on the site. It is not clear when this is set to come forward.

# Key findings

Castle Point contains four main town centres which each perform a different role in the retail hierarchy serving their own local catchment area:

- Canvey Island town centre has a good convenience offer anchored by Sainsbury's supermarket in the Knightswick shopping centre. The comparison offer is positioned towards the lower end of the market with very few national retailers and a high proportion of discounters. There is scope to improve the quality and diversity of the food and drink offer which includes a high proportion of takeaway units. Market indicators suggest that there is limited operator demand for space in the centre and a number of poor quality retail units appear to have been vacant for a long period of time.

- Hadleigh town centre has a diverse convenience offer with three supermarkets including Lidl, Iceland and Morrisons. The centre has benefitted from recent investment in the new Morrisons food store and the conversion of the Old Fire Station building to provide a new community centre with art studios, offices and events space. There is scope to improve the quality of the food and drink offer which contains a high proportion of take-away units to complement these recent investments. Overall the centre would benefit from investment to upgrade the quality of the public realm and improve pedestrian accessibility. Market indicators show that there is limited operator demand from new retailers for space in the centre at present.

- South Benfleet is a small town centre which has a high proportion of service uses compared with the national average. This reflects the role of the centre which predominantly meets the day-to-day shopping needs for a localised catchment area. There is scope to improve the quality and diversity of the convenience offer which comprises a small Budgens and Co-op supermarket and a number of small convenience stores. The High Street to the south of the centre contains a concentration of restaurants, pubs and takeaways.

- Tarpots is the smallest town centre with just 45 units. The centre has a high proportion of convenience and services uses compared with the national average. This reflects the role of the centre which predominantly meets the day to day shopping needs for a local catchment area. The centre has three national convenience retailers including Co-op, Tesco Express and Lidl located on the edge of centre which recently opened in 2014. The centre provides a pleasant shopping environment and has benefitted from investment to upgrade the local road network with new pedestrian crossings.

The main bulky goods comparison shopping destination in Castle Point is Rayleigh Retail Park which is well represented in the DIY, homeware, electricals and furniture sub-categories. Local residents predominantly look to centres outside the borough for comparison shopping. The main out-of-centre convenience offer comprises a Morrisons on Northwick Road and Sainsbury's on Stadium Way.

# 3 SPENDING PATTERNS

## Introduction

3.1 This section sets out the study area which has been used as the basis of our assessment and then identifies the level of expenditure growth in the retail and leisure sectors which can be expected to come forward over the course of the study period. An assessment of spending patterns is undertaken to identify where residents across the study area are currently undertaking their convenience (food), comparison (non-food) and leisure spending. This exercise is important to establish how much money is spent in centres within Castle Point and how much 'leaks' to other destinations in South Essex and further afield.

3.2 The spending patterns assessment is based on a household survey undertaken in July 2016. The map enclosed at Appendix E shows the household survey study area and the Part 1 study includes details the postcode sectors contained within each zone. The survey includes a number of detailed questions on residents' convenience, comparison and leisure spending habits and the full survey results are provided as an appendix to the Part 1 study.

3.3 The study area has been divided into 23 study zones which are based on postcode sector boundaries and also relate to the boundaries of the authorities. The study area includes the five South Essex authorities and parts of the wider Essex region to the north, Greater London to the east and Kent to the south.

3.4 The larger zones on the periphery of the study area (Zones 19-23) have been incorporated in the survey to understand the influence of those larger destinations in South Essex (Lakeside, Basildon and Southend) on shopping patterns across the wider region. However, the size of these outer zones will distort the spending patterns analysis results to a degree since the analysis is based on total spending derived from each zone. When considering 'expenditure inflow' these larger zones will generate a greater amount of expenditure since they have a greater population. When considering 'expenditure outflow' these zones will have greater potential to attract expenditure relative to smaller zones since they contain a greater number of destinations

### Table 3.1 Study area zones and geography

| Geography | Study zones |
|---|---|
| Basildon | 1, 2, 3, 4 |
| Castle Point | 5, 6 |
| Rochford | 7, 8, 9, 10 |
| Southend on Sea | 11, 12, 13 |
| Thurrock | 14, 15, 16 |
| Outside South Essex | 17, 18, 19, 20, 21, 22, 23 |

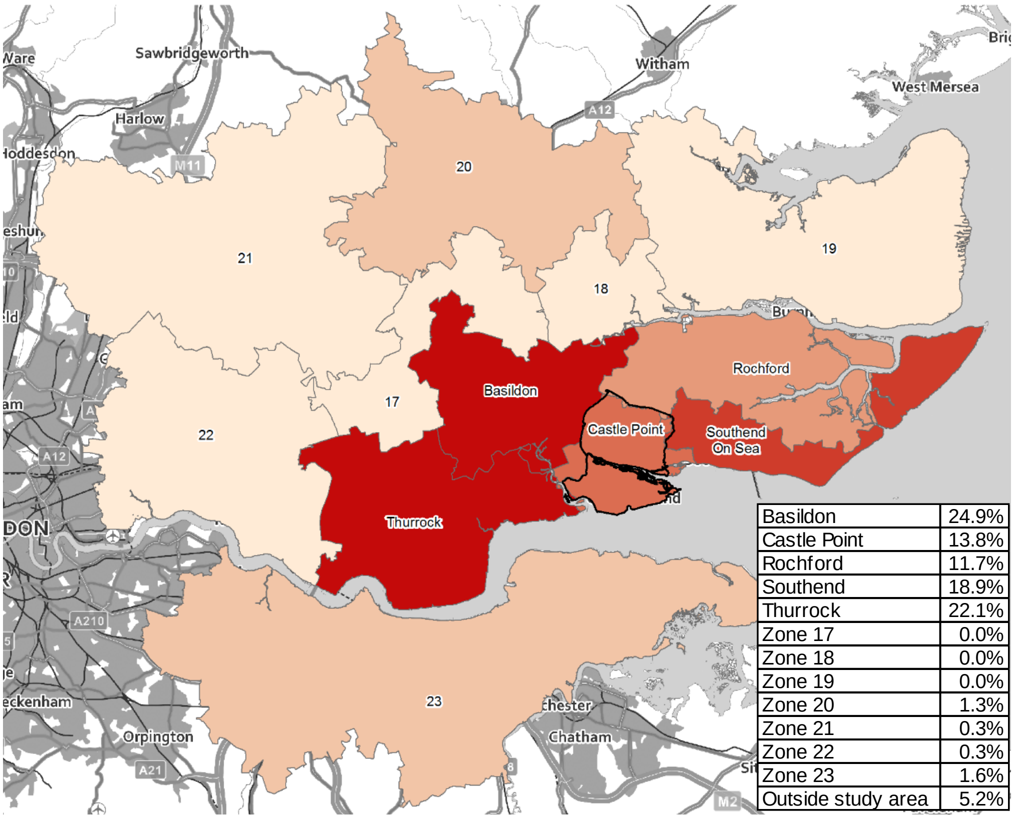
Source: PBA (2016)

3.5 CPBC boundary relates most closely to zones 5 and 6. The table below summarises the zones as they relate to the geography of the study area. Study zones 17, 21 and 22 cover the wider Essex area including Barking and Dagenham, Brentwood, Epping Forest, Waltham Abbey as well as the London Borough of Newham. Study zones 18, 19 and 20 cover Chelmsford and Malden and study zone 23 covers parts of Kent including Dartford, Gravesham, Medway and Sevenoaks.

## Comparison sector

3.6 The figure below shows the proportion of the total comparison spending generated by Castle Point residents which is retained by each study zone across the study area. This map represents the locations where Castle Point residents are undertaking comparison shopping in 2016 according to the survey results.

### Figure 3.1 Castle Point outflow comparison spending patterns

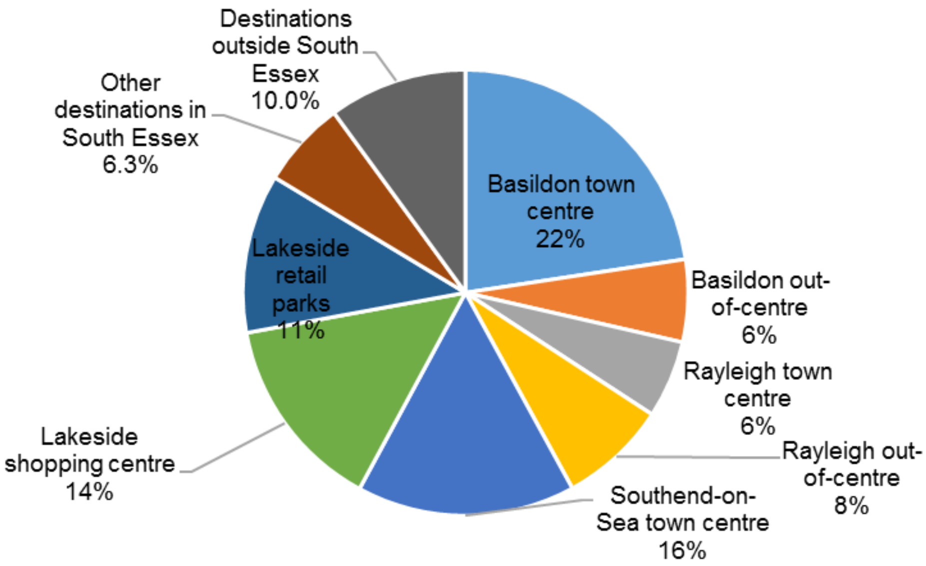



Source: PBA (2016)

3.7 The map shows that the borough's core zones retain just 13.8% of available comparison spending. The greatest comparison expenditure flows are to Basildon (24.9%) and Thurrock (22.1%). Southend-on-Sea (18.9%) and Rochford (11.7%) are also popular destinations for comparison spending. This suggests that the comparison offer in Castle Point struggles to compete with the centres in the surrounding authorities.

3.8 The destinations which receive the highest proportion of spending from Castle Point residents are shown in the figure below. Basildon, Southend and Lakeside are the key destinations outside the borough that Castle Point residents shop in:

### Figure 3.2 Castle Point outflow comparison spending patterns




Source: Part 1

3.9 The table below summarises the proportion of CPBC comparison turnover which is derived from CPBC (retained expenditure) and from other zones in study area (inflow expenditure) as well as how much expenditure from CPBC which is directed to competing destinations (expenditure leakage). As can be seen from this table, a high proportion of residents' comparison expenditure is directed to competing destinations outside Castle Point.

### Table 3.2 Castle Point comparison spending patterns summary

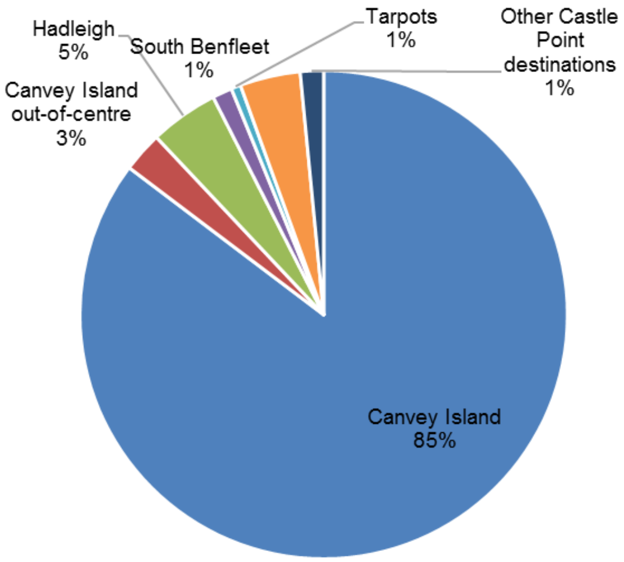
| Comparison spending patterns | % |
|---|---|
| Retention in Castle Point zones | 14% |
| Leakage from Castle Point zones | 86% |
| Turnover derived from Castle Point zones | 92% |
| Turnover derived from elsewhere in study area (inflow) | 8% |

Source: PBA (2016)

## Comparison spending within the borough's centres

3.10 The figure below shows the distribution of comparison spending within the borough; in addition to resident-generated turnover, it factors in the small amount of inflow spending made by people living outside the borough (8% as detailed in the table above). Canvey Island is the only significant comparison destination in Castle Point.

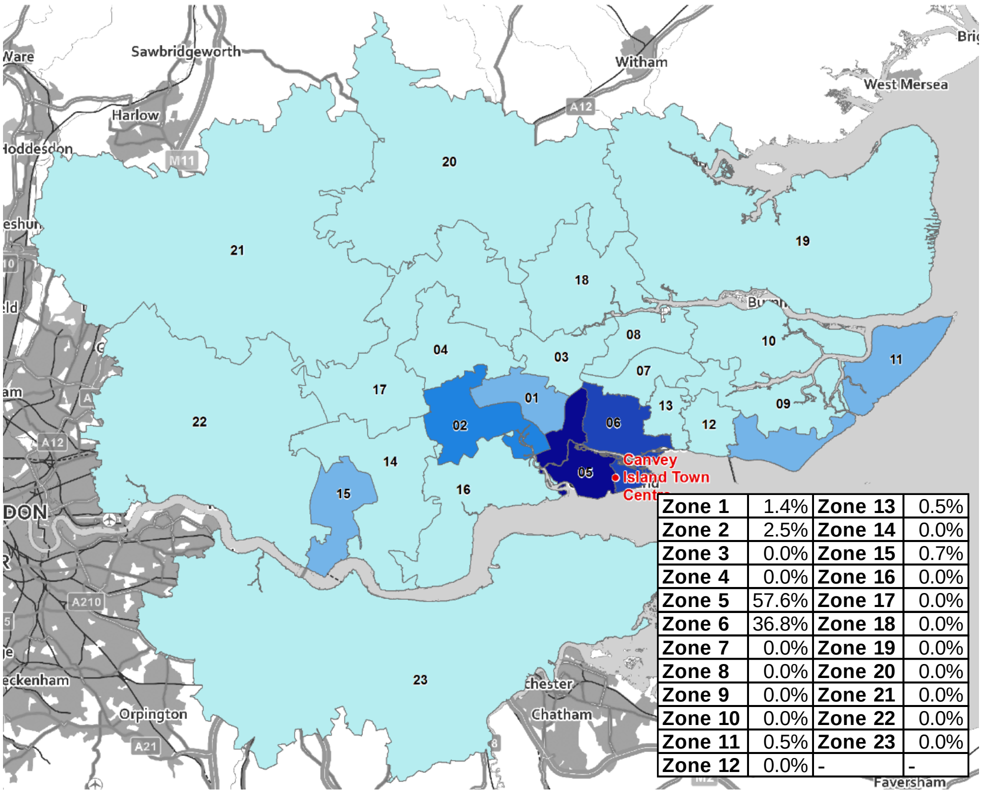
## Figure 3.3 Distribution of comparison spending, including inflow, in the borough's centres (2016)




Source: Appendix F

3.11 The figure below shows the proportion of Canvey Island town centre's comparison turnover which is drawn from each zone in the study area. This clearly shows that Canvey Island, while the only significant comparison shopping destination in the borough, has very little attraction outside Castle Point and instead performs only a very local role.

## Figure 3.4 Canvey Island inflow spending patterns




| | | | |
|---|---|---|---|
| Zone 1 | 1.4% | Zone 13 | 0.5% |
| Zone 2 | 2.5% | Zone 14 | 0.0% |
| Zone 3 | 0.0% | Zone 15 | 0.7% |
| Zone 4 | 0.0% | Zone 16 | 0.0% |
| Zone 5 | 57.6% | Zone 17 | 0.0% |
| Zone 6 | 36.8% | Zone 18 | 0.0% |
| Zone 7 | 0.0% | Zone 19 | 0.0% |
| Zone 8 | 0.0% | Zone 20 | 0.0% |
| Zone 9 | 0.0% | Zone 21 | 0.0% |
| Zone 10 | 0.0% | Zone 22 | 0.0% |
| Zone 11 | 0.5% | Zone 23 | 0.0% |
| Zone 12 | 0.0% | - | - |

Source: PBA (2016)

## Convenience sector

3.12 Table 3.3 summarises the proportion of turnover of borough facilities which is derived from residents (retained expenditure) and from other zones in the study area (inflow expenditure) as well as how much expenditure is directed to competing destinations beyond the borough zones (expenditure leakage). As can be seen from this table, convenience expenditure retention within Castle Point is high, at just over 74%; however, inflow from outside Castle Point to facilities in the borough is limited (25%).

### Table 3.3 Castle Point convenience spending patterns summary

| Convenience spending patterns | % |
|---|---|
| Turnover derived from Castle Point zones | 75% |
| Turnover derived from elsewhere in study area | 25% |
| Leakage from Castle Points zones | 26% |

Source: PBA (2016)

3.13 Overall Castle Point retains 74.3% of convenience spending locally which is the third highest retention rate across South Essex; BBC (88.5%) and SSBC (78.5%) both have a higher retention rate.

### Convenience spending within the borough's centres

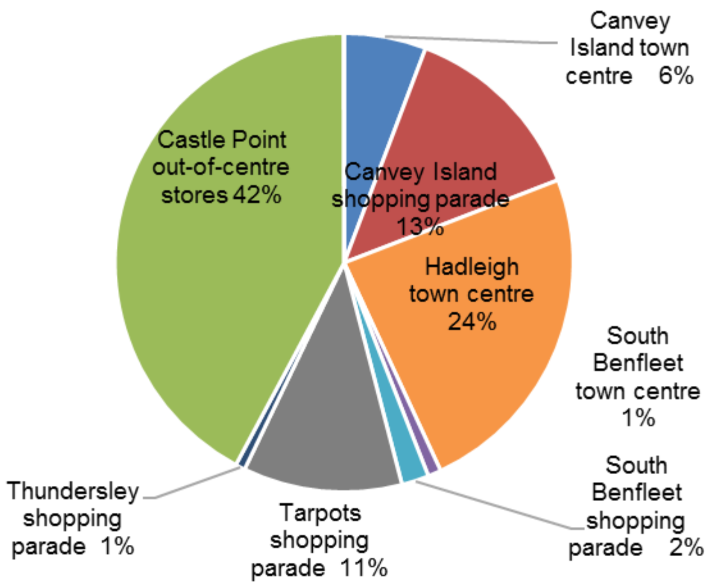
3.14 The five most popular convenience shopping destinations for Castle Point residents are located in Basildon borough and Castle Point and are summarised below with their respective market share:

1. Castle Point out-of-centre stores (30%)
2. Hadleigh town centre (16%)
3. Canvey Island shopping parade (12%)
4. Tarpots shopping parade (8%)
5. Basildon out-of-centre stores (7%)

3.15 The figure below focuses on the overall trade draw of the borough's centres. It therefore does not only consider resident spending but also takes account of the 25% inflow to the borough from residents living elsewhere in the wider study area shown in the table above.

3.16 It is clear that out-of-centre provision absorbs nearly half of trade drawn to the borough's facilities. Reflecting its strong convenience provision, Hadleigh town centre has the greatest convenience turnover of the borough's centres.

### Figure 3.5 Distribution of study area convenience spending in the borough's centres (2016)




Source: Appendix F

## Leisure sectors

3.17 The uses assessed are those defined as leisure uses within the main town centre uses definition in Annex 2 of the NPPF, namely '*leisure, entertainment facilities and more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, night-clubs, casinos, health and fitness centres, indoor bowling centres, and bingo halls)'.*

3.18 Table 3.4 summarises the proportion of leisure spending in the main categories which is derived from the borough's residents (retained expenditure) and from other zones in study area (inflow expenditure) as well as how much expenditure is directed to competing destinations (expenditure leakage).

### Table 3.4 Castle Point leisure spending patterns summary

| | Residential expenditure in the borough as proportion of total | Inflow expenditure in the borough as a proportion of total | Expenditure retention in borough | Expenditure leakage from borough |
|---|---|---|---|---|
| Food and drink (A3-5) | 94% | 6% | 40% | 60% |
| Cinema | 66% | 34% | 33% | 67% |
| Recreation | 89% | 11% | 36% | 64% |
| Games of chance | 97% | 3% | 50% | 50% |

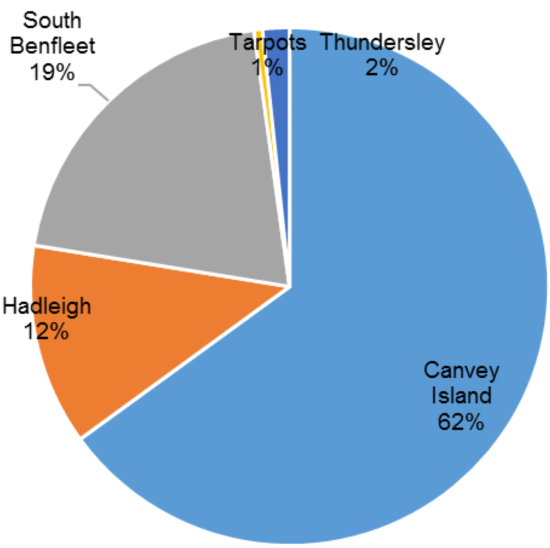
Source: PBA (2016)

3.19 As can be seen from this table, Castle Point suffers from a high level of expenditure leakage in all of the main leisure categories and particularly the cinema category although it does draw some turnover from the surrounding authorities, mainly Rochford. The borough has one small four screen cinema and as a result residents look to neighbouring authorities such as Basildon and Thurrock which have a better quality and more diverse offer.

## Leisure spending within the borough's centres

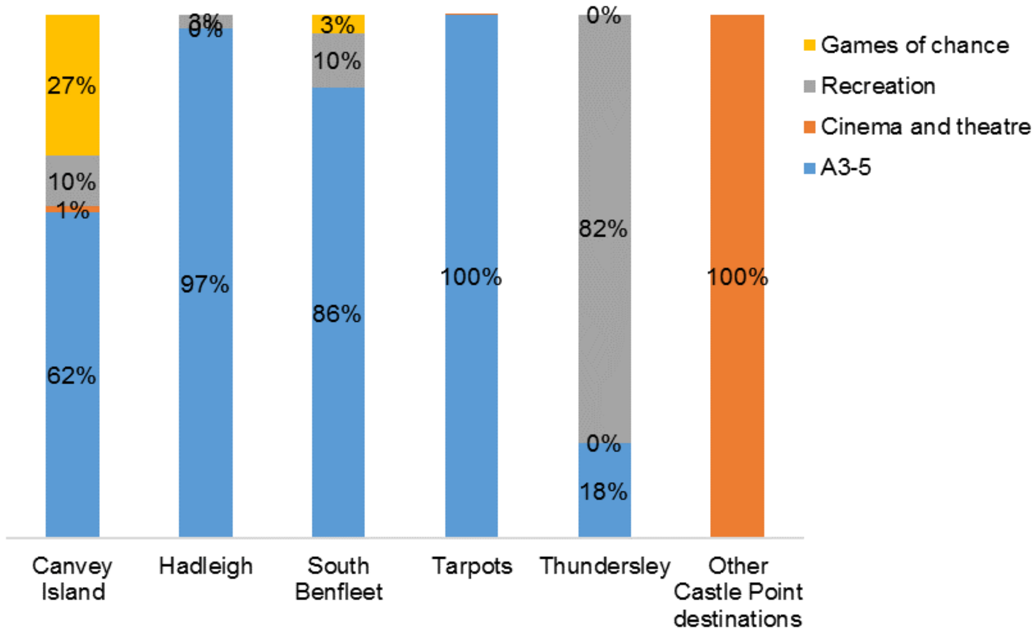
3.20 The figures below show the share of leisure spending in the borough by centre and the relative importance of each of the above categories in the leisure function of the main centres in the borough. These includes inflow expenditure from people living outside the borough.

### Figure 3.6 Share of leisure spending in Castle Point centres




Source: Appendix F

### Figure 3.7 Breakdown of leisure destinations' market shares by category



Source: Appendix F

3.21 These show that:

- Canvey Island is the most significant leisure destination, accounting for over 60% of leisure spending made in the borough.
- The main leisure function of Hadleigh and South Benfleet, as the second tier leisure destinations in the borough, is in meeting food and drink needs.
- Because Thundersley and Tarpots play only a very small role in the overall borough's leisure offer, leisure spending is dominated by recreation and food and drink respectively.
- The other destinations in the borough comprise the small cinema referred to above. As such, all spending outside the centres is in the cinema sector.

# Key findings

**Retail**

- In overall terms, the role and function of the borough's retail provision largely caters to meeting a proportion of its own residents' needs and does not play a significant role in South Essex as a whole.
- In comparison goods terms, the proportion of residents' need met within the borough is very limited, with retention at only 14%.
- Although convenience goods expenditure retained in the borough (75%) is much higher than comparison, the majority of convenience spending in Castle Point is made in out-of-centre locations (77%, including inflow spending).
- While it is important to remember that the level of leakage dwarfs that retained in Castle Point, Canvey Island is the most significant comparison shopping destination in the borough, accounting for 85% of expenditure in Castle Point facilities. It plays only a very limited convenience role.
- The borough's other centres have only a small convenience and comparison function. Canvey Island shopping parade is the only location which fulfils a notable role, as the most popular in-centre convenience expenditure destination.

**Leisure**

- Food and drink spending, which accounts for the vast majority of leisure spending, is largely retained within the borough. All of the borough's main centres play a role in meeting food and drink needs and for most of the centres, accounts for the largest share (if not all) of total leisure turnover.
- The presence of a small cinema means that some expenditure is retained in Castle Point and that there is also some inflow from Rochford residents. However, the level of retention is only about a third of available spending, with the majority leaking to other Southend and Basildon. In overall terms though, because cinema expenditure accounts for only a very small proportion of available leisure spending, the implications are limited.
- As well as attracting over half of leisure spending in the borough, Canvey Island has the most diverse leisure offer. The other centres, with the exception of Thundersley (recreation), are dominated by food and drink spending but in overall terms play only a small role in the overall borough offer.

# 4 RETAIL NEED

## Introduction

4.1 The Part 1 report for South Essex established the overall quantitative needs for the five authorities. In identifying quantitative needs, while two population scenarios (baseline and housing-led) were tested, for the purposes of this report, we focus on the preferred housing-led scenario (the main case).

4.2 However, as set out in Section 10 of the Part 1 report, because the distribution of housing growth across the five authorities has yet to be confirmed, the figures we discuss below should be treated as starting point.

4.3 We also consider qualitative needs. Both the NPPF and PPG are silent on the weight to be attached to qualitative needs, and how such needs should be assessed. While recognising that it has been revoked for some years, we make reference to the last set of published guidance provided as a supporting document to the revoked PPS4. This advised that the qualitative factors to account of include:

- Identifying gaps in local provision;
- Consumer choice and competition;
- Overtrading;
- Location-specific issues; and
- Quality of existing provision.

4.4 These overlapping criteria are considered in relation to comparison and convenience needs, taking account of the findings of the health checks set out in Section 2.

## Comparison goods

4.5 Because of the substantial comparison commitments outside the borough, there is limited short-term capacity. The Part 1 report identified overall comparison need for the five authorities of between 153,200 sqm to 185,500 sqm net by 2037. The former calculates capacity by deducting commitments; the latter number is based on the impact sensitivity which specifically modelled the diversion effects of the Lakeside and Bluewater extensions.

4.6 The implications for the borough, as well as the overall South Essex context, are set out in the table below.

### Table 4.1 Comparison goods need for Castle Point (net sqm)

| Scenario | Area | 2021 | 2026 | 2031 | 2034 | 2037 |
|---|---|---|---|---|---|---|
| Main case | Castle Point | -4,263 | -3,609 | -2,772 | -2,214 | -1,573 |
| | South Essex | -30,997 | 25,278 | 90,953 | 137,234 | 185,485 |

| Scenario | Area | 2021 | 2026 | 2031 | 2034 | 2037 |
|---|---|---|---|---|---|---|
| Impact sensitivity | Castle Point | -3,189 | -3,119 | -2,363 | -1,852 | -1,258 |
| | South Essex | -30,997 | -8,613 | 57,758 | 104,515 | 153,226 |

Source: Part 1

4.7 In both the main case and the impact sensitivity, comparison capacity is negative. This in part because the extant commitment at Canvey Island comprises over 4,000 sqm of comparison floorspace but also because Castle Point's current level of comparison retention is limited, so that while capacity emerges at a South Essex level, because Castle Point is growing from small base, any growth is absorbed by the relatively large commitment.

4.8 In qualitative terms, Castle Point's comparison offer is limited and is focused towards the discount/value end of the market. As such, there is substantial leakage to destinations outside the borough, as well as competition within Castle Point from Hadleigh Retail Park. The development of a large-format comparison-led scheme, while unlikely to change the profile of retailer away from the value sector[1], in Canvey Island is likely to improve the offer and has the potential to increase the borough's market share.

4.9 In advance of that development being completed, the impact on current shopping patterns is not known and because of the scale of development anticipated at Lakeside, predicting its impact is more challenging. What is clear though is that any short-term needs would be absorbed by that development and given the health check findings of limited operator interest in the borough, while the commitment may well increase the borough's market share such that some comparison capacity may emerge in the longer-term, we do not consider there is a need to make any quantitative uplift to address qualitative needs. The effect of the new development on shopping patterns should however be monitored.

## Convenience goods

4.10 As show in the table below, there is limited short to medium need for additional convenience floorspace in Castle Point. While some need does emerge by the end of the study period, caution is recommended when relying on a forecast over a 20-year period. As explained in the Part 1 report, because per capita convenience spending growth is flat across the period, the limited quantitative need is a product of Castle Point only taking 5% (6,800 people) of South Essex's total population growth in the housing-led scenario.

[1] Current tenants confirmed as B&M Bargains and Sports Direct

### Table 4.2 Convenience goods need for Castle Point (net sqm)

| Scenario | Area | 2021 | 2026 | 2031 | 2034 | 2037 |
|---|---|---|---|---|---|---|
| Main case | Castle Point | 12 | 133 | 667 | 1,000 | 1,391 |
| | South Essex | -7,560 | -3,759 | 3,029 | 7,536 | 12,342 |

Source: Part 1

4.11 In addition to quantitative needs, it is also relevant to consider qualitative needs. While the Part 1 study did not make any specific adjustments to take account of overtrading, we have considered it as part of this report. The table below shows that much of the convenience floorspace in the borough is trading significantly above benchmark.

### Table 4.3 Benchmark vs implied turnover of selected convenience stores in the borough (2016)

| Location | Store | Net sales (sqm) | Sales density (£/sqm) | Benchmark turnover (£M) | Implied turnover (£M) | Over/under trading |
|---|---|---|---|---|---|---|
| Canvey Island | Sainsbury's, Knightswick Centre, Canvey Island | 1,831 | £9,542 | £17.47 | £26.49 | 152% |
| Hadleigh | Morrisons, London Road, Hadleigh | 1,577 | £17,897 | £28.23 | £35.20 | 125% |
| | Lidl, London Road, Hadleigh | 790 | £7,015 | £5.54 | £13.55 | 245% |
| Tarpots | Aldi, Rushbottom Lane, Tarpots | 1,254 | £10,735 | £13.46 | £21.24 | 158% |
| Out-of-centre | Morrisons, Link Road, Canvey Island[2] | 178 | £17,897 | £3.19 | £28.99 | - |
| | Morrisons, Northwick Road, Canvey Island | 2,133 | £17,897 | £38.18 | £26.92 | 71% |
| | Sainsbury's, Stadium Way, Rayleigh Weir | 3,408 | £9,542 | £32.52 | £22.57 | 69% |
| Total | | | | £82.89 | £174.96 | 211% |

Source: Appendix F

[2] While the household survey recorded a very high market share for this store, it is assumed that respondents were in the most part referring to the larger Canvey Island Morrisons store. We have not therefore provided a performance against benchmark percentage for this store.

4.12 Furthermore, it is clear from the findings of the health checks and household survey that existing provision is primarily located outside defined centres. So while overtrading out-of-centre floorspace does not in itself justify additional floorspace, because of the locational issues in existing provision, allowing for improvements in convenience facilities within the defined town centre is considered to advisable.

## Key findings

- There is no quantitative comparison need in Castle Point; this is due to limited growth in available spending as a result of the borough's low level of retention which is more than absorbed by the comparison commitment at Canvey Island. It is expected that the commitment will bolster the borough's offer and has the potential to clawback expenditure currently flowing to other destinations outside Castle Point. However, because this investment is being made in an out-of-centre location, Canvey Island's health will need to be monitored going forward.
- Similarly, there is no convenience need identified. This is as a consequence of the limited forecast population growth in the borough under the housing-led scenario used in the Part 1 report. However, if this changes and additional population growth is planned in the borough, there may be additional quantitative justification.
- In qualitative terms, although Hadleigh town centre is well-provided for in convenience terms, in other locations in the borough in-centre floorspace is subject to significant competition from the out-of-centre foodstore offer. Any opportunities to enhance the in-centre offer, particularly in Canvey Island town centre, to direct spending back to the town centres and also relieve overtrading in other stores should therefore be supported.

# 5 LEISURE NEED

## Introduction

5.1 Leisure uses are a key component of vital and viable town centres are they drive footfall and linked retail trips.

5.2 As with retail, we focus on the findings of the housing-led or main case population scenario outlined in the Part 1 report. The table below sets out an overview of the leisure spending growth in the borough by sector for the main case.

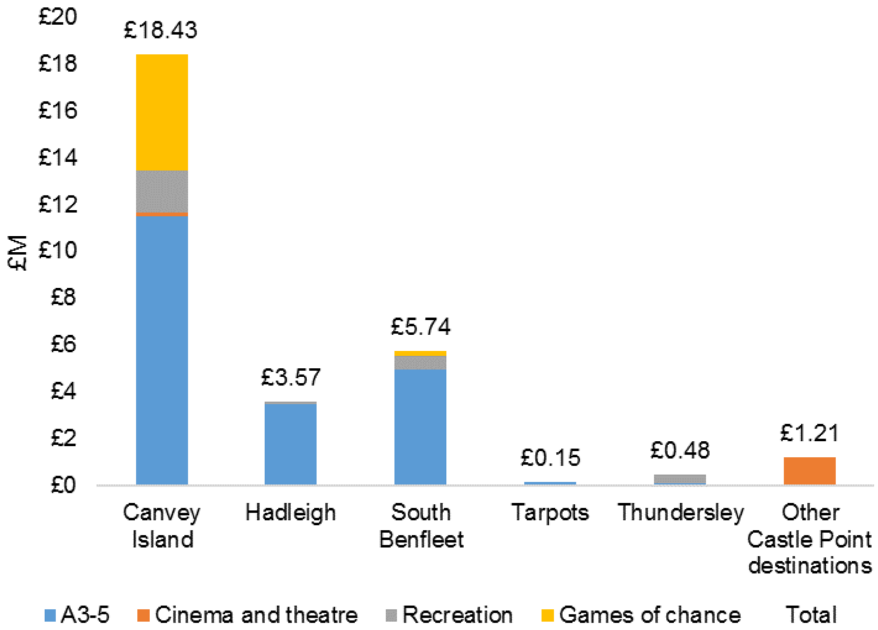
### Table 5.1 Leisure expenditure growth generated by borough residents 2016-2037 (£M)

| | 2016 | 2021 | 2026 | 2031 | 2034 | 2037 | Change 2016-2037 |
|---|---|---|---|---|---|---|---|
| A3-A5 | £78.74 | £83.08 | £89.84 | £99.06 | £105.09 | £111.40 | £32.66 |
| Cinema & theatre | £4.88 | £5.15 | £5.55 | £6.12 | £6.48 | £6.90 | £2.02 |
| Recreation | £11.75 | £12.39 | £13.37 | £14.75 | £15.61 | £16.62 | £4.87 |
| Games of chance | £16.86 | £17.78 | £19.19 | £21.17 | £22.40 | £23.85 | £6.99 |

Source: Part 1

5.3 The figure below takes account of leisure expenditure patterns, both of borough residents and those living outside Castle Point. This shows that over the period between 2016 to 2037, an additional £30m is expected to flow to leisure destinations in the borough.

### Figure 5.1 Growth in leisure spending in the borough's centres 2016-37




Source: Appendix F

# Need for additional leisure floorspace

5.4 In this section, we focus on food and drink uses, as the most significant component of leisure spending, and cinema uses in identifying the scope for additional floorspace. As with retail need, we also take account of qualitative needs.

## Food and drink

5.5 The capacity calculations below are only indicative because food and drink businesses' turnovers differ greatly. For example, national chains are expected achieve much greater turnovers than smaller independent businesses. None the less a high-level capacity figure has been identified at Appendix F.

### Table 5.2 Cumulative food and drink capacity

| | 2021 | 2026 | 2031 | 2034 | 2037 |
|---|---|---|---|---|---|
| Food and drink floorspace need (sqm gross) | 472 | 1,037 | 1,542 | 1,837 | 2,041 |

Source: Appendix F

5.6 There are no major commitments for additional food and drink development in the borough. In planning to allocate this capacity across Castle Point, first preference should be given Canvey Island and Hadleigh as town centres.

## Cinema

5.7 A high-level capacity assessment for cinema screens has also been undertaken. The cumulative findings are summarised below and show that an additional three screens could be sustained by the borough's residents.

### Table 5.3 Cinema capacity 2016-2037

| | 2016 | 2021 | 2026 | 2031 | 2034 | 2037 |
|---|---|---|---|---|---|---|
| Total population | 98,179 | 98,550 | 99,333 | 99,883 | 102,273 | 103,522 |
| Retention rate | 100% | 100% | 100% | 100% | 100% | 100% |
| Potential catchment | 98,179 | 98,550 | 99,333 | 99,883 | 102,273 | 103,522 |
| Cinema screen potential | 7 | 7 | 7 | 7 | 7 | 7 |
| Existing cinema screen | 4 | 4 | 4 | 4 | 4 | 4 |
| Cinema screen capacity | 3 | 3 | 3 | 3 | 3 | 3 |

Source: PBA (2016)

5.8 However, given the higher the subordinate nature of the borough's centres to Basildon and Southend as major centres, and the fact that there is already some provision within the borough, it is considered that these needs may be more appropriately met outside Castle Point and that no specific provision should be identified for any additional provision over the study period. This should not preclude any enhancement of the existing facilities which, although out-of-centre, reduce the need for local residents to travel outside the borough.

## Key findings

- Canvey Island is the primary leisure destination in the borough. Over the period, the turnover of the centre is forecast to grow by approximately £18m.
- Capacity for further food and drink, which accounts for 70% of leisure spending, is forecast to be 2,000 sqm by 2037. This should be concentrated in the higher order town centres of Canvey Island and Hadleigh.
- Because there is an existing cinema in Castle Point which attracts expenditure from local residents and from some people living outside the borough, there is some notional capacity identified. However, given such facilities are typically associated with higher-order centres, it is expected that demand will be met elsewhere in South Essex, so that no specific provision is needed in policy terms for Castle Point.

# 6 RECOMMENDATIONS

## Introduction

6.1 In making recommendations, this section draws together the relevant sections of the Part 1 study and Sections 1-5 of this report. These recommendations focus on the distribution of identified need within the borough and a number of recommendations to inform CPBC's emerging policy.

6.2 As set out in Appendix A, the development management policies for CPBC are now some years old. Additionally, while progress had been made on bringing forward new policies through the emerging local plan, which included retail and town centre policies, this was withdrawn in March 2017. The only other relevant documents, relating to Canvey Island and Hadleigh town centres are now several years old and do not form part of the development plan.

## Retail and leisure strategy

6.3 The Part 1 study set out recommendations for the town centre hierarchy in South Essex. This included designating Canvey Island and Hadleigh as town centres and South Benfleet and Tarpots as local centres. Because of the limited quantitative need identified over the study period, we set out our recommendations on a centre-by-centre basis.

### Canvey Island town centre

6.4 This is the largest town centre by floorspace and turnover in the borough. While the centre is performing adequately and plays a role in meeting some of the convenience, comparison and service needs of borough residents, there is scope for improvement, particularly in qualitative terms if a greater proportion of expenditure is to be retained.

6.5 In convenience terms, while there is no overall capacity identified, any enhancement to in-centre provision in Canvey Island should be supported in order to attract expenditure back into the town centre.

6.6 The adopted town centre SPD set out the development aspirations of delivering in the order of 16,000 sqm of additional retail floorspace. This would have represented a 60% uplift in floorspace. The New River commitment which is being progressed will deliver a portion of this additional floorspace; albeit in an out-of-centre location.

6.7 While the health check has identified some weaknesses in the town centre, having regard to the current trends in the retail and leisure market, particularly in terms of the difficulties associated with delivering schemes in centres of this scale which was confirmed by our discussions with agents, and the lack of quantitative demand once the New River commitment is completed, we consider the scale of growth being pursued by the SPD to be out of date. Instead, the impact of the new scheme on role and function of the town centre should be closely monitored and once trading patterns have maturated, it is recommended that the town centre strategy is revisited.

6.8 This is particularly relevant given the SPD's aim of securing the reconfiguration of existing town centre floorspace so that it is better able to meet modern occupiers' needs. As the health check highlighted, part of the town centre contains lower quality units which have been vacant for some time. While their retention for retail or other town centre use, including leisure, is preferred, in the short term there is unlikely to be viable demand to achieve these outcomes. As such, if alternative uses, including residential development are promoted, it is recommended that CPBC adopt a pragmatic approach in order to bring space back into active use and also increase footfall in the town centre.

## Hadleigh town centre

The town centre is underpinned by its convenience offer and this is reflected in its strong performance. The comparison offer is focused on meeting day-to-day needs and as such, the centre plays a relatively limited role in quantitative terms in meeting residents' needs.

6.9 In view of the lack of quantitative need for additional comparison space over the study period, while it is recommended that Hadleigh's focus should remain one of meeting convenience and service needs. Opportunities to enhance leisure provision, including reoccupation or redevelopment of key sites such as the Crown public house, in the centre should be supported.

## Local centres

6.10 Both South Benfleet and Tarpots play an important role in meeting local needs, primarily in terms of convenience goods and services. They are both fulfilling their role as local centres.

6.11 The latter has benefited from recent enhancement of its convenience offer following the redevelopment of the former Focus DIY store. While there has not been a notable recent investment in South Benfleet, vacancy levels remain well below national average.

6.12 Given the lack of identified capacity, it is not considered appropriate to plan to allocate substantial additional floorspace within the centres. However, measures to improve the pedestrian environment and physical appearance of the centres should be supported in order to improve ease of movement within the centres.

## Out-of-centre development

6.13 Castle Point's out-of-centre offer is in the process of being enhanced through the development of a new retail park adjacent to the large Morrisons store on Canvey Island. While this development is likely to have benefits in terms of clawing back some expenditure currently leaking from the borough, it is also likely to mean that any limited opportunity to secure significant town centre development, particularly in relation to comparison retail, in the short to medium term non-existent without public sector support.

6.14 It will be important to understand the impact on the town centre of this development; it is recommended that CPBC undertake regular health checks of the centre to monitor any impact.

# APPENDIX A PLANNING POLICY

## Table 1: Relevant adopted policies

| Document | Policy | Description |
|---|---|---|
| Local Plan Saved Policies (1998) | S1: Location of Retail Development | This policy has been superseded by the retail guidance in the NPPF<br><br>It states that retail development will be permitted within the defined boundaries of the town centres and local shopping parades. Other exceptional sites may be suitable for retail development. |
| | S2: Shopping Facilities at Rayleigh Weir | As detailed on the proposals map, large retail facilities will be permitted at Rayleigh Weir Industrial estate. In all circumstances the development must not detract from the vitality or viability of existing town centres. |
| | S3: Primary Shopping Frontages | This policy has been superseded by the retail guidance in the NPPF.<br><br>It states that A2 and A3 retail uses will be permitted in the primary shopping frontages, as long as it does not result in the loss of dominant retail frontage. Non-A class use will not be permitted. |
| | S9: Local Shopping Parades | This policy has been superseded by the retail guidance in the NPPF.<br><br>It states that ground floor uses falling outside class A1 may be permitted if they do not undermine the essential shopping function of the local shopping parade. |
| | S10: Supermarket and Retail Warehouse Development | This policy has been superseded by the retail guidance in the NPPF.<br><br>It states that the hierarchy within which supermarket and retail warehouses will be permitted is: town centres; edge-or-centre locations or local shopping parades; and lastly, elsewhere in the built up area. |
| Canvey Town Centre Masterplan SPD (2012) | - | This SPD sets out the development aspirations for Canvey Town. It states that the town centre should be primarily retail-led, and approximately 16,000 sqm of additional retail floorspace can be delivered.<br><br>This will be achieved through the retention, reconfiguration, and relocation of existing units, as well as the development of new units (approx. 6,800 sqm).<br><br>Furtherwick Road should be retained as the key retail street in the town centre, and alongside the surrounding road network, this area will become the Retail Core. |

| Document | Policy | Description |
|---|---|---|
| Hadleigh Town Centre Masterplan (2011) | - | This masterplan sets out the vision for growth and improvement within Hadleigh town centre. It identifies key projects which will deliver increased retail uses for the town centre, these are:<br>▪ Church Path – Provision of four retail units<br>▪ South Side – Retention and improvement of existing units |

## Table 2: Previously emerging policy

| Document | Policy | Description |
|---|---|---|
| New Local Plan (2016) – withdrawn March 2017 | R1: Town Centre Retail Strategy | This policy states that the town centres will be enhanced through:<br>▪ The delivery of at least 3,300 sqm of additional convenience floorspace;<br>▪ Increasing the comparison floorspace by 8,350 sqm in Canvey and Hadleigh town centres; and,<br>▪ Increasing the range of other economic and community activities. |
| | R2 and R3: Canvey and Hadleigh Town Centre Regeneration | Both of these policies outline how their respective town centres will be regenerated. It states that they can accommodate additional retail floorspace as follows:<br>▪ Canvey – up to 13,000 sqm<br>▪ Hadleigh – up to 1,300 sqm |
| | R4: Town Centres | The town centres in Castle Point are identified as: Canvey Island, Hadleigh, South Benfleet and Tarpots. |
| | R5: Primary Shopping Frontages | This policy identifies the primary shopping frontages within each town centre, within which the mix of uses must comprise at least 55% A1 uses at ground floor |
| | R6: Local Shopping Parades | This identifies 18 local shopping parades in Castle Point, and states that A1, A2, A5 and D1 use classes will normally be permitted at ground floor level in these areas. |
| | R7: Out of Centre Shopping Areas | The out-of-centre shopping areas are identified as:<br>▪ Stadium Way, Rayleigh<br>▪ Northwick Road, Canvey Island<br>This policy is in line with the NPPF; however, it also states that an impact assessment will be required to proposals of 1,500 sqm or greater. |

| Document | Policy | Description |
|---|---|---|
| | R8: South Benfleet Leisure Quarter | Proposals for A3 and A4 uses, which complement the existing range of uses, will be supported in this area. |
| | R9: Locations for Retail Development | This policy is in line with the NPPF. It also sets a threshold for impact assessments at 1,500 sqm. |
| | R10: Encouraging the Re-use of Empty Shops | This states that where a shop has been vacant for 6 months or longer and the owner has demonstrated that its re-use has been promoted, consideration will be given to the re-use of the shop unit for alternative uses.<br><br>Proposals must be in line with policies R4 to R8, and any permissions granted will be temporary, lasting no longer than 12 months. |
| | R11: Hot Food Takeaways | This sets the thresholds whereby hot food takeaways will be permitted. |

# APPENDIX B GOAD 2016 UPDATE TABLES

# APPENDIX C GOAD DIVERSITY OF USE MAPS

# APPENDIX D GOAD VACANT UNIT MAPS

# APPENDIX E STUDY AREA

# APPENDIX F QUANTITATIVE SPREADSHEETS