RCF002

Fareham Retail and Commercial Leisure Study

Update Report

Fareham Borough Council

Monday, April 27, 2020

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1.0 Introduction

Purpose of the report

1.1 Lichfields was commissioned by Fareham Borough Council to prepare the Fareham Retail and Commercial Leisure Study (FRCLS 2017). The key objective of the FRCLS was to provide a robust and credible evidence base to inform the emerging Local Plan 2036 for Fareham Borough. It provided a quantitative and qualitative assessment of the need for new retail and main town centre uses within Fareham Borough.

1.2 It provided a description of existing retail and leisure facilities within the Borough and identified the role the main town and district centres play in meeting the needs of customers. The study includes an assessment of:

1. changes in circumstances and shopping patterns since the previous studies were undertaken, not least the effects of the recession and the availability of 2011 Census data;
2. the future need and (residual) capacity for retail, food and beverage and leisure floorspace for the period up to 2036;
3. the potential implications of emerging developments both within and outside Fareham, in terms of impact on town centres and potential changes to shopping patterns;
4. the existing retail hierarchy and network of centres and advises whether any changes are required; and
5. development plan policies, allocations and recommendations on how each centre can develop its role.

1.3 This 2020 report provides a partial update of the FRCLS 2017 and should be read alongside the FRCLS 2017. This update report replaces the following sections of the FRCLS 2017:

- Section 2 - The Hierarchy of Centres (paragraphs 2.1 to 2.29);
- Section 3 - Retail Need Assessment (paragraphs 3.1 to 3.44 and 3.71 to 3.91);
- Section 4 - Other Town Centre Uses (paragraphs 4.8 to 4.38 and 4.52 to 4.56);
- Section 5 - Accommodating Growth (paragraph 5.1 to 5.16 and 5.48 to 5.69);
- Section 6 - Conclusions;
- Appendix 2 - Convenience assessment;
- Appendix 3 - Comparison assessment;
- Appendix 4 - Food/beverage assessment; and
- Appendix 5 - Analysis of Centres (part – role and mix of uses).

2.0 Hierarchy of centres

Introduction

2.1 Section 2 of the FRCLS provided an overview of the shopping hierarchy in Fareham Borough and the surrounding sub-region. This overview is updated below.

2.2 The revised NPPF indicates (paragraph 85) that planning policies should continue to define a network and hierarchy of centres and promote their long-term vitality and viability, but centres are now expected to grow and diversify to respond to rapid changes in the retail and leisure industries.

Centres in Fareham and the surrounding area

2.3 Fareham Borough is bounded by Eastleigh, Winchester, Portsmouth and Gosport local authorities. The Borough contains Fareham town centre as the main centre, supported by district centres at Locks Heath and Portchester plus local centres and parades catering for local needs, as shown in Figure 2.1 overleaf.

2.4 The existing Fareham Borough Local Plan Part 1: Core Strategy (adopted August 2011) and existing Local Plan Part 2: Development Sites and Policies (June 2015) sets out policies on retail and town centres, which seek to maintain the current hierarchy of the retail centres and promote competition and consumer choice, whilst maintaining and strengthening the individual character, vitality and viability of the centre.

2.5 The Javelin Group's Venuescore ranks the UK's top 3,500 retail destinations including town centres, malls, retail warehouse parks and factory outlet centres across the country. Each destination is given a weighted score based on the number of multiple retailers present, including anchor stores, fashion operators and non-fashion multiples. The score attached to each retailer is weighted depending on their overall impact on shopping patterns, for example a department store will achieve a high score. The updated results for the destinations and other relevant centres outside of the Borough are shown in Table 2.1.

2.6 As of 2016/17, Fareham town centre achieves the highest Venuescore in the Borough, reflecting its position in the retail hierarchy, although its score has reduced by 6 points. Most centres experienced a small decline in scores between 2015/16 and 2016/17, due to the national trend of shop closures within town centres.

2.7 Residents in Fareham Borough continue to have good access to several larger centres, as well as having a choice of smaller centres for day to day shopping needs. Nevertheless, Fareham town centre has an important role as the main retail destination in the Borough.

2.8 Venuescore data closely correlates to the actual market size of the shopping destination in terms of consumer expenditure. Javelin also assesses the market position of centres based on the retailers present and the centre's relative position along a spectrum running from discount to luxury or down-market to aspirational (i.e. lower, middle to upscale), as shown in Table 2.1. This information is used in the retail industry to assess the relative strength of shopping destinations. The market position relates specifically to the fashion offer together with other easily classified operators, because the range and choice of clothing and fashion shopping is the key driver in the relative attraction of large comparison shopping destinations. Javelin also provided other measures of the strength of centres as outlined below.

Figure 2.1 Fareham Borough network of centres and parades

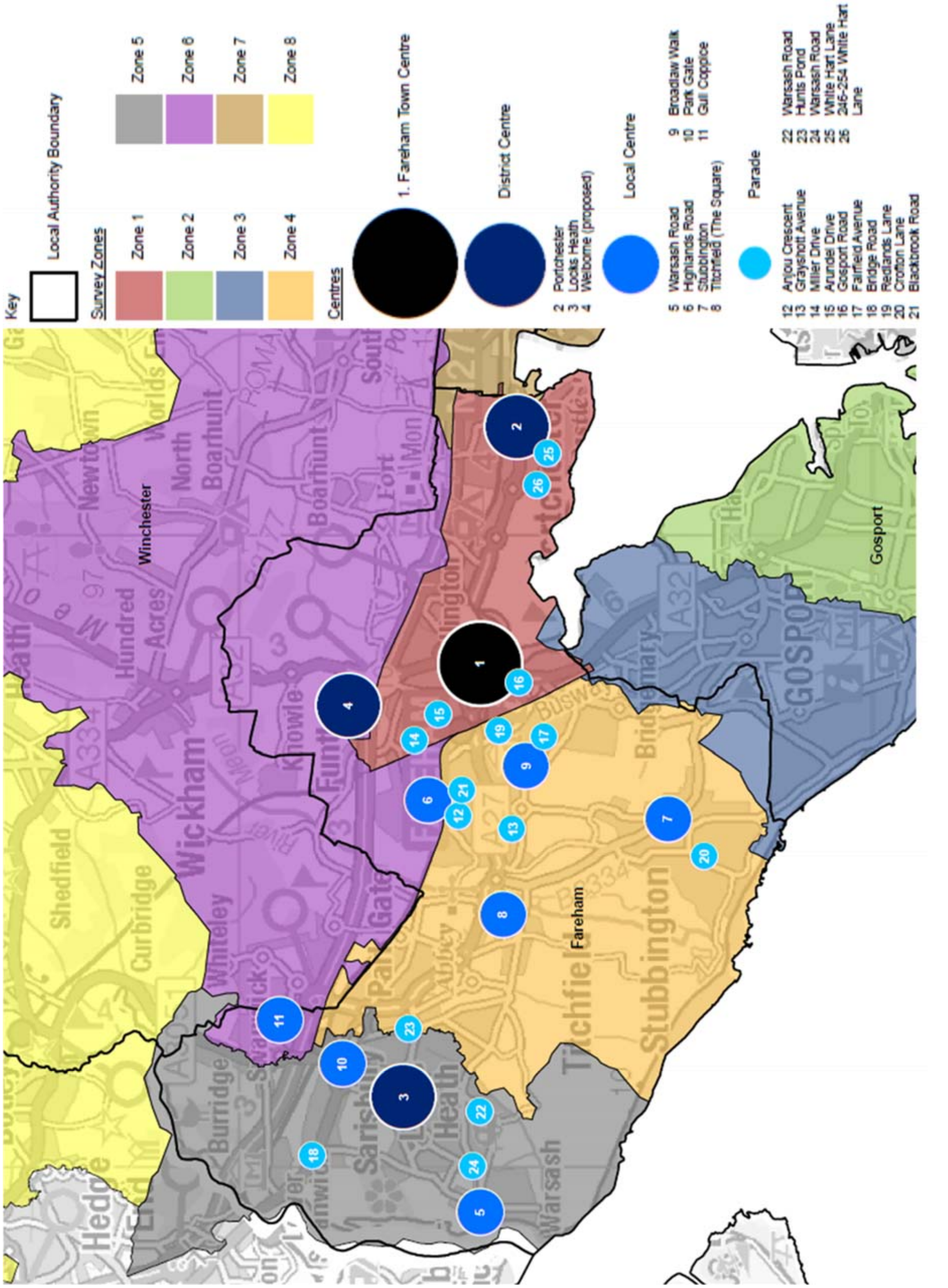


Table 2.1 UK Shopping Index and Rank

Centre	Venuescore 2015/16	Venuescore 2016/17	Change	UK Rank 2016/17	Market position
Southampton	355	338	- 17	20	Middle
Chichester	207	209	+2	74	Upper middle
Portsmouth	184	180	-4	101	Middle
Winchester	166	169	+3	125	Upper middle
Fareham town centre	140	134	-6	179	Middle
Gunwharf Quays, Portsmouth	127	121	-6	200	Upscale
Eastleigh	109	105	-4	238	Middle
Waterlooville	108	105	-3	238	Middle
Southsea	92	91	-1	292	Middle
Whiteley Shopping Centre	78	82	-4	332	Upper middle
Gosport	64	69	-5	408	Lower middle
Petersfield	73	68	-5	416	Middle
Southampton, Shirley	72	68	-4	416	Lower middle
Havant	62	62	0	473	Lower middle
North End, Portsmouth	50	46	-4	666	Lower middle
Bitterne	44	43	-1	710	Lower middle
Portswood, Southampton,	41	42	-1	733	Lower middle
Cosham, Portsmouth	38	37	-1	847	Lower middle
Fratton, Portsmouth	33	27	-6	1187	Lower middle
Hedge End	32	33	+1	968	Middle
Collingwood/Speedfields RP	28	30	+2	1074	Lower middle
Oceans / Burrfields RP, Portsmouth	24	23	-1	1368	Middle
Locks Heath	21	16	-5	1888	Middle
Clement Attlee Way, Portsmouth	16	16	0	1888	Middle
Port Solent	14	15	+1	2021	Upper middle
Broadcut Retail Park	14	14	0	2171	Middle
Farlington, Portsmouth	16	14	-2	2171	Middle
West Street (Portchester)	12	12	0	2566	Lower middle
Stubbington	n/a	10	n/a	3133	Lower middle

Source: Javelin Venuescore 2015/16 and 2016/17

2.9 Southampton is at the top of the shopping hierarchy, some way ahead of Portsmouth and Winchester. Fareham town centre is a second-tier centre, behind Winchester, but still ranked ahead of Eastleigh, Waterlooville, Whiteley and Petersfield.

2.10 Although not the largest centre, Gunwharf Quays in Portsmouth continues to be the only "upscale" centre in the sub-region, suggesting that it has a predominance of higher quality fashion shopping. The higher order centres of Chichester, Winchester and Whiteley are classified as "upper-middle" centres in fashion terms.

2.11 Within Fareham Borough, including Fareham town centre, Locks Heath and Broadcut Retail Park are classed as "middle", which suggest their retail offer is mass market.

2.12 In addition to its market position and Venuescore, each destination is also assessed in terms of a range of other attributes, as follows:

- Age focus (is the offer targeting younger or older consumers?)
- Fashionability of its offer (is the clothing offer traditional or progressive?)

- Food/service bias (how strong is the food and beverage offer?)

2.13 The Javelin Group classifies retailers in terms of their "fashionability" ranging from "traditional" at one end, to "updated classic", "fashion moderate", "fashion forward" through to "progressive" at the other, i.e. least fashionable to the most fashionable.

2.14 The age position of the fashion offer is also classified ranging from "young", "middle" to "old", for example shops such as Hollister, H&M, Miss Selfridge and Superdry appealing more to the young and others such as Evans and Edinburgh Woollen Mill appealing more to the old. The results for centres within Fareham and the surrounding area are shown in Table 2.2 below.

Table 2.2 Venuescore UK Fashion and Food/Service attributes

Centre	Age	Fashion Position	Food/service index (average =100)
Southampton	Mid	Fashion moderate	103
Chichester	Old	Update classic	82
Portsmouth	Mid	Fashion moderate	81
Winchester	Old	Update classic	105
Fareham town centre	Mid	Fashion moderate	91
Gunwharf Quays, Portsmouth	Old	Upper middle	162
Eastleigh	Old	Update classic	128
Waterlooville	Old	Traditional	47
Southsea	Old	Traditional	54
Whiteley Shopping Centre	Mid	Fashion moderate	82
Gosport	Old	Traditional	71
Petersfield	Old	Traditional	72
Southampton, Shirley	Old	Update classic	108
Havant	Old	Fashion moderate	138
North End, Portsmouth	Old	Update classic	119
Bitterne	Old	Update classic	71
Portswood, Southampton,	Old	Progressive	145
Cosham, Portsmouth	Mid	Update classic	132
Fratton, Portsmouth	Old	Fashion moderate	68
Hedge End	Old	Fashion moderate	19
Collingwood/Speedfields RP	Old	Fashion moderate	20
Oceans / Burrfields RP, Portsmouth	Old	Progressive	53
Locks Heath	Old	Progressive	115
Clement Attlee Way, Portsmouth	Old	Fashion moderate	76
West Street (Portchester)	Old	Fashion moderate	51
Stubbington	Old	Fashion moderate	122

Source: Javelin Venuescore 2015/16 and 2016/17

2.15 The centres within the sub-region tend to cater predominantly for older customers, with moderate or traditional tastes. This includes Fareham, Portchester and Stubbington, which have a fashion moderate offer. Some centres have a more progressive (fashionable) offer including Locks Heath and Portswood. It should be noted that Portchester, Stubbington and Locks Health are small centres with limited or no clothing shops, therefore Javelin’s fashion classification is less reliable than the classifications for larger centres. Most town centres of a similar size to Fareham town centre across the country tend to be fashion moderate, tending to attract older customers. Table 2.2 suggests there is a good variety of fashion shopping destinations within the sub-region.

2.16 Fareham and Portchester have a below average food/service offer and there appears to be scope to improve Fareham town centre and Portchester's food and beverage/service offer, e.g. restaurants, cafés and bars. The need for these uses is explored in more detail later in this report.

Retail provision in Fareham Borough

2.17 The assessment of the existing retail and service provision in the main centres has been updated and detailed information is provided in the health check of Fareham town centre and centre audits of the district and local centres, set out in later sections. A summary of existing retail provision in provided in Table 2.3 below. Figure 2.2 shows the updated proportional mix of Class A1 to A5 uses within the main centres of Fareham town centre, Portchester and Locks Heath compared with the UK average.

Table 2.3 Existing Class A1 retail provision in Fareham Borough

Centre	Status	Class A1 shop units	Convenience goods floorspace (sq.m gross)	Comparison goods floorspace (sq.m gross)
Fareham	Town Centre	166	9,233	31,496
Portchester	District Centre	37	1,856	2,741
Locks Heath	District Centre	18	5,092	1,093
Stubbington	Local Centre	28	1,665	1,517
Park Gate	Local Centre	20	954	698
Highlands Road	Local Centre	12	1,234	562
Titchfield	Local Centre	13	509	392
Warsash	Local Centre	20	611	699
Gull Coppice	Local Centre	3	269	0
Broadlaw Walk	Local Centre	3	461	307
		320	**21,884**	**39,505**

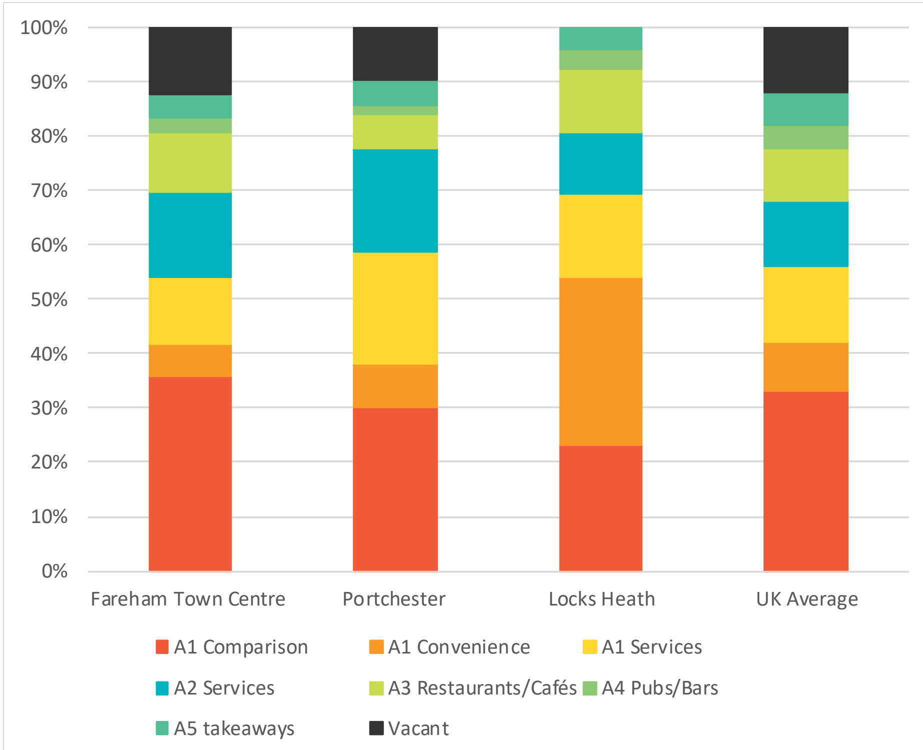
Source: Fareham Borough Council Centre Health Check data 2018

2.18 Retail provision has not changed significantly in the main designated town, district and local centres since 2016. However, the amount of Class A1 comparison goods floorspace has reduced slightly from 43,147 sq.m gross to 39,505 sq.m gross.

2.19 The audit of centres later in this report confirms that Fareham town centre, Portchester and Locks Heath are the main shopping destinations within the Borough. Fareham town centre is by far the biggest centre in terms of number of shop units and the amount of retail sales floorspace.

2.20 Fareham town centre provides a good range of shops and facilities that serve residents within its relatively wide catchment area, with a critical mass of convenience and comparison shopping floorspace and a good range of non-retail services. Portchester and Locks Heath are much smaller centres and serves a more localised catchment, providing a range of retail uses and services, particularly with regard to A1 comparison (e.g. charity shops and chemists), A1 Services (e.g. hairdressers) and A2 services (e.g. banks and estate agents). Locks Heath has higher than average proportion of A1 convenience retail floorspace when compared with the national average, due to the Waitrose store and conversely a below average proportion of A1 comparison retail floorspace.

Figure 2.2 Fareham Borough – Main centres mix of Class A1 to A5 units



Source: Fareham Borough Council Centre Health Check data 2018

2.21 Figure 2.2 shows Fareham town centre has a mix of Class A1 to A5 broadly consistent with the UK average, in particular the proportion of comparison goods retail units remains above the national average. Portchester and Locks Heath have a lower proportion of comparison goods retail units, but conversely a higher proportion of convenience retailing and non-retail services.

2.22 Portchester is also similar to the national average mix of uses, although it has a higher proportion of A1 and A2 non-retail services, reflecting the centre's day to day shopping and service role. Portchester has a below average proportion of Class A3 to A5 food and beverage outlets.

2.23 Locks Heath has a lower proportion of comparison goods retailers, consistent with its role as a day to day shopping and service destination. Locks Heath has a higher proportion of convenience goods retailers. Portchester and Locks Heath have a lower proportion of vacant units than the national average, with Locks Heath having no vacant units (recorded in 2018). A full audit of the main centres is provided later in Section 4, 5 and 6 of this report.

2.24 Stubbington, Park Gate, Highlands Road, Titchfield, Warsash, Gull Coppice (Whiteley) and Broadlaw Walk are identified in the existing Local Plan Part 2: Development Sites & Policies as Local Centres. These centres generally have a small range of shops and services of a local nature, serving small catchment areas. For example, they provide a small supermarket, newsagent, post office, takeaways and pharmacy. These Local Centres are supplemented by Local Parades which include a limited range of shops of a local nature to serve a small catchment. An audit of the local centres and parades in the Borough is provided in Section 7 of this report.

3.0 Fareham town centre

3.1 The FRCLS 2017 (Appendix 5) provided a health check of Fareham town centre based on land use information for Winter 2015. This section provides a partial update of the previous health check based on 2018 land use information. This section should be read alongside the FRCLS 2017 (Appendix 5) health check.

Key roles

3.2 Fareham town centre is the main shopping and commercial centre in the Borough. It is a traditional market town and is designated as the only town centre in the Borough in the Fareham Local Plan, Core Strategy (2011). It has a reasonable number of retail and service uses. The centre serves shoppers from across the Borough and beyond, particularly for comparison shopping. Its key roles include:

- **convenience shopping** - including one large Tesco food superstore at Quay Street (4,620 sqm net). This is complemented by one medium sized Aldi (884 sq.m net), which the household survey results suggest is trading strongly. In addition, there is an Iceland (374 sq.m net) and a B&M Bargains store. These facilities are supported by a number of small convenience outlets that serve basket/top-up food shopping trips;
- **comparison shopping** - there is a reasonable range of multiple and independent shops selling both high and lower order comparison goods. There is a concentration of multiples (chain stores), mainly located in the Primary Shopping Area of the pedestrianised area of West Street, Fareham Shopping Centre and Market Quay;
- **services** - there is a good range of high street national banks, and a reasonable selection of cafés, restaurants, takeaways, travel agents and hairdressers/beauty parlours;
- **entertainment** - there is a Reel Cinema and several pubs and bars; and
- **leisure and community facilities** – including health and fitness gyms and civic offices.

3.3 In addition to the FRCLS 2017, a retail study was undertaken by GVA in October 2012 and a Health Check Study Summary Paper was prepared by Fareham Borough Council in 2018. These reports provide a useful benchmark to access the significance of changes in recent years.

3.4 Fareham town centre is at the heart of the wider Fareham town and the retail core of the Borough. Fareham town centre prime retail pitch is focused around the pedestrianised area of West Street, Fareham Shopping Centre and Market Quay. To the east and west of this prime pitch retail and town centre uses extend along West Street.

3.5 The household shopper survey (FRCLS 2017, Appendix 7) provided an indication of the varied role of the town centre. Fareham town centre is the main destination for 32.8% of respondents for most of their non-food shopping. The updated combined turnover of Fareham town centre is £386 million, split approximately into 16% convenience goods trade, 62% comparison goods and 22% food and beverage. This indicates Fareham town centre's varied role.

3.6 The updated Venuescore ranking for Fareham indicates the town centre has continued to fall marginally from 175th position in 2013, to 178th in 2015/2016 and 179th in 2016/2017. The development of the Whiteley Shopping Centre, which now ranks 332nd has affected centres in the sub-region. The Whiteley Centre opened in May 2013 and is 6km north west of the Fareham town centre. The Whiteley Centre has a large Tesco and 42 comparison goods shops, the majority of which are multiple retailers. This retail offer is supported by 20 cafés/restaurants, a Cineworld and an indoor climbing centre.

Mix of uses

3.7 Fareham town centre has a total of 306 retail/service uses. The diversity of uses present in the centre in terms of the number of units is set out in Table 3.1, and the results are compared with the national average. Since the 2016 health check the overall number of Class A units in the centre has increased by 4, which could either be due to subdivision of units, or a change of use to Class A or reclassification of uses, but the increase in vacant units has resulted in the reduction of occupied Class A premises from 275 in 2016 to 268 in 2018.

Table 3.1 Fareham town centre mix of Class A units

Type	Units 2014	Units 2016	Units 2018	% units 2018	UK average 2018
A1 comparison	111	112	110	35.9	33.3
A1 convenience	13	16	18	5.9	9.0
A1 services	37	40	38	12.4	13.9
A2 financial services (1)	58	57	47	15.4	11.9
A3 restaurants/cafés	29	31	34	11.1	9.7
A4 pubs/bars	10	6	8	2.6	4.5
A5 takeaways	11	13	13	4.2	6.0
Vacant	32	27	38	12.4	11.8
Total	**301**	**302**	**306**	**100.0**	**100.0**

Source: Fareham BC Retail Health Check Data (1) includes betting shops and pawnbrokers (Sui Generis)

3.8 The mix of Class A uses in Fareham is broadly similar to the national average and has not changed significantly in recent years. The number of A1 comparison goods units has reduced by 3 since 2016, but provision remains at a marginally higher proportion than the national average.

3.9 The number of vacant units has increase by 11 since 2016 and the number of A2 financial and professional services has reduced by 10, but the proportion remains above the national average. The proportion of vacant units is now marginally higher than the national average.

3.10 Table 3.2 below summarises the town centre mix of uses by floorspace. Fareham town centre has a total gross floorspace of 73,775 sq.m gross of which 42.7% is comparison retail, the comparable figure in 2016 was higher at 47.6%. The amount of comparison goods floorspace has reduced by 2,290 sq.m gross since 2016.

Table 3.2 Fareham town centre Use Class floorspace mix 2018

Type of use	Floorspace (sq.m gross)	% total floorspace
Comparison retail	31,496	42.7
Convenience retail	9,233	12.5
A1 services	3,751	5.1
A2 services	8,590	11.6
A3 restaurants/cafés	6,147	8.3
A4 pubs/bars	2,932	4.0
A5 takeaways	1,318	1.8
Vacant	10,308	14.0
Total	**73,775**	**100.0**

Source: Fareham BC Retail Health Check Data 2018

3.11 The floorspace vacancy rate (14% of all floorspace) has increased from 7.2% in 2016 and is now marginally higher than the unit vacancy rate (12.4% of all units). Notable new vacant units include the former Marks & Spencer (5 Delme Square), Argos (97-99 West Street) and Zodiac

99p store (142-144 West Street). The majority of the convenience goods floorspace is concentrated in the Tesco store.

Retailer representation

3.12 Table 3.3 provides a breakdown of comparison shop units by category. Despite the reduction in units and floorspace, Fareham town centre continues to provide a reasonable selection of comparison shops (110) reflecting its size and role in the shopping hierarchy. The proportion of comparison goods units remains marginally higher than the national average, reflecting the main shopping role of the centre.

Table 3.3 Fareham town centre mix of comparison goods units

Type	Units 2016	Units 2018	% units 2018	UK average 2018
Clothing and footwear	27	27	24.5	23.3
Furniture, carpets and textiles	4	9	8.2	7.6
Books, arts, cards and stationers	6	7	6.4	8.5
Electrical, music and photography	10	11	10.0	9.5
DIY, hardware and homeware	15	9	8.2	6.5
China, glass and gifts	2	1	0.9	5.2
Cars, motorcycles and accessories	0	0	0	0.5
Chemists, drug stores and opticians	7	8	7.3	10.9
Variety, department and catalogue	4	2	1.8	1.7
Florists, nurserymen and seedsmen	4	1	0.9	2.2
Toys, hobby, cycle and sports	11	11	10.0	5.3
Jewellers	5	6	5.5	5.0
Charity and second-hand shops	17	14	12.7	9.5
Other comparison good retailers	0	4	3.7	4.3
Total	**112**	**110**	**100.0**	**100.0**

Source: Fareham BC Retail Health Check Data

3.13 The mix and choice of comparison goods shops has not changed significantly since 2016. The number of charity shops and DIY/hardware shops has reduced, while furniture/carpets/textile shops have increased. The number of variety stores has changed due to the closure of Marks & Spencer and Argos. However, most of the Goad Plan comparison goods categories continue to be represented within the centre, but as in 2016 the choice in some categories is limited. There continues to be a reasonable representation and mix of mid-market national multiple comparison retailers present within Fareham town centre, including:

Accessorize	Monsoon	Warren James	Robert Dyas	Wilkinsons
Bon Marche	Peacocks	Next	Sony Centre	Boots
Claire's Accessories	tReds	Clintons	Specsavers	Superdrug
Clarks	Store Twenty One	Card Factory	B&M Bargains	H Samuel Limited
Dorothy Perkins	River Island	Thornton's	Carphone Warehouse	TK Maxx
New Look	Shoe Zone	W H Smith	The Works	
M & Co.	Topshop/Topman	Waterstones	Sports Direct	
Game	Milletts	Vision Express	Debenhams	

3.14 National multiple retailers continue to be concentrated around the pedestrianised area of West Street, Fareham Shopping Centre and Market Quay. Fareham Shopping Centre remains the only enclosed shopping centre and is anchored by Debenhams, Boots, Next and B&M Bargains. B&M Bargains has occupied the former BHS store since 2016, but the large Marks & Spencer store has closed.

Service uses

3.15 Fareham town centre continues to provide a good range of non-retail service uses, with a choice of service providers across all categories, as shown in Table 3.4. The number of restaurant/café and pub/bar uses has increased since 2016.

Table 3.4 Fareham town centre mix of selected service uses

Type	Units 2016	Units 2018	% units 2018	UK average 2018
Restaurants/cafés	31	34	27.0	23.3
Fast food/takeaways	13	13	10.3	7.6
Pubs/bars	6	8	6.3	8.5
Banks/other financial services	25	24	19.0	9.5
Betting shops/casinos/amusement	3	3	2.4	6.5
Estate agents/valuers	11	11	8.7	5.2
Travel agents	4	4	3.2	0.5
Hairdressers/beauty parlours	30	29	23.0	10.9
Launderettes/dry cleaners	1	0	0	1.7
Total	**124**	**126**	**100.0**	**100.0**

Source: Fareham BC Retail Health Check Data

3.16 As in 2016, the proportion of units in some categories is notably different to the national average. The centre has a significantly above average proportion of banks/other financial services, which includes a strong presence of businesses in the peripheral areas of the town centre, i.e. the High Street and the unpedestrianised part of West Street. These areas continue to provide an important non-retail service function.

3.17 Fareham town centre has retained the selection of restaurants, café and bar chains, which support the cinema. This provision suggests the evening economy is reasonably strong. The chain restaurants/pubs/takeaways include:

Ask Italian	Costa	Nando’s	Rancho Steak House
Burger King	Domino’s Pizza	Papa Johns	Slug and Lettuce
Café Nero	McDonalds	Subway	Wetherspoon

3.18 The adopted Local Plan Part 2 identifies a vision for more A3 restaurants and cafés within the centre. Part of the Council’s vision for the centre is to create ‘living streets’ to build on the town’s identity and incorporate a “vibrant mix of shops, cafés, restaurants, businesses, community uses and housing that gives life and activity to the principal streets of High Street and West Street during the day and evening”.

3.19 Most of the main high street banks/building societies are represented within Fareham town centre including, Santander, TSB, Barclays, Halifax, HSBC Bank, Lloyds, Nationwide, Nat West and Yorkshire Building Society.

3.20 In addition to these service uses, Fareham town centre is represented by a limited range of leisure, entertainment and cultural uses, including Reel Cinema, Sports Direct Fitness, Curves Fitness Centre, Ferneham Hall, Ashcroft Arts Centre and Westbury Manor Museum.

3.21 The Civic Centre, library and medical facilities also help to attract visitors to the town centre. The centre has a number of Class B1 and B2 employment uses but this sector is not significant.

Strengths

- Fareham town centre is the main shopping centre within the Borough and its catchment extends across the Borough and beyond.
- The centre provides a good range of convenience shopping facilities. The Tesco and Aldi stores attract a significant number of food and grocery shopping trips that provide spin-off trade for other shops and services.
- There is a higher than average proportion of comparison shops including a diverse range of national multiple retailers and independent shops. The facilities are primarily mid-market.
- The centre provides a range of service facilities, including banks and building societies, restaurants and cafés. There is a small selection of chain restaurants and bars, which with the cinema generate evening activity in the centre.
- The Fareham Shopping Centre provides covered shopping and provides a focus for multiple retailers, anchored by Debenhams, Boots, Next and B&M Bargains.
- The centre is a relatively attractive environment, with an extensive pedestrianised area, which has seen investment in the public realm including street furniture, art, children's play and lighting.
- The street markets add diversity to the retail offer and character of the centre and help to draw more visitors.
- The buildings within the centre are of reasonably good quality, with attractive mix of period buildings along the High Street to the east of the centre.
- The centre has several public car parks which are distributed around the centre, within close proximity to the main shopping areas.

Weaknesses

- The vacancy rate in terms of units and floorspace has increased since 2016 and is now slightly higher than the national average, and the centre has recently lost Marks & Spencer and Argos.
- The centre does not offer the same quality and range of facilities available in Southampton and Portsmouth, especially clothing and footwear retailers. Many Fareham residents choose to shop at these centres.
- The centre has a limited provision of higher quality up-market retailers.
- The household survey results suggest the street market is not a particularly strong draw.
- The town centre has a below average proportion of public houses and bars.
- There are gaps in leisure provision including bowling and bingo and the market share of theatre trips is low.
- The Fareham Shopping Centre is dated in appearance with low ceilings, poor natural light and units with a number of vacancies.
- The household survey indicates there is dissatisfaction with the cost of car parking.

Opportunities

- The increase in the vacancy rate since 2016 provides a good supply of premises available to attract new operators to Fareham.
- There is a relatively large resident population within Fareham's primary catchment areas. Continued growth in expenditure should provide further opportunities to expand and improve shopping and leisure provision within Fareham.
- Fareham has major development opportunities for further retail and leisure expansion including the Civic area, south of Market Quay and east of the railway station.
- Improvements to Fareham town centre's leisure offer may increase visitors within the centre which in turn will offer opportunity for increased food and beverage uses within the centre and increase expenditure elsewhere.

Threats

- The increase in the vacancy rate since 2016 and the creation of large voids could adversely affect investment confidence in Fareham, making the reoccupation of vacant units less likely.
- Competing centres, such as Southampton, Portsmouth and the Whiteley Shopping Centre are likely to continue to improve their environment, retail and leisure offer, which may increase expenditure leakage from Fareham.
- The continued polarisation of investment within larger centres may limit operator demand for new premises in Fareham. Lower commercial values may affect the viability of regeneration proposals.
- Development of new district and local centres within the Welborne development will need to complement rather than compete with the town centre.

4.0 Portchester district centre

4.1 The FRCLS 2017 (Appendix 5) provided a health check of Portchester district centre based on land use information for Winter 2015. This section provides partial update of the previous health check based on 2018 land use information. This section should be read alongside the FRCLS 2017 (Appendix 5) health check.

Key roles

4.2 Portchester is designated as a District Centre in the adopted Fareham Borough Local Plan Part 1: Core Strategy (August 2011). It has a modest range of retail and service uses, and primarily functions as a day to day top up shopping and service centre for local residents. Its key roles include:

- **convenience shopping** - the main food store is the Co-op (1,028 sq.m net). This is supported by an Iceland (384 sq.m net) and a limited number of small convenience shops.
- **comparison shopping** - there is a limited range of comparison goods retailers within the centre, comprising predominantly independent retailers with a few national multiples.
- **services** - there is a Post Office, a high street bank and dry cleaners, a reasonable selection of cafés, restaurants, takeaways and hairdressers/beauty parlours.
- **community facilities entertainment** – including the Portchester Health Centre and Portchester Library.

4.3 Portchester District Centre is located to the east of the Borough and is focused around a pedestrianised area of West Street. There is free surface car-parking to the south and community services to the west.

4.4 The 2015 household shopper survey provided an indication of the role of Portchester. Only 0.5% of respondents within the study area as a whole, suggested they do most of their non-food shopping in Portchester district centre.

4.5 The convenience goods expenditure attracted to Portchester is estimated to be £15.67 million in 2017 (Appendix 2), which is equivalent to 5% of the total convenience goods spending in stores and centres within Fareham Borough. The comparison goods turnover of Portchester district centre is estimated to be lower at £7.81 million in 2017 (Appendix 3), equivalent to 1.8% of the total comparison goods spending in centres within Fareham Borough. The food and beverage turnover of Portchester District Centre is estimated to be £13.02 million (Appendix 4), which is equivalent to 10.7% of the total food and beverage spending at facilities within Fareham Borough.

4.6 The combined turnover of Portchester district centre is £36.5 million in 2017, which is less than a tenth of Fareham town centre's turnover. Portchester's turnover is split approximately 43% convenience goods trade, 21% comparison goods and 36% food and beverage. This split reflects Portchester's lower order shopping in service role. Javelin's Venuescore rank for Portchester district centre is 2,566th in 2016/2017, which is one of the smallest centres included by Javelin.

Mix of uses

4.7 Portchester is a small centre with a total of 63 retail/service uses. The diversity of uses present in the centre in terms of the number of units is set out in Table 4.1, compared with the national average. The number of Class A units has reduced by one since 2016 but remains higher than the number in 2014. The number of vacant units has increased by two, but the vacancy rates is still marginally below the national average.

4.8 As in 2016, the centre has a similar proportion of comparison and convenience units when compared with the national average, but the actual number of outlets is small. Consistent with its role as a service centre, Portchester continues to have an above average proportion of A1 and A2 services, but below average proportions of A3/A4/A5 units when compared with the national average.

Table 4.1 Portchester district centre mix of Class A units

Type	Units 2014	Units 2016	Units 2018	% units 2018	UK average 2018
A1 comparison	21	23	19	30.2	33.3
A1 convenience	5	5	5	7.9	9.0
A1 services	9	11	13	20.6	13.9
A2 financial services (1)	13	13	12	19.0	11.9
A3 restaurants/cafés	3	4	4	6.3	9.7
A4 pubs/bars	1	1	1	1.6	4.5
A5 takeaways	3	3	3	4.8	6.0
Vacant	2	4	6	9.5	11.8
Total	**57**	**64**	**63**	**100.0**	**100.0**

Source: Fareham BC Retail Health Check Data 2018 (1) includes betting shops and pawnbrokers (Sui Generis)

Retailer representation

4.9 In 2016 Portchester had a modest selection of comparison units (23). This provision has reduced to 19. Table 4.2 provides a breakdown of comparison shop units by category.

Table 4.2 Portchester district centre mix of comparison goods units

Type	Units 2016	Units 2018	% units 2018	UK average 2018
Clothing and footwear	1	1	5.3	23.3
Furniture, carpets and textiles	3	2	10.5	7.6
Books, arts, cards and stationers	2	2	10.5	8.5
Electrical, music and photography	1	0	0	9.5
DIY, hardware and homeware	2	2	10.5	6.5
China, glass and gifts	0	0	0	5.2
Cars, motorcycles and accessories	0	0	0	0.5
Chemists, drug stores and opticians	3	3	15.8	10.9
Variety, department and catalogue	0	0	0	1.7
Florists, nurserymen and seedsmen	2	2	10.5	2.2
Toys, hobby, cycle and sports	3	3	15.8	5.3
Jewellers	0	0	0	5.0
Charity and second-hand shops	5	4	21.1	9.5
Other comparison good retailers	1	0	0	4.3
Total	**23**	**19**	**100.0**	**100.0**

Source: Fareham BC Retail Health Check Data

4.10 Portchester continues to provide representation in most Goad categories, but there are now further gaps in provision with 6 out of the 14 categories not represented. These unrepresented categories are generally higher order goods i.e. electrical, china/glass/gifts/fancy goods, cars/motorcycles/motor accessories, jewellers and variety/department/ catalogue stores.

Within the represented categories the choice of shops is limited, with the exception of charity/second hand shops.

Service uses

4.11 As in 2016, Portchester has a reasonable range of non-retail service uses with all Goad categories represented except travel agents, as shown in Table 4.3. The choice of facilities in each category remains limited, with the exception of hairdressers which has increased since 2016.

Table 4.3 Portchester district centre mix of selected service uses

Type	Units 2016	Units 2018	% of units 2018	UK average 2018
Restaurants/cafés	4	4	15.4	23.3
Fast food/takeaways	3	3	11.5	7.6
Pubs/bars	1	1	3.8	8.5
Banks/other financial services	2	2	7.7	9.5
Betting shops/casinos/amusement	1	2	7.7	6.5
Estate agents/valuers	4	3	11.5	5.2
Travel agents	0	0	0	0.5
Hairdressers/beauty parlours	8	10	38.5	10.9
Launderettes/dry cleaners	1	1	3.8	1.7
Total	**24**	**26**	**100.0**	**100.0**

Source: Fareham BC Retail Health Check Data

Strengths

- The centre continues to serve a localised catchment area within Zone 1- Fareham East. The centre has retained a reasonable mix of convenience and lower order comparison shopping and services.
- The proportion of vacant units has increased but remains slightly below the national average.
- The centre is compact with a safe and attractive pedestrianised area, which is well landscaped and has street furniture.
- There is a convenient and large public car park adjacent to the centre.

Weaknesses

- The centre has a relatively poor higher order comparison offer, attracting a limited market share of comparison goods spending within Fareham Borough. The choice of comparison shops within each category is small and the number of units has reduced since 2016.
- Food stores are relatively small and do not adequately cater for bulk food shopping trips.
- The household survey results suggested the street market is not a particularly strong draw.
- The location of the centre next to the busy A27 makes it difficult for residents to the north to access the centre on foot.
- Surrounding residential areas and the A27 may limit the potential to expand the centre.

Opportunities

- The centre has a large and relatively attractive pedestrianised area, which could be better utilised.
- The role of the small street market is relatively undeveloped. An improved/expanded street market could help Portchester's local distinctiveness and its ability to compete with larger centres.
- The existing large surface car park may provide an opportunity to expand Portchester's existing retail, service and leisure offer.

Threats

- The increase in vacancy rate since 2016 suggests demand for premises may have reduced. In particular the number of comparison goods shops has reduced. The continuation of this trend could lead to further vacancies.
- The new Lidl store at Castle Trading Estate will have diverted food and grocery trade away from Portchester district centre. At present there is no evidence to suggest this trade diversion has undermined the vitality and viability of the centre.
- The continued polarisation of investment within larger centres may limit operator demand for new premises in Portchester. Lower commercial values may affect the viability of regeneration proposals.

5.0 Locks Heath district centre

5.1 The FRCLS 2017 (Appendix 5) provided a health check of Locks Heath district centre based on land use information for Winter 2015. This section provides a partial update of the previous health check based on 2018 land use information. This section should be read alongside the FRCLS 2017 (Appendix 5) health check.

Key roles

5.2 Locks Heath is designated as a District Centre in the adopted Fareham Borough Local Plan Part 1: Core Strategy (August 2011). Locks Heath District Centre is located to the west of the Borough of Fareham. It is a purpose-built centre built in 1983. It is set in a courtyard layout, with shops surrounding a public open space.

5.3 The centre provides a small selection of shops and services, a large area of free surface parking and an adjacent library, community centre, public house and petrol station. There is a reasonable range of retail and service uses, and it primarily functions as a day to day top up shopping and service centre for local residents. Its key roles include:

- **convenience shopping** – a large Waitrose store (2,420 sq.m net), supported by an Iceland store (399 sq.m net), butcher, baker, newsagent and off license.
- **comparison shopping** - a limited range of comparison goods independent retailers with no national multiples present;
- **services** - including a Post Office, building society and travel agency, a reasonable number of cafés, restaurants, takeaways and a hairdresser.
- **entertainment** - including the Lockswood Community Centre and Library.

5.4 Javelin's Venuescore rank for Locks Heath District Centre is 1,888th in 2016/2017.

Mix of uses

5.5 Locks Heath has 26 retail/service uses, up from 25 in 2016. The diversity of uses present in the Centre in terms of the number of units is set out in Table 5.1, compared against the national average. As in 2016, the centre has a significantly higher proportion of convenience units and a lower proportion of comparison units than the UK average. The centre has a higher proportion of A1 Service and A3/A5 Units, and a below average proportion of A2 and A4 units compared to the national average. The mix of use has not changed significantly since 2016.

Table 5.1 Locks Heath district centre mix of Class A units

Type	Units 2014	Units 2016	Units 2018	% units 2018	UK average 2018
A1 comparison	6	6	6	23.1	33.3
A1 convenience	7	7	8	30.8	9.0
A1 services	3	4	4	15.4	13.9
A2 financial services (1)	3	3	3	11.5	11.9
A3 restaurants/cafés	2	3	3	11.5	9.7
A4 pubs/bars	0	1	1	3.8	4.5
A5 takeaways	1	1	1	3.8	6.0
Vacant	1	0	0	0.0	11.8
Total	**23**	**25**	**26**	**100.0**	**100.0**

Source: Fareham BC Retail Health Check Data (1) includes betting shops and pawnbrokers (Sui Generis)

Retailer representation

5.6 Locks Heath has a small selection of comparison units (6) and this has not changed since 2016. Table 5.2 provides a breakdown of comparison shop units by category. The range and choice of comparison shopping is very limited. The offer includes a chemist, optician, a card/gift shop and two charity shops.

Table 5.2 Locks Heath district centre mix of comparison goods units

Type	Units 2016	Units 2018	% units 2018	UK average 2018
Clothing and footwear	0	0	0	23.3
Furniture, carpets and textiles	0	0	0	7.6
Books, arts, cards and stationers	1	1	16.7	8.5
Electrical, music and photography	0	0	0	9.5
DIY, hardware and homeware	1	1	16.7	6.5
China, glass and gifts	0	0	0	5.2
Cars, motorcycles and accessories	0	0	0	0.5
Chemists, drug stores and opticians	2	2	33.3	10.9
Variety, department and catalogue	0	0	0	1.7
Florists, nurserymen and seedsmen	0	0	0	2.2
Toys, hobby, cycle and sports	0	0	0	5.3
Jewellers	0	0	0	5.0
Charity and second-hand shops	2	2	33.3	9.5
Other comparison good retailers	0	0	0	4.3
Total	**6**	**6**	**100.0**	**100.0**

Source: Fareham BC Retail Health Check Data

Service uses

5.7 Locks Heath also has a limited range and choice of non-retail service uses, although all the Goad categories are represented. Table 5.3 provides a breakdown of service units by category. The choice of uses in each category is limited. The mix of service uses has not changed since 2016.

Table 5.3 Locks Heath district centre mix of selected service uses

Type	Units 2016	Units 2018	% of units 2018	UK average 2018
Restaurants/cafés	3	3	27.3	23.3
Fast food/takeaways	1	1	0.9	7.6
Pubs/bars	1	1	0.9	8.5
Banks/other financial services	1	1	0.9	9.5
Betting shops/casinos/amusement	1	1	0.9	6.5
Estate agents/valuers	1	1	0.9	5.2
Travel agents	1	1	0.9	0.5
Hairdressers/beauty parlours	1	1	0.9	10.9
Launderettes/dry cleaners	1	1	0.9	1.7
Total	**11**	**11**	**100.0**	**100.0**

Source: Fareham BC Retail Health Check Data

Strengths

- Locks Heath continues to provide day to day retail and service for local residents in the west of the Borough.
- Locks Heath has a particularly strong convenience offer for a centre of its size, with a large Waitrose store and an Iceland store that attract customers from a wider area.
- The centre provides a range of service facilities, but the choice of facilities is limited.
- As in 2016, there are no vacant units in the centre.
- There is convenient free car parking adjacent to the centre.
- Buildings within the centre are generally in reasonable to good condition.

Weaknesses

- As in 2016, the centre has a very limited provision of comparison shops.
- The centre has a low proportion of national multiple retailers.

Opportunities

- The Waitrose is a key anchor to the District centre, which may help to attract more national multiple retailers to complement the retail offer within the centre. However, at present there are no available vacant units to attract new operators.

Threats

- Increased competition from the redeveloped Whiteley Shopping Centre was expected to divert trade from Locks Heath. At present there is no evidence to suggest this trade diversion has undermined the vitality and viability of the centre.

6.0 Local centres and parades

6.1 The FRCLS 2017 (Appendix 5) provided an audit of local centres and parades based on land use information for Winter 2015. This section updates the previous analysis based on the latest 2018 land use information.

6.2 The FRCLS 2017 described the comprehensive network of smaller local centres and local parades, which offers a balanced distribution of local facilities serving local communities across the Borough. These facilities complement the main centres and have an important role in serving the day-to-day needs in their local areas. The Fareham hierarchy of centres is set out in the Draft Fareham Local Plan Policy R1, as follows:

- **1 Town centre** - Fareham;
- **3 District centres** - Locks Heath, Portchester, Welborne (proposed);
- **8 Local centres** - Stubbington, Broadlaw Walk, Highlands Road, Gull Coppice (Whiteley), Titchfield, Warsash, Park Gate and Welborne (proposed); and
- **12 Small parades**.

6.3 The assessment of these centres and parades has been updated. As in the FRCLS 2017, each centre/parade has been attributed a Local Needs Index based on the availability of shops and services. The focus is the "needs" of local residents. There is no clear definition of need, but residents are likely to expect to find some or all of the following shops, services and community uses within easy walking distance of their home:

1 food or convenience store suitable for top-up shopping;
2 bank;
3 post office;
4 newsagent;
5 off licence;
6 chemist;
7 takeaway, café or restaurant;
8 public house;
9 bookmakers;
10 laundrette/dry cleaners;
11 hairdressers/beauty salon;
12 florist;
13 estate agents;
14 community hall;
15 doctor's/dentist surgery; and
16 library.

6.4 All local centres and local parades have been re-allocated a score out of 16, based on the shops and services listed above (one point per category represented) available in the centre. The results are summarised in Table 6.1 below.

Table 6.1 Local Needs Index Summary 2018

Centre	Status	Total shop units	Local Needs Index	Convenience shops	Vacant units
Stubbington	Local	43	14	7	1
Park Gate	Local	53	11	2	5
Highlands Road	Local	19	10	4	0
Titchfield	Local	23	7	4	0
Warsash	Local	31	7	3	0
Gull Coppice (Whiteley)	Local	6	6	1	0
Broadlaw Walk	Local	5	5	1	0
White Hart Lane, Portchester	Parade	14	6	2	2
Bridge Road, Sarisbury	Parade	6	4	1	1
Barnes Lane, Sarisbury	Parade	9	3	1	2
Anjou Crescent, Fareham	Parade	6	3	1	0
Gosport Road, Fareham	Parade	5	2	1	1
Crofton Lane, Stubbington/Hill Head	Parade	6	3	1	0
Miller Drive, Fareham	Parade	4	2	1	1
Warsash Road, Dibles Rd, Warsash	Parade	6	4	1	0
Arundel Drive, Fareham	Parade	3	2	1	1
Hunts Pond Rd, Titchfield Common	Parade	3	1	0	0
Redlands Lane	Undesignated	5	2	0	0
Fairfield Avenue	Undesignated	4	2	1	0
Greyshott Avenue	Undesignated	3	2	1	0
Total		**248**	**Average= 4.4**	**34**	**13**

Source: Fareham BC Retail Health Check Data 2018

6.5 The local needs index provides a useful indicator of whether a local centre or important local parade is meeting some or all the needs of local residents. There is a wide range of scores across the centres. Only three local centres i.e. Stubbington, Park Gate and Highlands Road have high Local Index Scores (over 10). Titchfield and Warsash are also relatively large local centres with over 20 shop units.

6.6 As in 2016, most local parades have a low local index score (5 or less) and less than 10 shop units in total.

6.7 Since 2016 the average score for each centre/parade has reduced slightly from 4.6 to 4.4. The number of units has remained relatively unchanged, increasing by one from 247 to 248, but the number of vacant units has increased from 10 to 13. These changes are not significant, and the hierarchy of centres as set out in Draft Fareham Local Plan Strategic Policy R1 is appropriate.

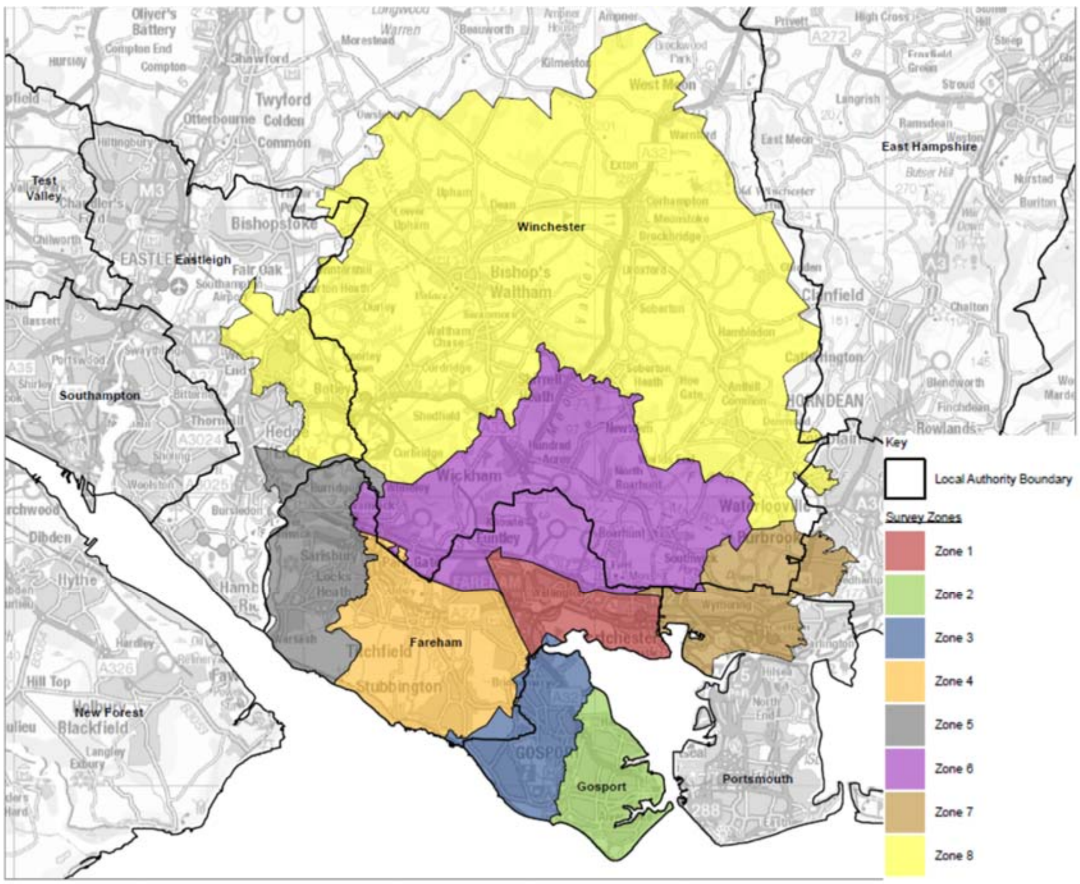
7.0 Retail need assessment

Introduction

7.1 This section re-assesses the need for Class A1 retail uses within Fareham Borough up to 2036. The approach continues to follow the key steps identified within the Planning Practice Guidance (PPG), as described in the FRCLS 2017. A summary of the methodology is set out in Appendix 1.

7.2 The quantitative analysis is based on the study area adopted in the FRCLS 2017, as shown in Figure 7.1 below.

Figure 7.1 Fareham Study Area

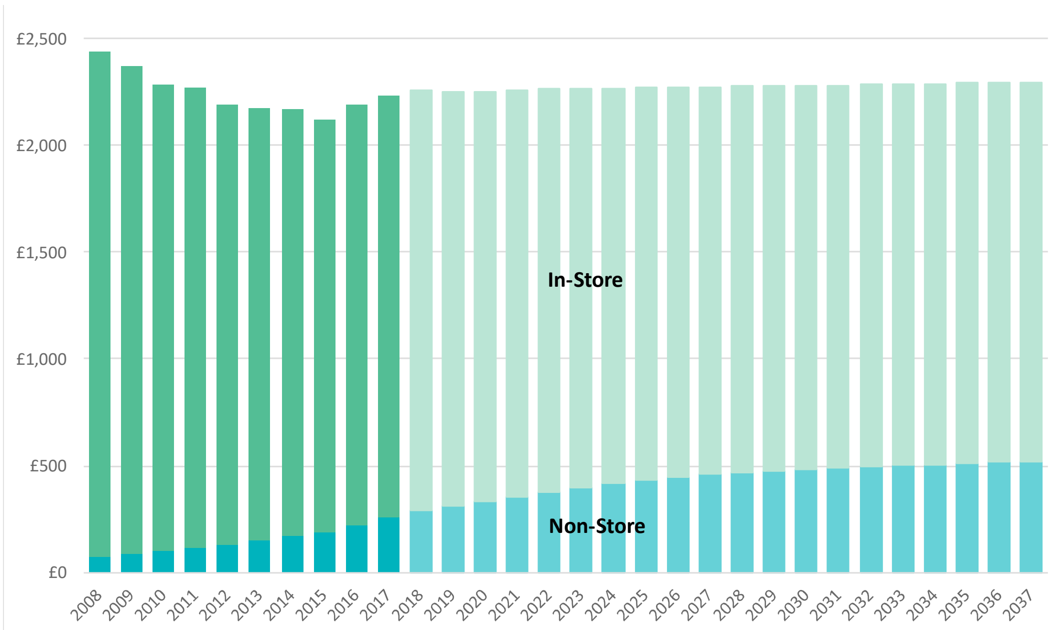


Retail trends

7.3 Historic trends indicate that consumer expenditure has consistently grown in real terms, generally following a cyclical growth trend. Expenditure growth has fuelled demand for new retail floorspace, including major out-of-centre development. Since the last recession expenditure growth has been much slower. The demand for retail floorspace has reduced. Underlying trends still show consistent growth that should continue in the future. Experian's latest post Brexit forecasts suggests slower growth in the short-term and home shopping/ internet spending is expected to grow at a faster rate than traditional shopping. Experian's short-term expenditure projections (2020 and 2021) expect retail and leisure growth but do not reflect the coronavirus pandemic. These projections now seem optimistic and at least a short term fall in expenditure on comparison goods, food/beverage (consumed away from the home), cultural and leisure spend now seems likely. The convenience goods/food store sector could benefit from a transfer of expenditure due to the temporary closure of pubs, bars, restaurant and cafés. Home delivery retail businesses could also benefit. At present there is no available data to confirm these potential impacts or the effectiveness of the Government's counter measures.

7.4 For convenience goods, Experian's latest forecasts (February 2020) anticipate limited growth (0.1% per annum). Actual average growth in convenience goods expenditure growth per capita in the UK between 2008 to 2018 and forecast future growth is shown in Figure 7.2.

Figure 7.2 UK average convenience goods retail expenditure per person (£ per annum)

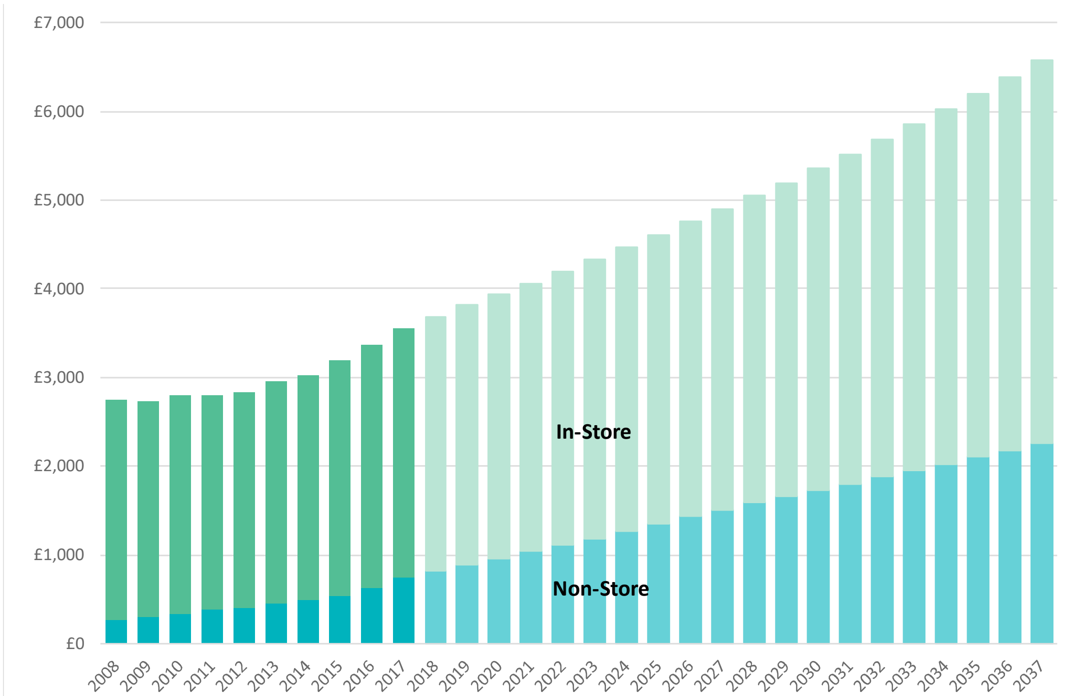


Source: Experian Briefing Note 17 (February 2020)

7.5 Figure 7.2 indicates that convenience goods expenditure per person decreased between 2008 and 2015 but recovered up to 2018. Experian expects slow growth in the future, but most of the growth will relate to non-store sales. Any need for new convenience goods retail floorspace in Fareham Borough is likely to relate to population growth, high current levels of trading and/or qualitative areas of deficiency.

7.6 For comparison goods, higher levels of growth are expected in the future (between 3.0% to 3.2% per annum), still at a lower rate than previous pre-recession trends (8% per annum between 1997 and 2007). Historically comparison goods expenditure has grown significantly more than convenience goods expenditure, and Experian's latest national growth rate recommendations are consistent with these past trends. Actual and forecast average growth in comparison goods expenditure growth per capita is shown in Figure 7.3. As indicated above, the short-terms growth projections for 2020 and possibly 2021, now seem optimistic in the light of the coronavirus pandemic. Nevertheless, the long-term strategy for Fareham Borough will need to assume a return to underlying growth and should plan for this potential growth.

Figure 7.3 UK average comparison goods retail expenditure per person (£ per annum)



Source: Experian Briefing Note 17 (February 2020)

7.7 New forms of retailing (multi-channel and home shopping) have and will continued to grow. Home/electronic shopping and home delivery has increased with the growth in the use of personal computers, smart phones and the internet. Click and collect / click and return shopping has become more popular. The future growth of multi-channel retailing including home computing, internet connections and interactive TV will continue to influence retailing in the high street and from traditional stores. National trends within this sector will have implications for all areas including Fareham Borough, because they have affected the amount of expenditure growth that is available to support development and reduced operator demand for new floorspace. Recent trends suggest continued strong growth in multi-channel activity. Experian's Retail Planner Briefing Note 17 (February 2020) states:

"The strong increase in online shopping in the past decade has lifted the share of special forms of trading (SFT) to a level where it now accounts for close to 20% of total retail sales.

… We expect the SFT market share to continue to increase over the forecast period, reaching 26% by 2025 and around 30% by 2030."

7.8 The floorspace capacity assessment in this update makes an allowance for future growth in e-tailing based on Experian projections.

7.9 Figure 7.3 indicates that comparison goods expenditure per person grew slowly between 2008 and 2014, but higher growth was achieved up to 2018. Experian expect steady growth in the future. Even allowing for disproportionately higher growth in non-store sales, comparison goods expenditure available for traditional forms of retailing is still expected to grow in real terms.

7.10 The implications of these trends on the demand for retail and food/beverage space has been considered. Some operators provide online sales from their traditional premises e.g. food store operators and click/collect operations, therefore growth in online sales may not always mean there is a reduction in the need for traditional retail floorspace.

7.11 Given the likelihood that multi-channel expenditure will continue to grow at a faster pace than other consumer expenditure, the need assessment adopts relatively cautious growth projections for expenditure and an allowance is made for operators to increase their turnover/sales density, due to growth in home shopping and click and collect.

7.12 Assessing future expenditure levels needs to consider the likely pace of economic growth. Careful consideration is needed to establish the appropriate level of expenditure growth to be adopted over the plan period. This study provides a long-term view for the plan period. Growth trends in population, home shopping/internet sales and in turnover efficiency also need to be considered and a balanced approach taken.

Demand for floorspace

7.13 Lower expenditure growth and deflationary pressures (i.e. price cutting) in the non-food sector have had an impact on the high street in the past decades. Because of these trends, the UK average shop vacancy rate (based on Goad Plan data) increased from around 10% in 2005 to about 14% in 2012. Vacancy rates gradually improved to 11.8% in 2018 but have now increased to 12.4% in 2020. It is possible there will be a sharp increase in shops vacancies in most town centres as and when the impacts of the coronavirus pandemic are felt.

7.14 The Council's centre health check data obtained in 2018 suggests there were 57 vacant Class A1-A5 shop units within the Borough. This equates to an overall vacancy rate of 8.9%, which is lower than the Goad national average of 11.8%. The vacancy rate is marginally higher than the UK average vacancy rate in Fareham town centre (12.4%). Overall, the vacancy figures suggest centres in the Borough are performing satisfactorily despite challenging market conditions. The future strategy for Fareham Borough's designated centres should seek to reduce shop vacancy rates in order to maintain and enhance their vitality and viability.

7.15 A combination of slower economic growth and multi-channel shopping have had a significant impact on the retail and leisure sectors, and continuing uncertainties are still having an effect. Many high profile national operators have failed, leaving major voids within centres and retail parks. The latest operators to experience difficulties include Debenhams, House of Fraser, New Look, Carpetright, Prezzo, Chimichanga, Strada, Byron, Marks & Spencer and Jamie Oliver, which indicates current market conditions are challenging. It seems likely the coronavirus pandemic will result in further casualties both multiples and independents.

7.16 Many town centre development schemes have been delayed or cancelled and the demand for traditional bulky goods retail warehouse operators has also been affected. Even some of the main food store operators have seen a reduction in growth, with discount operators taking market share from the main operators.

7.17 Property owners, landlords and funds have also come under pressure with struggling occupiers seeking to renegotiate terms through company voluntary arrangement (CVA) i.e. an insolvency process designed to let a firm with debt problems reach an agreement with creditors to help pay off part or all of its debts. Elsewhere, retailers have been continuing to 'right size' their portfolios, with operators announcing store closures. These trends have impacted on rental income and the capital value of retail/ leisure assets. These trends are likely to be exacerbated by the coronavirus pandemic, at least in the short-term.

7.18 Whilst the CVA process has created headaches for landlords in terms of rent negotiations, at the same time newly freed-up space has opened up new opportunities. Vacated premises have been reconfigured and reused for food/beverage, trampolines, climbing and indoor golf.

7.19 In addition to new forms of retailing, retail operators have responded to changes in customers' requirements. Retailers have also changed their trading formats to include smaller store formats capable of being accommodated within town and local centres (such as the Tesco Express/ Metro, Sainsbury's Local, Little Waitrose and Marks & Spencer's Simply Food formats).

7.20 The number of Tesco Express, Sainsbury's Local and Little Waitrose stores has increased significantly during the last decade. Taking Sainsbury's as an example, data provided by Mintel indicates that the number of Sainsbury's Local stores increased by 76% between 2011 and 2016.

7.21 Several proposed larger food stores have not been implemented across the country. There has been a move away from larger stores to smaller formats, reflecting changes in customers' shopping habits. The expansion of European discount food operators Aldi and Lidl has been rapid during the last decade.

7.22 Comparison retailers have also responded to market conditions. The bulky goods warehouse sector has rationalised, including mergers and failures, and scaled down store sizes. Other traditional high street retailers have sought large out-of-centre stores, for example Next and M&S. Matalan also opened numerous discount clothing stores across the UK. Sports clothing retail warehouses including Decathlon and Sports Direct expanded out-of-centre. These trends have slowed significantly and are unlikely to change for the foreseeable future.

7.23 The demand for premises within the bulky goods sector, i.e. furniture, carpets, electrical and DIY goods, has been particularly weak in recent years. This has led to voids on retail warehouse parks and proposals to extend the range of goods sold to non-bulky goods. This can lead to the relocation of retailers creating more vacant units in town centres.

7.24 Within centres, many high street multiple comparison retailers have changed their format. For over two decades, high street national multiples have increasingly sought larger modern shop units (over 200 sq.m) with an increasing polarisation into the larger national, regional and sub-regional centres. Many multiple retailers now require representation in fewer locations to service catchment areas. Polarisation of investment in the larger centres is likely to continue in the future.

7.25 In general operator demand for space has decreased since the last recession and, of those national multiples looking for space, many prefer to locate in larger or purpose-built centres, e.g. Southampton, Portsmouth and Winchester. Fareham is at a lower level in the hierarchy and multiple operator demand may be lower in the future. Much of the occupier demand in smaller centres has come from the discount and charity sectors or non-retail services, rather than higher order comparison goods shopping.

7.26 The continuation of these trends will influence future operator requirements in Fareham Borough with smaller vacant units becoming less attractive for new multiple occupiers, and retailers increasingly looking to relocate into larger units in major centres. However, smaller vacant units could still be attractive to independent traders and non-retail services, assuming a return to normal levels of growth following the coronavirus pandemic.

7.27 The charity shop sector has grown steadily over the past 20 years and there is no sign this trend will end. Planning policies cannot control the amount of charity shops because they fall within Class A1, the same category as other shops. In many centres, charity shops have occupied vacated shop premises during the recession. This trend is evident in Fareham Borough. Charity shops can often afford higher rents than small independent occupiers because of business rate discounts. It does not follow that these charity shops will be replaced by traditional shops when the market recovers, particularly in the more peripheral retail frontages.

Non-retail Services

7.28 The growth of money lending/pay day loan shops, betting shops and hot food takeaways has raised concerns amongst many local planning authorities and has resulted in a change to permitted development rights to control the growth of these uses in town centres. This trend has not been particularly prevalent in Fareham Borough. Recent changes to the GPDO has had an impact on some town centres. These measures allow for greater flexibility for changes of use from retail to non-retail uses e.g. Class A uses to C3 residential use and Class A1 uses to Class A2 uses. These measures can change the composition of town centres e.g. the amount of Class A1 space has reduced. However, these measures may lead to a reduction in vacant shop premises, particularly in peripheral shop frontages.

Updated retail capacity assessment

Population and expenditure

7.29 The projected population within the study area between 2011 to 2036 is set out in Table 1 in Appendix 2. The FRCLS 2017 adopted population data from Experian for each zone based on the 2011 Census. The 2011 base year population for each zone was projected to 2036 based on the Office of National Statistic's latest 2014-based sub-national projections, which is consistent with the stand methodology.

7.30 Experian's EBS national expenditure information (Experian Retail Planner Briefing Note 17 – February 2020) has been used to forecast expenditure within the study area. Table 2 in Appendix 2 sets out the updated forecast growth in spending per head for convenience goods within each zone in the study area up to 2036. Forecasts of comparison goods spending per capita are shown in Table 2 in Appendix 3.

7.31 As a consequence of growth in population and per capita spending, convenience goods spending within the study area is forecast to increase by 9.2% from £687.81 million in 2017 to £751.32 million in 2036, as shown in Table 3 (Appendix 2). Comparison goods spending is forecast to double between 2016 and 2036, increasing from £1,092.21 million in 2017 to £1,909.22 million in 2036, as shown in Table 3 (Appendix 3). These figures relate to real growth and exclude inflation.

7.32 It should be noted that comparison goods spending is forecast to increase more than convenience spending as the amount spent on groceries does not necessarily increase proportionately with disposable income, whereas spending on non-food goods is more closely linked to income.

Market shares/Penetration rates

7.33 To assess the capacity for new retail floorspace, the penetration rates estimated for facilities within the study area from the FRCLS have been adopted.

7.34 The results of the 2016 household shopper survey relating to main and top-up food and grocery shopping were adopted to estimate base year convenience goods shopping patterns. The base year estimates of market share or penetration within each study area zone for convenience goods shopping are shown in Table 4, Appendix 2. These base year market shares have been adjusted to reflect changes since 2016, i.e. the new Lidl store at Castle Trading Estate in Portchester, the closure of Marks & Spencer food hall and the opening of B&M Bargains in Fareham town centre. The adjusted current market shares are shown in Table 6 in Appendix 2.

7.35 The base year market shares for comparison goods shopping are shown in Table 4 in Appendix 3, and the adjusted current market shares are shown in Table 6 in Appendix 3.

Benchmark turnover

7.36 The updated total benchmark turnover of convenience sales floorspace within Fareham Borough is £291.87 million (Table 12 in Appendix 2). The previous figure in the FRCLS 2017 was £272.61 million (at 2014 prices). The benchmark has increased (+£19.26 million) primarily due to inflation to the new 2017 price base, the new Lidl food store at Castle Trading Estate (benchmark turnover of £8.94 million) and growth in company average sales densities for Tesco and Co-op.

Base year and current spending patterns – 2017/2019

7.37 The updated 2017 base year levels of convenience goods expenditure attracted to shops/stores in Fareham Borough is £308.01 million, as shown in Table 5 in Appendix 2. By 2019 this turnover is projected to have increased to £312.93 million (see Table 7 in Appendix 2).

7.38 As indicated above, the total benchmark turnover of existing convenience sales floorspace is £291.87 million. The current 2019 figures suggest that convenience goods retail sales floorspace in Fareham Borough is collectively trading +7.2% above the national average, with an expenditure surplus of +£21.05 million in 2019, the difference between the actual spending at retail facilities in the Borough and the benchmark turnover i.e. is existing floorspace trading above average (suggesting an expenditure surplus) or trading below average (suggesting an expenditure deficit).

7.39 The comparable base year figures in the FRCLS 2017 was +7.3% above the national average in 2016, and an expenditure surplus of +£19.98 million. The new Lidl store at Castle Trading Estate has not reduced the expenditure surplus, primarily because of population/expenditure growth and the closure of the Mark & Spencer food hall since 2016.

7.40 The revised 2017 base year levels of comparison goods expenditure attracted to shops/stores in Fareham Borough is £430.09 million as shown in Table 5 in Appendix 3. By 2019 this turnover is projected to have increased to £455.64 million (see Table 7 in Appendix 3).

7.41 The comparable 2016 base year figure in the FRCLS 2017 was £410.18 million. The 5% increase in comparison goods turnover (£410.18 million to £430.09 million) reflects inflation between 2014 and 2017 prices, and growth in population and expenditure.

Future convenience goods floorspace capacity

7.42 The future level of available convenience goods expenditure attracted to the Borough at 2021, 2026, 2031 and 2036 is shown at Tables 8 to 11 in Appendix 2. The total level of convenience goods expenditure available between 2017 and 2036 is summarised in Table 14 in Appendix 2.

7.43 Table 14 subtracts the benchmark turnover of existing floorspace and commitments from available expenditure to calculate the amount of surplus or deficit expenditure. The benchmark turnover of existing convenience goods floorspace is expected to increase in the future. Experian's recommended growth rates for turnover efficiency have been applied (as set out in the methodology statement in Appendix 1).

7.44 Convenience goods commitments are shown in Table 13 in Appendix 2 and include the proposed replacement Lidl store at Speedfields and the district and local centres proposed within the Welbourne residential development. These commitments are expected to have a combined convenience goods turnover of £30.26 million.

7.45 Remaining surplus expenditure should be available to support new development or the re-occupation of vacant space. The surplus expenditure projections have been converted into potential new floorspace estimates in Table 15 (Appendix 2). Expenditure is converted into floorspace estimates based on an assumed average sales density figure of £12,000 per sq.m.

7.46 The projections in Table 14 in Appendix 2 indicate that commitments, if implemented, will absorb the current 2019 convenience goods expenditure surplus (£21.05 million) and projected expenditure growth up to 2026.

7.47 Long-term expenditure growth after 2026 will generate a surplus of +£9.12 million at 2031 and +£17.25 million at 2036. This expenditure growth could support 760 sq.m net (1,437 sq.m gross) at 2031 increasing to 1,086 sq.m net (2,053 sq.m gross) by 2036, as shown in Table 15 in Appendix 2.

7.48 The comparable FRCLS 2017 projections were similar at 543 sq.m net (776 sq.m gross) at 2031 and 1,105 sq.m net (1,578 sq.m gross) at 2036.

Future comparison goods floorspace capacity

7.49 The future level of available comparison goods expenditure at 2021, 2026, 2031 and 2036 is shown in Tables 8 to 11 in Appendix 3. The total level of convenience goods expenditure available between 2017 and 2036 is summarised in Table 15 in Appendix 3.

7.50 Table 15 subtracts the projected turnover of existing floorspace and commitments from available expenditure to calculate the amount of surplus or deficit expenditure. The turnover of existing comparison goods floorspace is expected to increase in the future. Experian's recommended growth rates for turnover efficiency have been applied (as set out in the methodology statement in Appendix 1).

7.51 Comparison goods commitments are shown in Table 14 in Appendix 3, i.e. the district and local centres proposed within the Welbourne residential development. These commitments are expected to have a combined comparison goods turnover of £17.06 million.

7.52 Allowing for growth in turnover efficiency, remaining surplus expenditure should be available to support new development/or the re-occupation of vacant space. The surplus expenditure projections have been converted into potential new floorspace estimates in Table 16 (Appendix 3). Expenditure is converted into floorspace estimates based on an assumed average sales density figure of £6,500 per sq.m at 2017.

7.53 The projections in Table 15 in Appendix 3 indicate that commitments, if implemented, will absorb projected comparison goods expenditure growth up to 2036.

7.54 Long-term expenditure projections up to 2036 suggest a small deficit of -£6.06 million. This expenditure projection indicates a floorspace over-provision of 550 sq.m net (733 sq.m gross) at 2036, as shown in Table 16 in Appendix 3.

7.55 The FRCLS 2017 floorspace projections were 12,524 sq.m net (16,698 sq.m gross) at 2031 and 19,353 sq.m net (25,804 sq.m gross) at 2036. The 2036 floorspace projection has reduced by nearly 20,000 sq.m net (over 26,000 sq.m gross).

7.56 The main reasons for this significant reduction in comparison goods floorspace capacity are:

- Experian previous forecasts suggested comparison good expenditure per capita (allowing for SFT deductions) would grow by +83% between 2016 and 2036. The updated forecasts are lower at +59% between 2017 and 2036;
- Experian previous forecasts suggested comparison good sales densities would grow by +49% between 2016 and 2036. The updated forecasts are +70% between 2017 and 2036, therefore existing retail floorspace is expected to absorb more expenditure growth, leaving less growth for new floorspace.

Conclusions

7.57 The updated quantitative retail capacity projections are summarised in Tables 7.1 and 7.2. These projections are over and above the new district and local centres at Welborne and other commitments.

Table 7.1 Summary of convenience goods retail floorspace projections (sq.m gross) - cumulative

	By 2021	By 2026	By 2031	By 2036
Fareham Central	-385	203	941	1,669
Portchester	-152	-93	-21	50
Locks Heath	-433	-350	-248	-148
Fareham West	286	344	414	483
Total	**-685**	**104**	**1,086**	**2,053**

Source: Source: Table 15 in Appendix 2

Table 7.2 Summary of comparison goods retail floorspace projections (sq.m gross)

	By 2021	By 2026	By 2031	By 2036
Fareham Central	-2,578	-3,827	-2,994	-1,623
Portchester	49	18	45	86
Locks Heath	17	-5	14	44
Fareham West	320	-237	140	759
Total	**-2,192**	**-4,050**	**-2,794**	**-733**

Source: Source: Table 16 in Appendix 3.

7.58 Section 9 of this report examines the implications of the updated retail floorspace projections.

8.0 Other town centre uses

Introduction

8.1 This section re-assesses the potential for commercial leisure and town centre uses in Fareham Borough, including theatres, cultural facilities, cinemas, ten pin bowling, bingo, health and fitness, restaurants/cafes, pubs/bars and takeaways/fast food.

Cinemas

8.2 Fareham Borough contains one multiplex cinema, the Reel Cinema at Market Quay in the heart of Fareham town centre. The cinema has 5 screens and 730 seats. The Cineworld cinema at Whiteley has 9 screens and 1,416 seats. There is also an Odeon cinema at Port Solent with 6 screens and 1,409 seats.

8.3 The Vue cinema (14 screens and 3,111 seats) at Gunwharf Quays in Portsmouth also serves parts of the study area e.g. Gosport and the area north of Portsmouth. Residents in Fareham Borough and the wider study area have good access to a choice of four cinemas providing 34 screens and 6,666 seats.

8.4 The study area population in 2019 (306,007 people) will generate 826,000 cinema trips per annum, based on the national average visitation rate (2.7 trips per annum). Based on the national average of 210 trips per seat per annum, 826,000 trips could support 3,933 cinema seats. By 2036 the study area population (333,000) will generate 899,000 cinema trips, which could support 4,280 cinema seats. The existing cinema provision in the sub-region (four cinemas with 34 screens and 6,666 seats), suggests there is limited potential for further cinema development.

8.5 If up to 60% of cinema trips in the study area (up from 46%) at 2036 (539,400 trips) can be attracted to Fareham and Whiteley, then these trips can theoretically support 2,569 seats, compared with the existing provision of 2,146 seats. The surplus potential at 2026 is only 423 seats.

8.6 These projections and the ageing population suggest it is unlikely that an additional cinema will be viable in Fareham Borough for the foreseeable future.

Other commercial leisure uses

Theatres and concerts

8.7 The FRCLS 2017 indicated that the three venues in Fareham Borough attract only 6.2% of theatre trips within the study area.

8.8 The UK Theatre and Society of London Theatres (SOLT) indicated their member organisations (223) presented nearly 63,000 performances attracting over 34.35 million tickets visits, generating ticket revenue of £1.28 billion in 2018. The average ticket revenue per venue is £5.7 million per annum. The UK average attendance per performance is 545.

8.9 Experian's local expenditure data indicates the study area generates £10.65 million expenditure on live theatre, concerts and shows. Based on the average ticket revenue per venue (£5.7 million) the study area population theoretically generates demand for 1.9 venues.

8.10 The household survey results suggest most of the trips generated in the study area are attracted to Southampton and Central London. There is no clear need for additional theatre provision in Fareham Borough, unless there is potential to relocate or improve an existing theatre.

8.11 The household survey indicated that 28.7% of respondents or their families visit cultural facilities, such as museums and art galleries. A large number of destinations were mentioned by participating households.

8.12 Fareham Borough attracts a relatively small market share of cultural activity within the study area. Given this pattern of use and low market share, it is difficult to quantify the future need for cultural attractions in Fareham Borough. As indicated in the FRCLS 2017, evidence available suggests there is no need to allocate development sites specifically for these types of uses within development plan.

Private health and fitness facilities

8.13 Updated Sport England/Active Places data indicates that there are still 12 registered health and fitness suites in the Borough, of which three are for private use only with 75 fitness stations in total. The remaining nine registered facilities, open to the general public (including registered members) have 616 fitness stations in total as shown in Table 8.1. A Pure Gym recently opened in 2018, increasing the total number of fitness stations to 911. The FRCLS 2017 indicated there were 516 fitness stations.

Table 8.1 Fareham Borough health and fitness facilities 2019

	Type	Number of fitness stations
Fareham Leisure Centre	Pay and Play	120
Sports Direct Fitness	Pay and Play	40
Fusion Fitness Gym	Pay and Play	24
Holly Hill Leisure Centre	Pay and Play	100
24/7 Fitness Fareham	Registered Membership	180
Abshot Country Club	Registered Membership	60
Spirit Health Club	Registered Membership	31
Brookfield Community School	Registered Membership	18
Henry Cort Community College	Sport Club/Community Association	25
HMS Collingwood	Registered Membership	42
Crofton School	Private Use	30
Fareham College	Private Use	21
Pure Gym, Broadcut Retail Park	Registered Membership	220
Total		**911**

Source: Sport England Active Places Data 2019

8.14 The study area population in 2019 (306,007 people) is projected to grow to 317,900 by 2026, and 333,000 by 2036. Health and fitness facilities in Fareham Borough attracts 41.4% of respondents, which suggest a catchment population of 126,700 in 2019, increasing to 131,600 in 2026 and 137,900 in 2036. Fareham Borough appears to have about 7.2 fitness stations per 1,000 people (911 stations in total) in 2019.

8.15 The South of England region has 1,109 Sport England registered health and fitness suites with 57,433 fitness stations (average of 52 stations per facility). This existing provision equates to 6.3 fitness stations per 1,000 people.

8.16 If Fareham Borough's health and fitness catchment population (126,700) had the same provision per head of population as the South East of England region average (6.3 stations per 1,000 people) then the total number of fitness stations that could be supported would be 798, which implies an existing over-supply of 113 stations.

8.17 The catchment population is projected to increase to 131,600 by 2026, which would generate demand for 829 fitness stations compared with the current provision 911 stations. On the basis that Fareham Borough attracts 41.4% of health and fitness trips from the study catchment area, there is limited scope for additional fitness stations up to 2036.

8.18 Assuming equilibrium between supply and demand in 2019, population growth on its own would generate demand for 31 stations by 2026 or 71 stations by 2036. However, participation rates are much lower in the older age group (aged 65 plus). Most of the population growth relates to the older aged groups.

Tenpin bowling

8.19 The study area population in 2019 (306,007 people) can in theory support about 25 tenpin bowling lanes, based on the national average of one lane per 12,000 people. By 2036 the study area population (333,000) could support 28 lanes. There may be potential to reintroduce a tenpin bowling facility in Fareham over the plan period, but the ageing population may make this opportunity less attractive from an operator's perspective.

Bingo, Games of Change and Gambling

8.20 The Gambling Commission indicates there are 650 bingo facilities in Great Britain (2018) and 152 casinos. This equates to approximately one bingo facility per 100,000 people, and one casino per 425,000 people. Based on these national averages, the study area population (306,000) could support three bingo facilities and at most one casino.

8.21 As in 2017, there are no commercial bingo facilities within Fareham Borough, although participation rates are comparable with the national average. The nearest facilities are Crown Bingo in Gosport and Portsmouth and Buzz Bingo in Cosham. This provision may be sufficient to meet the needs of the study area population.

Trampoline centres

8.22 Indoor trampoline centres are a relatively new leisure activity in the UK. In America outdoor trampoline centres were popular in the late 1950s and 1960s. This format first seen in America has been adopted and modernised and is now becoming a popular indoor leisure activity for a variety of age groups in the UK. The UK's first indoor trampoline centre was opened by Bounce in 2014.

8.23 Trampoline centres offer a new, recreational experience for both children and adults. They typically have over 100 interconnected trampolines on site, consisting of differing courts including a Main Arena, Dodgeball Court, Kids Court, Slam Dunk Area, Foam Pit, Airbag Jump, Touch Walls, Gladiator Pits and Tumble Tracks, as well as an arcade and party rooms.

8.24 There is a Flip Out Trampoline Arena at Cosham. The study area could support further facilities as this sector grows. The development plan should be flexible to respond to any emerging opportunities.

Restaurants, bars and takeaways

8.25 Experian's latest 2017 local expenditure figures have been adopted. Updated expenditure per capita projections on food/beverage consumed away from the home are shown in Table 2 in Appendix 4. Total available expenditure in the study area is shown in Table 3. The total food and beverage expenditure in the study area is £369.91 million in 2017, see Table 3 in Appendix 4.

8.26 Food and beverage expenditure per capita is expected to increase in real terms (excluding inflation) by 24% between 2017 and 2036. Allowing for population growth, total expenditure within the study area is expected to increase from £369.91 million in 2017 to £497.01 million in 2036, an increase of about 34% (Table 3 in Appendix 4).

8.27 There are 117 food and beverage outlets (21,046 sq.m gross) within Fareham Borough, as shown in Table 12 in Appendix 4.

8.28 Base year food and beverage expenditure patterns have been modelled based on the household survey results within the study area zones. Base year penetration rates are shown in Table 4 in Appendix 4 and 2017 expenditure patterns are shown in Table 5. The estimated expenditure currently attracted to facilities within Fareham Borough is £121.53 million in 2017.

8.29 Available food/beverage expenditure has been projected forward to 2019, 2021, 2026, 2031 and 2063 in Tables 7 to 11 in Appendix 4, summarised in Table 14. The projected turnover of existing floorspace is subtracted from the expenditure projections to provide an estimate of surplus expenditure available to support new floorspace.

8.30 As in the FRCLS 2017, a turnover efficiency growth rate of 1% per annum is adopted. The floorspace projections are over and above the proposed development at Welborne (1,190 sq.m gross) as shown in Table 13 in Appendix 4.

8.31 The projections suggest the Welborne commitment will absorb growth up to and beyond 2021. By 2026 there will be a small food/beverage expenditure surplus of £2.2 million, taking account of development at Welborne. By 2031, future expenditure growth generates an expenditure surplus of £7.64 million, which will grow to £13.32 million by 2036.

8.32 These expenditure projections have been converted into floorspace projections in Table 14 in Appendix 4, adopting an average sales density of £5,000 per sq.m gross in 2017, which is projected to grow by 1% in the future due to improved turnover efficiency. The small surplus expenditure at 2026 could support 403 sq.m gross floorspace, which could support 1-2 reasonably large food and beverage outlets, as shown in Table 15 in Appendix 4.

8.33 In the longer-term, surplus expenditure at 2031 could support 1,329 sq.m gross, as shown in Table 15 in Appendix 4, increasing to 2,205 sq.m gross by 2036.

8.34 The comparable FRCLS 2017 projections were much higher at 3,108 sq.m gross at 2031 and 4,243 sq.m gross at 2036.

8.35 The main reason for this reduction in food/beverage goods floorspace capacity is Experian previous forecasts suggested food/beverage expenditure per capita would grow by +32% between 2016 and 2036. The updated forecasts are lower at +22% between 2017 and 2036.

Conclusions

8.36 The revised assessment in this section suggests there:

- is no clear need for additional cinema or theatre/cultural facilities in Fareham Borough over the plan period, due to existing provision in nearby competing towns;
- is limited scope for additional health and fitness gyms in Fareham Borough over the plan period; and
- scope to support around 1,300 sq.m gross floorspace for food and beverage outlets by 2031, increasing to 2,200 sq.m gross by 2036, over and above 1,190 sq.m gross assumed at Welborne.

8.37 In addition to the above, the development plan should be flexible to respond to any emerging opportunities for other commercial leisure uses, e.g. scope for a commercial bingo facility, replacement ten pin bowling centre or trampoline facility.

9.0 Strategy implications

Introduction

9.1 As set out in Section 1, the revised National Planning Policy Framework (NPPF) indicates development plans should allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over this period should not be compromised by limited site availability, so town centre boundaries should be kept under review.

9.2 As in the FRCLS 2017, expenditure projections in this update take account of home shopping made through non-retail businesses, because special forms of trading have been excluded. The study update adopts Experian's latest information and projections and assumes that special forms of trading will increase in the future, including the growth of internet shopping.

Accommodating growth and floorspace projections

9.3 As indicated in the FRCLS 2017, the existing stock of premises should help to accommodate projected growth. The retail capacity analysis in this report assumes that existing retail and food/beverage floorspace can, on average, increase its turnover to sales floorspace densities. In addition to the growth in sales densities, vacant shops should help to accommodate future growth.

9.4 Tables 9.1 and 9.2 below summarise the floorspace projections by broad location up to 2031 and 2036. The distribution of floorspace is based on the existing market shares and expenditure patterns. There should be potential scope to redistribute floorspace, particularly from the west of the Borough to the central area and Fareham town centre.

Table 9.1 Summary of floorspace projections up to 2031 (sq.m gross)

	Convenience	Comparison	Food/beverage	Total
Fareham Central	941	-2,994	901	-1,152
Portchester	-21	45	207	231
Locks Heath	-248	14	193	-41
Fareham West	414	140	28	582
Total	**1,086**	**-2,794**	**1,329**	**-379**

Source: Table 15 in Appendix 2, Table 16 in Appendix 3 and Table 15 Appendix 4.

Table 9.2 Summary of floorspace projections up to 2036 (sq.m gross)

	Convenience	Comparison	Food/beverage	Total
Fareham Central	1,669	-1,623	1,588	1,634
Portchester	50	86	300	436
Locks Heath	-148	44	277	173
Fareham West	483	759	40	1,282
Total	**2,053**	**-733**	**2,205**	**3,525**

Source: Table 15 in Appendix 2, Table 16 in Appendix 3 and Table 15 Appendix 4.

9.5 The projections up to 2031 suggest there is limited scope for Class A1 to A5 space, over and above commitments (including development at Welborne). Longer term growth to 2036 suggests 3,525 sq.m gross could be required.

9.6 The existing stock of premises should have a significant role to play in accommodating projected growth. The retail capacity analysis in this report assumes that existing retail floorspace can, on average, increase its turnover to sales floorspace densities, which will absorb some expenditure growth and help to maintain the vitality and viability of centres.

9.7 The Council's health check land use data suggests there are 57 vacant shop units within town, district, local centres and parades, which equates to an overall vacancy rate of about 9%, which is slightly below the Goad national average (11.8%).

9.8 There are 38 vacant units in Fareham town centre totalling 10,300 sq.m gross, a unit vacancy rate of 12.4%. There are six vacant units in Portchester totalling nearly 600 sq.m gross.

9.9 Vacant premises in Fareham town centre and Portchester should help to accommodate growth. It is reasonable to assume the current shop vacancy level can be halved in these centres. Reoccupied units could accommodate about 5,500 sq.m gross of Class A1 to A5 retail space. Based on existing vacancy levels, this potential re-occupied space could be distributed as follows:

- Fareham town centre 5,200 sq.m gross; and
- Portchester district centre 300 sq.m gross.

9.10 If this reduction in vacant units was achieved, then the long-term retail floorspace projection (up to 2036) could be accommodated. The priority should be the reoccupation of vacant floorspace, but this should not preclude investment within appropriate town centre locations. Long-term vacant premises could be targeted and more actively marketed and shopfront/fit-out grants could be considered to assist their reoccupation.

Strategy and development opportunities

9.11 The Draft Fareham Local Plan 2036 indicates a diverse selection of retail and commercial uses will be maintained and enhanced in Fareham town centre, including a greater choice of restaurants and leisure uses. The strategy seeks to make effective use of existing vacant units through redevelopment to support the modern needs of retailers. This approach is consistent with the findings of this report.

9.12 Based on the floorspace projections outlined above, the emerging strategy for Fareham town centre should focus on the reoccupation of vacant units.

9.13 Based on current market shares, a minimum of 1,600 sq.m gross of Class A1 to A5 will be required in Fareham town centre to meet the floorspace projections up to 2036. As indicated above, vacant units in the town centre could reasonably accommodate 5,200 sq.m gross, which suggests there is no need for new development up to and beyond 2036. This approach is consistent with Strategic Policy R1 of the Draft Local Plan.

9.14 There may be potential for Fareham town centre to increase its market share of expenditure and absorb some of the residual growth identified for other parts of the Borough i.e. a further 1,900 sq.m gross by 2036 for the rest of the Borough projections.

9.15 The reoccupation of vacant units in Fareham town centre (5,200 sq.m gross) and Portchester (300 sq.m gross), exceeds the long-term 2036 requirement for new development, which suggests there is no need to allocate further sites for major retail/food and beverage development for the foreseeable future.

9.16 The floorspace projections take account of commitments and the proposed district and local centres at Welborne. Development within district, local centres and parades is likely to be small in-fill development, shop extensions and expansion into upper floors.

10.0 Policy review

Introduction

10.1 The FRCLS 2017 reviewed adopted town centre and retail policies, including shopping frontage and boundary policies options within Fareham town centre. The FRCLS was based on the guidance set out in the NPPF (published by the Department for Communities and Local Government on 27 March 2012).

10.2 In relation to town centres, the revised NPPF does not change the overall aims of policy, although there are some important modifications. These changes are logical points of clarification that address areas of debate that have arisen in recent years. The rapid changes that are affecting the retail sector and town centres, are acknowledged and reflected in the revised NPPF. It recognises that diversification is key to the long-term vitality and viability of town centres, to 'respond to rapid changes in the retail and leisure industries'. Accordingly, planning policies should clarify 'the range of uses permitted in such locations, as part of a positive strategy for the future of each centre'.

10.3 The FRCLS noted the need for town centres to maintain their primary retail function, whilst increasing their diversity with a range of complementary uses. The importance of a balance between retail and other town centre activity has increased in recent years, as town centres increasingly need to compete with on-line shopping. Town centres need a better mix of uses that extend activity throughout the daytime and into the evenings. This section reviews the previous policy recommendations taking account the revised NPPF.

Meeting needs over the plan period

10.4 It is widely accepted that long-term projections have inherent uncertainties. In response to these uncertainties, the revised NPPF indicates that local planning authorities are no longer required to allocate sites to meet the need for town centre uses over the full plan period. The need for new town centre uses should still be accommodated over a minimum ten-year period, which reflects the complexities in bringing forward town centre development sites.

10.5 In line with the Government's economic growth agenda, a positive approach to meeting community needs is still required. The NPPF's presumption in favour of sustainable development (para. 11) remains. For plan-making this means that:

- plans should positively seek opportunities to meet the development needs of their area, and be sufficiently flexible to adapt to rapid change;
- policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas, unless:
    - i the application of policies in this Framework that protect areas or assets of importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area; or
    - ii any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the other policies in the Framework.

10.6 The development plan must include strategic policies to address each local planning authority's priorities for the development and use of land in its area. Strategic policies should set out the pattern, scale and quality of development, and make sufficient provision for (para. 20):

- housing (including affordable housing), employment, retail, leisure and other commercial development;

- infrastructure for transport, telecommunications, security, waste management, water supply, wastewater, flood risk and coastal change management, and the provision of minerals and energy (including heat);
- community facilities (such as health, education and cultural infrastructure); and
- conservation and enhancement of the natural, built and historic environment, including landscapes and green infrastructure, and planning measures to address climate change mitigation and adaptation.

10.7 Strategic policies should provide a clear strategy for bringing sufficient land forward, and at a sufficient rate, to address objectively assessed needs over the plan period. This should include planning for and allocating sufficient sites to deliver the strategic priorities of the area (para. 21).

10.8 The preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, accounting for relevant market signals (para. 31).

10.9 The Draft Fareham Local Plan sets out the Borough wide floorspace projections. The projections should be updated in line with the evidence in this report. Floorspace projections are provided in five-year intervals up to 2036.

Town centre strategy

10.10 The importance of a balance between retail, entertainment and leisure activity has increased in recent years. Town centres need a good mix of uses that extend activity throughout the daytime and into the evenings.

10.11 The revised NPPF indicates planning policies and decisions should support the role town centres play at the heart of local communities, by taking a positive approach to their growth, management and adaptation. Planning policies should (para. 85):

a define a network and hierarchy of town centres and promote their long-term vitality and viability – by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters;

b define the extent of town centres and primary shopping areas, and make clear the range of uses permitted in such locations, as part of a positive strategy for the future of each centre;

c retain and enhance existing markets and, where appropriate, re-introduce or create new ones;

d allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over this period should not be compromised by limited site availability, so town centre boundaries should be kept under review where necessary;

e where suitable and viable town centre sites are not available for main town centre uses, allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre; and f recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.

10.12 The revised NPPF does not refer to primary and secondary frontages, which previously made up the primary shopping area (PSA). The aim of the new NPPF appears to create more flexibility and encourage positive strategies for town centres. However, the proposals should still define the area where retail and main town centre uses will be concentrated i.e. the sequential approach.

10.13 The analysis of centres in this report confirms the hierarchy of centres as set out in Draft Fareham Local Plan Strategic Policy R1 is appropriate and no changes to the designations or policy approach is considered necessary.

10.14 The FRCLS 2017 indicated that Fareham town centre has a widely drawn town centre boundary. Portchester and Locks Heath are relatively small centres and do not have significant areas adjoining the retail area. The FRCLS suggested that, based on land use survey information and shop vacancies at that time, there were no reasons to change the approach in the adopted Local Plan. The FRCLS recommended that emerging development plan policy should continue to indicate (as in adopted Policy DSP20) that new retail development will be focused within the primary shopping area.

10.15 The FRCLS also indicated that shopping frontages should continue to be adopted in Fareham town centre to prevent the deterioration of shopping frontages, because the vacancy rate was below average and there was no need to relax shopping policies to encourage non-retail uses to reoccupy vacant units. However, the updated capacity projections in this report suggest limited potential for additional comparison goods retail floorspace and much lower projections for other uses. The impact of the coronavirus crisis is likely to lead to an increase in vacancy rates at least in the short term. A more flexible approach may be required to maintain the vitality and viability of the town centre.

10.16 There remains no evidence to suggest Fareham town centre had a harmful or disproportionately high level of non-A1 uses, or that the proportion of non-retail uses had increased significantly. As recommended in the FRCLS it is unlikely designated frontages should be extended, but there may be a case for contraction i.e. if the shop vacancy rate increases in peripheral areas. The policy option previously identified to strengthen shop frontages policies to provide more control over the loss of Class A1 retail uses now appears to be less appropriate and relevant based on current circumstances.

10.17 The three remaining broad policy approaches that could be adopted, are as follows:

- retaining the draft development plan policies that seek to control the extent of non-retail uses within designated areas;
- relaxing shop frontages policies to allow a more flexible approach to enable more non-retail uses. This would usually involve reducing the areas of protected frontage or allowing more non-retail uses; or
- a laissez-faire approach that does not seek to protect retail and town centre uses, on the basis that the market will determine the appropriate mix of uses within town centres.

10.18 There is a reasonable degree of flexibility for local authorities to take account of local circumstances during the plan making process, and in this respect the revised NPPF is not prescriptive.

10.19 The future approach in Fareham needs to be considered in the context of recent changes in the mix of uses within frontages, the floorspace projections and changes to the General Permitted Development Order (GPDO).

10.20 As indicated in Section 3.0, the number of vacant units in Fareham town centre has increased from 27 to 38 since 2016, and the amount of vacant space is over 10,300 sq.m gross. Vacant floorspace now exceeds the long term capacity projections identified in this update report. The vacancy rate is likely to increase due to current adverse circumstances.

10.21 Fareham town centre does not have a harmful or disproportionately high level of non-A1 shop uses at present, and the proportion of non-retail uses has not increased significantly in recent years.

10.22 Recent changes to the General Permitted Development Order (GPDO) have had an impact on some town centres. These measures allow for greater flexibility for changes of use e.g. Class A uses to C3 residential use and Class A1 uses to Class A2 uses, generally for small units under 150 sq.m. These measures can change the composition of town centres, e.g. a reduction in the amount of Class A1 space/units. The measures may lead to a reduction in vacant shop premises, particularly in peripheral shop frontages where there are concentrations of smaller units, but conversely it could have an impact on the ability of operators to find space in areas where demand is higher.

10.23 The GPDO seeks to support the high street by introducing additional flexibilities for business, including:

- clarification on the ability of Class A uses to diversify and incorporate ancillary uses without undermining the amenity of the area;
- introduction of a new permitted development right to allow shops (A1), financial and professional services (A2), hot food takeaways (A5), betting shops, pay day loan shop and launderettes to change use to office use (B1); and
- to allow hot food takeaways (A5) to change to residential use (C3).

10.24 Temporary change of uses to a building will be extended from two to three years so that more community uses can take advantage of the temporary rights. These changes will have implications for Fareham's retail centres and the ability to control the mix of uses.

10.25 The FRCLS indicated that just under half of the shop premises in the central area of Fareham are below the GPDO 150 sq.m threshold. Within the more peripheral frontages over 70% were below the threshold. As identified in the FRCLS, the high number of small units in Fareham will limit the effectiveness of shop frontage policies in the emerging Local Plan, particularly in peripheral frontages.

10.26 Draft Strategic Policy R1 is flexible and allows changes of use from Class A1 to other town centre uses, where the proposal would:

- not significantly harm the vitality and viability of the centre/parade;
- retain an active shop window display and the use offers a direct service to the public; and
- maximise opportunities for the efficient use of upper floors.

10.27 This flexible approach is consistent with the revised capacity projections and the need to reduce vacant properties.

Impact and sequential tests

10.28 Applications for retail and town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan will be assessed against NPPF policies and the key sequential and impact tests.

10.29 The sequential approach test indicates main town centre uses should locate in town centres, then in edge of centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period) should out of centre sites be considered (para. 86). When considering edge of centre and out of centre proposals, preference should be given to accessible sites which are well connected to the town centre. Applicants and local planning authorities should demonstrate flexibility on issues such as format and scale, so that opportunities to utilise suitable town centre or edge of centre sites are fully explored (para. 87).

10.30 The NPPF states that local planning authorities should require an impact assessment for applications for retail and leisure development outside of town centres, which are not in accordance with an up-to-date development plan and are over a proportionate, locally set floorspace threshold. If there is not a locally set threshold, the default threshold is 2,500 sq.m (para. 89). This should include an assessment of:

a the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and

b the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and the wider retail catchment (as applicable to the scale and nature of the scheme).

10.31 Where an application fails to satisfy the sequential test or is likely to have a significant adverse impact on one of more of the above factors, it should be refused (para. 90).

10.32 The designation of primary shopping areas or centre boundaries is important when applying the sequential approach, to direct retail and town centre uses to sustainable locations and determine whether a retail impact assessment is required. The NPPF continues to indicate that the first preference for retail uses should be the primary shopping area (PSA). The first preference for leisure uses is normally the wider defined town centre, which usually includes the PSA and other parts of the town centre.

10.33 The wording of draft Policy R2: Out-of-Town Proposals for Town Centre Uses implies the town and district centre boundaries and parades are relevant areas where retail and main town centre uses will be focused, when applying the sequential approach.

10.34 The draft policy indicates a full sequential test assessment is required for main town centre uses outside designated centres and parades, unless a need for the use in the proposed location can be demonstrated. In these circumstances robust justification must be provided, as recommended by the NPPG. The wording of the draft policy could be amended/strengthened to reflect this recommendation.

10.35 The revised NPPF states that, when assessing applications for retail and leisure development outside of town centres, which are not in accordance with an up to date local plan, local planning authorities should require an impact assessment if the development is over a proportionate, locally set threshold.

10.36 Consistent with the revised NPPF, Draft Policy R2 indicates retail and leisure development outside centres and over 500 sq.m gross local threshold will be required to provide an impact assessment. The FRCLS 2017 indicated that the NPPF threshold of 2,500 sq.m gross was inappropriate as a blanket threshold across Fareham Borough, because this scale of development would represent a significant proportion of the overall retail projections in the authority area and development smaller than 2,500 sq.m gross could have a significant adverse impact particularly on smaller centres. The locally set threshold of 500 sq.m gross was considered appropriate for retail and leisure development in Fareham Borough.

10.37 No further amendments to Draft Policy R2 are considered necessary based on new evidence and the revised NPPF.

11.0 Conclusions and recommendations

11.1 The revised NPPF states that local planning authorities should assess the quantitative and qualitative needs for land or floorspace for retail and leisure development over the plan period. The needs for retail and other main town centre uses should be met for at least 10 years and not compromised by limited site availability.

Future retail and leisure need

11.2 The updated quantitative assessment of the potential capacity for retail floorspace suggests that there is more limited scope for new retail and leisure floorspace within Fareham Borough, over and above commitments. The Draft Fareham Local Plan sets out the Borough wide floorspace projections in a table. The findings of this update suggest this table should be amended as shown in Table 11.1 below.

Table 11.1 Fareham Borough retail floorspace projections (sq.m gross)

	2017 - 2026	2026-2031	2031 - 2036	**Total 2017 - 2036**
Convenience	100	1,000	1,000	**2,100**
Comparison	0	0	0	**0**
Food and beverage	400	900	900	**2,200**
Total	**500**	**1,900**	**1,900**	**4,300**

Development plan/strategy implications

11.3 The analysis of centres in this report confirms the hierarchy of centres as set out in Draft Fareham Local Plan Strategic Policy R1 is appropriate, and no changes to the designations or policy approach is considered necessary.

11.4 Draft Strategic Policy R1 is flexible and consistent with the revised NPPF. The flexible approach is also consistent with the revised floorspace (lower) projections and the need to reduce vacant properties. The criteria in Draft Policy R1 and the GPDO provide considerable flexibility for diversity within the town centre.

11.5 Draft Policy R2: Out-of-Town Proposals for Town Centre Uses indicates a full sequential test assessment is required for main town centre uses outside designated centres and parades, unless a need for the use in the proposed location can be demonstrated. In these circumstances robust justification must be provided, as recommended by the NPPG. The wording of the draft policy could be amended/strengthened to reflect this recommendation.

11.6 The revised NPPF still states that, when assessing applications for retail, leisure and office development outside of town centres, which are not in accordance with an up to date local plan, local planning authorities should require an impact assessment if the development is over a proportionate, locally set threshold.

11.7 The FRCLS 2017 indicated that the NPPF threshold of 2,500 sq.m gross was inappropriate as a blanket threshold across Fareham Borough, because this scale of development would represent a significant proportion of the overall retail projections in the authority area and development smaller than 2,500 sq.m gross could have a significant adverse impact particularly on smaller centres. The locally set threshold of 500 sq.m gross was considered appropriate for retail and leisure development in Fareham Borough.

11.8 Draft Fareham Local Plan Policy R2 also adopts this reduced impact threshold of 500 sq.m. gross. The reduced retail floorspace projections set out in Table 11.1 endorse this lower threshold.

Appendix 1 Methodology

Floorspace capacity assessment – Methodology and data

Price base

All monetary values expressed in this update report are at 2017 prices. The FRCLS 2017 adopts figures at 2015 prices, and therefore is not directly comparable.

Retail and food/beverage expenditure

The level of available expenditure to support retailers is based on first establishing per capita levels of spending for the study area population. Experian's local consumer expenditure estimates for comparison, convenience goods and food/beverage for each of the study area zones for the year 2017 have been obtained.

Experian's EBS national expenditure information (Experian Retail Planner Briefing Note 17) has been used to forecast expenditure within the study area. Experian's forecasts are based on an econometric model of disaggregated consumer spending. This model takes several macro-economic forecasts (chiefly consumer spending, incomes and inflation) and uses them to produce forecasts of consumer spending volumes, prices and value, broken down into separate categories of goods. The model incorporates assumptions about income and price elasticities.

Experian's EBS growth forecast rates for 2018 to 2021 reflect the post Brexit economic circumstances and provide an appropriate growth rate for the short term, as follows:

- for convenience goods: -0.4% for 2018 to 2019, 0% for 2019 to 2020 and 0.5% from 2020 to 2021;
- for comparison goods: 3.9% for 2018 to 2019, 3% for 2019 to 2020 and 3.2% from 2020 to 2021;
- for food/beverage: -0.5% for 2018 to 2019, 0.9% for 2019 to 2020 and 1% from 2020 to 2021.

In the longer term it is more difficult to forecast year on year changes in expenditure. Experian's longer-term growth average forecasts have been adopted, as follows:

- 0.1% per annum for convenience goods after 2021;
- 3% to 3.2% per annum growth for comparison goods after 2021; and
- 1.1% to 1.2% per annum for food/beverage after 2021.

These growth rates represent a realistic forecast annual average for future expenditure growth. These growth figures relate to real growth and exclude inflation.

Special Forms of Trading (SFT) or non-store activity is included within Experian's Goods Based Expenditure (GBE) estimates. SFT includes other forms of retail expenditure not spent in shops e.g. mail order sales, some internet sales, vending machines, party plan selling, market stalls and door to door selling. SFT needs to be excluded from retail assessments because it relates to expenditure not spent in shops and does not have a direct relationship with the demand for retail floorspace. The growth in home computing, internet connections and interactive TV may lead to a growth in home shopping and may have effects on retailing in the high street. Experian provides projections for special forms of trading and e-tailing. This Experian information suggests that non-store retail sales in 2017 was:

- 11.6% of convenience goods expenditure; and
- 20.8% of comparison goods expenditure.

Experian predicts that these figures will increase in the future. However, Experian recognises that not all non-store expenditure should be excluded from a retail capacity analysis, because some of it relates to internet sales through traditional retail businesses, rather than internet companies. The turnover attributable to e-tail through retail businesses is included in the company average turnovers, and therefore expenditure figures should not exclude this expenditure. Experian provides adjusted deductions for SFT and projections. These projections have been used to exclude only e-tail expenditure attributed to non-retail businesses, which will not directly impact on the demand for retail floorspace. The adjusted figures suggest that SFT sales in 2017 were:

- 3.5% of convenience goods expenditure; and
- 15.6% of comparison goods expenditure.

The projections provided by Experian suggest that these percentages could increase to 6.6% and 25% by 2033 respectively. These latest figures have been adopted in this updated assessment.

Home/electronic shopping has also emerged with the increasing growth in the use of personal computers and the internet. This study makes an allowance for future growth in e-tailing based on Experian projections. It will be necessary to monitor the amount of sales attributed to home shopping in the future to review future policies and development allocations.

On-line shopping has experienced rapid growth since the late 1990s but in proportional terms the latest available data suggests it remains a relatively low percentage of total retail expenditure. The growth in SFT will have an impact on the demand for retail space, but some retailers operate on-line sales from their traditional retail premises e.g. food store operators and growth in on-line sales may not always mean there is a reduction in the need for retail floorspace. Given the likely continued growth in internet shopping and the likelihood that it will increase in proportional terms, this assessment has adopted relatively cautious growth projections for retail expenditure.

Market shares/penetration Rates

To assess the capacity for new retail floorspace, penetration rates were estimated in the FRCLS 2017 for shopping and food/beverage facilities in the study area. The assessment of penetration rates was based on a range of factors but primarily information gathered through the May 2016 household survey. The main change since May 2016 is the development of a new Lidl food store near Portchester, but no other changes are likely to have discernibly affected shopping and leisure patterns.

The total turnover of shops and food/beverage outlets within Fareham Borough was estimated based on penetration rates. These turnover estimates have been updated based on revised population and expenditure information.

For convenience goods shopping actual turnover estimates are compared with average company benchmark or average sales floorspace densities derived from Global Data 2018 information, which provide an indication of how individual retail stores and centres are performing against expected turnover averages. This allows the identification of potential surplus or deficit capacity for retail sales floorspace.

Benchmark turnover levels

Company average turnover to sales floorspace densities are available for major food store operators and are compiled by Global Data. Company average sales densities (adjusted to exclude petrol and comparison sales and include VAT) have been applied to the sales area of the large food stores, and a benchmark turnover for each store has been calculated. This benchmark turnover is not necessarily the actual turnover of the food store, but it does provide a useful benchmark for assessing existing shopping patterns and the adequacy of current floorspace in quantitative terms.

Recent changes in convenience goods sales areas since May 2016 have been derived from the Institute of Oxford Retail Consultants (ORC) StorePoint database, including the new Lidl near Portchester. Estimates for comparison sales floorspace within large food stores has been deducted, for consistency with the use of goods based expenditure figures.

Average sales densities are not widely available for small convenience shops, particularly independent retailers. Based on the mix of shops present in each centre within Fareham and Lichfields' experience of trading levels of small independent shops informed by household shopper surveys elsewhere, an average sales density of £6,000 per sq.m net for convenience shops/stores has been adopted.

Increases in turnover densities

Experian's Retail Planner Briefing Note 17 (February 2020) indicates comparison goods retail sales floorspace is expected to increase its sales density by 3% during in 2018 to 2019; 3.6% in 2019 to 2020 and also in 21% in 2020 to 2021; 3.2% per annum between 2022 and 2026; and 2.7% beyond 2026. These increases have been adopted and will absorb a significant element of the future expenditure growth.

For convenience goods, Experian indicates limited change in sales densities.

Experian does not provide projections for food and beverage sales densities. An average growth rate of 1% per annum has been adopted, consistent with the FRCLS 2017.

Appendix 2 Convenience goods assessment

Table 1 Study Area Population

Zone	2011	2017	2019	2021	2026	2031	2036
Zone 1 - Fareham East	32,572	33,872	34,294	34,716	35,764	36,724	37,597
Zone 2 - Gosport South	47,757	49,104	49,421	49,739	50,606	51,472	52,339
Zone 3 - Gosport North	34,978	35,966	36,199	36,432	37,069	37,705	38,340
Zone 4 - Fareham Central	39,469	41,045	41,556	42,067	43,337	44,501	45,558
Zone 5 - Fareham West	27,118	28,202	28,553	28,904	29,777	30,577	31,304
Zone 6 - Rural South	22,044	22,993	23,298	23,602	24,364	25,060	25,648
Zone 7 - Portsmouth	43,916	45,606	46,078	46,550	47,871	49,224	50,327
Zone 8 - Rural North	43,796	45,886	46,607	47,327	49,084	50,640	51,931
Total	**291,650**	**302,674**	**306,007**	**309,340**	**317,872**	**325,902**	**333,045**

Sources: *Experian 2011 Census of Population*
Office of National Statistics 2014 SNPP projections

Table 2 Convenience Goods Expenditure per person (£)

Zone	2017	2019	2021	2026	2031	2036
Zone 1 - Fareham East	2,285	2,282	2,282	2,264	2,263	2,267
Zone 2 - Gosport South	2,218	2,215	2,214	2,197	2,196	2,200
Zone 3 - Gosport North	2,215	2,212	2,211	2,194	2,194	2,197
Zone 4 - Fareham Central	2,299	2,296	2,295	2,277	2,277	2,281
Zone 5 - Fareham West	2,430	2,427	2,426	2,407	2,407	2,411
Zone 6 - Rural South	2,183	2,180	2,179	2,163	2,162	2,166
Zone 7 - Portsmouth	2,145	2,142	2,142	2,125	2,125	2,129
Zone 8 - Rural North	2,418	2,415	2,414	2,396	2,395	2,399

Sources:
Experian Local Expenditure 2017 (2017 prices)
Experian growth rates - Retail Planner Briefing Note 17 (February 2020)

Table 3 Total Convenience Goods Expenditure (£m)

Zone	2017	2019	2021	2026	2031	2036
Zone 1 - Fareham East	77.40	78.26	79.21	80.97	83.12	85.25
Zone 2 - Gosport South	108.89	109.45	110.13	111.19	113.05	115.16
Zone 3 - Gosport North	79.65	80.06	80.56	81.34	82.71	84.25
Zone 4 - Fareham Central	94.35	95.39	96.54	98.70	101.31	103.91
Zone 5 - Fareham West	68.53	69.29	70.12	71.69	73.59	75.47
Zone 6 - Rural South	50.19	50.79	51.44	52.69	54.18	55.55
Zone 7 - Portsmouth	97.83	98.72	99.70	101.75	104.59	107.12
Zone 8 - Rural North	110.97	112.56	114.27	117.61	121.29	124.61
Total	**687.81**	**694.51**	**701.97**	**715.93**	**733.84**	**751.32**

Source: Tables 1 and 2

Table 4 Base Year Convenience Goods Market Shares (%)

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
Fareham Borough Central								
Fareham town centre	26.6%	1.9%	12.1%	21.6%	9.0%	19.8%	2.5%	10.0%
Asda, Speedfields Park	11.5%	5.3%	30.2%	19.2%	4.0%	9.8%	2.1%	1.5%
Sainsbury's, Broadcut, Wallington	17.3%	1.5%	3.6%	13.8%	0.9%	21.9%	1.1%	7.4%
Other Zone 1	1.1%	0.0%	2.5%	1.7%	0.0%	0.2%	0.2%	0.2%
Other Zone 4	3.1%	0.6%	3.1%	20.4%	1.3%	2.4%	0.3%	1.6%
Other Zone 6	0.7%	0.0%	0.5%	0.0%	0.0%	7.1%	0.0%	0.0%
Portchester								
Portchester District Centre	17.4%	0.1%	0.4%	0.0%	0.0%	0.0%	1.8%	0.0%
Fareham Borough West								
Locks Heath	0.2%	0.0%	0.6%	5.4%	32.5%	2.5%	0.0%	1.2%
Other Fareham Borough West	1.9%	0.3%	0.8%	4.0%	15.5%	1.0%	0.7%	2.7%
Fareham Borough Total	**79.8%**	**9.7%**	**53.8%**	**86.1%**	**63.2%**	**64.7%**	**8.7%**	**24.6%**
Bishops Waltham	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	15.7%
Eastleigh	0.0%	0.0%	0.3%	0.1%	0.0%	1.9%	0.6%	2.5%
Gosport	2.2%	82.9%	33.4%	3.8%	0.2%	2.8%	0.0%	0.0%
Havant	1.6%	2.2%	0.2%	0.6%	0.0%	0.0%	5.3%	0.8%
Hedge End / Burlesdon	1.4%	0.8%	0.5%	2.0%	19.1%	3.8%	0.5%	28.4%
Portsmouth	11.6%	1.3%	2.3%	1.1%	0.0%	1.3%	15.8%	0.5%
Southampton	0.0%	0.0%	0.0%	0.0%	1.8%	0.3%	1.9%	3.1%
Waterlooville	0.4%	1.4%	0.2%	0.0%	0.2%	0.0%	16.8%	9.2%
Whiteley	0.0%	0.0%	0.0%	6.0%	14.3%	16.1%	0.8%	0.0%
Wickham	0.0%	0.0%	0.4%	0.0%	0.0%	5.6%	0.0%	4.1%
Other Outside Fareham Borough	3.0%	1.7%	8.9%	0.3%	1.2%	3.3%	49.6%	11.1%
Other Sub-Total	**20.2%**	**90.3%**	**46.2%**	**13.9%**	**36.8%**	**35.3%**	**91.3%**	**75.4%**
TOTAL	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: NEMS Household Survey May 2016

Table 5 Base Year 2017 Convenience Goods Expenditure (£m)

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2017	**77.40**	**108.89**	**79.65**	**94.35**	**68.53**	**50.19**	**97.83**	**110.97**	**687.81**
Fareham Borough Central									
Fareham town centre	20.59	2.07	9.64	20.38	6.17	9.94	2.45	11.10	82.32
Asda, Speedfields Park	8.90	5.77	24.05	18.11	2.74	4.92	2.05	1.66	68.22
Sainsbury's, Broadcut, Wallington	13.39	1.63	2.87	13.02	0.62	10.99	1.08	8.21	51.81
Other Zone 1	0.85	0.00	1.99	1.60	0.00	0.10	0.20	0.22	4.96
Other Zone 4	2.40	0.65	2.47	19.25	0.89	1.20	0.29	1.78	28.93
Other Zone 6	0.54	0.00	0.40	0.00	0.00	3.56	0.00	0.00	4.50
Portchester									
Portchester District Centre	13.47	0.11	0.32	0.00	0.00	0.00	1.76	0.00	15.66
Fareham Borough West									
Locks Heath District Centre	0.15	0.00	0.48	5.09	22.27	1.25	0.00	1.33	30.59
Other Fareham Borough West	1.47	0.33	0.64	3.77	10.62	0.50	0.68	3.00	21.01
Fareham Borough Total	**61.77**	**10.56**	**42.85**	**81.23**	**43.31**	**32.47**	**8.51**	**27.30**	**308.01**
Bishops Waltham	0.00	0.00	0.00	0.00	0.00	0.10	0.00	17.42	17.52
Eastleigh	0.00	0.00	0.24	0.09	0.00	0.95	0.59	2.77	4.65
Gosport	1.70	90.27	26.60	3.59	0.14	1.41	0.00	0.00	123.70
Havant	1.24	2.40	0.16	0.57	0.00	0.00	5.19	0.89	10.43
Hedge End / Burlesdon	1.08	0.87	0.40	1.89	13.09	1.91	0.49	31.51	51.24
Portsmouth	8.98	1.42	1.83	1.04	0.00	0.65	15.46	0.55	29.93
Southampton	0.00	0.00	0.00	0.00	1.23	0.15	1.86	3.44	6.68
Waterlooville	0.31	1.52	0.16	0.00	0.14	0.00	16.44	10.21	28.78
Whiteley	0.00	0.00	0.00	5.66	9.80	8.08	0.78	0.00	24.32
Wickham	0.00	0.00	0.32	0.00	0.00	2.81	0.00	4.55	7.68
Other Outside Fareham Borough	2.32	1.85	7.09	0.28	0.82	1.66	48.53	12.32	74.87
Other Sub-Total	**15.64**	**98.33**	**36.80**	**13.11**	**25.22**	**17.72**	**89.32**	**83.67**	**297.26**
TOTAL	**77.40**	**108.89**	**79.65**	**94.35**	**68.53**	**50.19**	**97.83**	**110.97**	**605.26**

Source: Table 3 and 4

Table 6 Current 2019 Convenience Goods Market Shares (%)

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
Fareham Borough Central	56.9%	9.3%	51.4%	76.7%	15.2%	60.2%	5.0%	20.7%
Portchester District Centre	23.0%	0.1%	1.0%	0.0%	0.0%	1.0%	3.0%	0.0%
Locks Heath	0.2%	0.0%	0.6%	5.4%	32.5%	2.5%	0.0%	1.2%
Fareham Borough West	1.9%	0.3%	0.8%	4.0%	15.5%	1.0%	0.7%	2.7%
Fareham Borough Total	**82.0%**	**9.7%**	**53.8%**	**86.1%**	**63.2%**	**64.7%**	**8.7%**	**24.6%**
Outside Fareham Borough	18.0%	90.3%	46.2%	13.9%	36.8%	35.3%	91.3%	75.4%
TOTAL	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: NEMS Household Survey May 2016 with adjusments to reflect changes since 2017

Table 7 Current Convenience Goods Expenditure Patterns 2019 (£m)

Centre/Facility	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2019	**78.26**	**109.45**	**80.06**	**95.39**	**69.29**	**50.79**	**98.72**	**112.56**	**694.51**
Fareham Borough Central	44.53	10.18	41.15	73.17	10.53	30.57	4.94	23.30	238.37
Portchester	18.00	0.11	0.80	0.00	0.00	0.51	2.96	0.00	22.38
Locks Heath District Centre	0.16	0.00	0.48	5.15	22.52	1.27	0.00	1.35	30.93
Fareham Borough West	1.49	0.33	0.64	3.82	10.74	0.51	0.69	3.04	21.25
Fareham Borough Total	**64.17**	**10.62**	**43.07**	**82.13**	**43.79**	**32.86**	**8.59**	**27.69**	**312.93**
Outside Fareham Borough	14.09	98.83	36.99	13.26	25.50	17.93	90.13	84.87	381.59
TOTAL	**78.26**	**109.45**	**80.06**	**95.39**	**69.29**	**50.79**	**98.72**	**112.56**	**694.51**

Source: Table 3 and 6

Table 8 Future Convenience Goods Expenditure Patterns 2021 (£m)

Centre/Facility	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2021	**79.21**	**110.13**	**80.56**	**96.54**	**70.12**	**51.44**	**99.70**	**114.27**	**701.97**
Fareham Borough Central	45.07	10.24	41.41	74.05	10.66	30.97	4.99	23.65	241.03
Portchester	18.22	0.11	0.81	0.00	0.00	0.51	2.99	0.00	22.64
Locks Heath District Centre	0.16	0.00	0.48	5.21	22.79	1.29	0.00	1.37	31.30
Fareham Borough West	1.50	0.33	0.64	3.86	10.87	0.51	0.70	3.09	21.51
Fareham Borough Total	**64.95**	**10.68**	**43.34**	**83.12**	**44.32**	**33.28**	**8.67**	**28.11**	**316.48**
Outside Fareham Borough	14.26	99.44	37.22	13.42	25.81	18.16	91.03	86.16	385.49
TOTAL	**79.21**	**110.13**	**80.56**	**96.54**	**70.12**	**51.44**	**99.70**	**114.27**	**701.97**

Source: Table 3 and 6

Table 9 Future Convenience Goods Expenditure Patterns 2026 (£m)

Centre/Facility	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2026	**80.97**	**111.19**	**81.34**	**98.70**	**71.69**	**52.69**	**101.75**	**117.61**	**715.93**
Fareham Borough Central	46.07	10.34	41.81	75.70	10.90	31.72	5.09	24.34	245.97
Portchester	18.62	0.11	0.81	0.00	0.00	0.53	3.05	0.00	23.13
Locks Heath District Centre	0.16	0.00	0.49	5.33	23.30	1.32	0.00	1.41	32.01
Fareham Borough West	1.54	0.33	0.65	3.95	11.11	0.53	0.71	3.18	22.00
Fareham Borough Total	**66.40**	**10.79**	**43.76**	**84.98**	**45.31**	**34.09**	**8.85**	**28.93**	**323.10**
Outside Fareham Borough	14.57	100.40	37.58	13.72	26.38	18.60	92.89	88.68	392.83
TOTAL	**80.97**	**111.19**	**81.34**	**98.70**	**71.69**	**52.69**	**101.75**	**117.61**	**715.93**

Source: Table 3 and 6

Table 10 Future Convenience Goods Expenditure Patterns 2031 (£m)

Centre/Facility	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2031	**83.12**	**113.05**	**82.71**	**101.31**	**73.59**	**54.18**	**104.59**	**121.29**	**733.84**
Fareham Borough Central	47.29	10.51	42.51	77.71	11.19	32.62	5.23	25.11	252.17
Portchester	19.12	0.11	0.83	0.00	0.00	0.54	3.14	0.00	23.74
Locks Heath District Centre	0.17	0.00	0.50	5.47	23.92	1.35	0.00	1.46	32.86
Fareham Borough West	1.58	0.34	0.66	4.05	11.41	0.54	0.73	3.27	22.59
Fareham Borough Total	**68.16**	**10.97**	**44.50**	**87.23**	**46.51**	**35.05**	**9.10**	**29.84**	**331.35**
Outside Fareham Borough	14.96	102.09	38.21	14.08	27.08	19.13	95.49	91.46	402.49
TOTAL	**83.12**	**113.05**	**82.71**	**101.31**	**73.59**	**54.18**	**104.59**	**121.29**	**733.84**

Source: Table 3 and 6

Table 11 Future Convenience Goods Expenditure Patterns 2036 (£m)

Centre/Facility	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2036	**85.25**	**115.16**	**84.25**	**103.91**	**75.47**	**55.55**	**107.12**	**124.61**	**751.32**
Fareham Borough Central	48.51	10.71	43.31	79.70	11.47	33.44	5.36	25.79	258.28
Portchester	19.61	0.12	0.84	0.00	0.00	0.56	3.21	0.00	24.33
Locks Heath District Centre	0.17	0.00	0.51	5.61	24.53	1.39	0.00	1.50	33.70
Fareham Borough West	1.62	0.35	0.67	4.16	11.70	0.56	0.75	3.36	23.16
Fareham Borough Total	**69.90**	**11.17**	**45.33**	**89.46**	**47.70**	**35.94**	**9.32**	**30.65**	**339.48**
Outside Fareham Borough	15.34	103.99	38.92	14.44	27.77	19.61	97.80	93.95	411.84
TOTAL	**85.25**	**115.16**	**84.25**	**103.91**	**75.47**	**55.55**	**107.12**	**124.61**	**751.32**

Source: Table 3 and 6

Table 12 Existing Convenience Goods Floorspace and Benchmark Turnover

Area	Store	Gross Floorspace (sq.m)	Sales Floorspace (sq.m net)	Convenience Goods Floorspace (%)	Convenience Goods Floorspace (sq.m net)	Turnover (£ per sq.m)	Total Turnover (£m)
Fareham Borough	Aldi 208-228 West Street, Fareham	1,627	884	85%	751	£10,827	£8.14
Central	Iceland, 38-40 West Street, Fareham	821	374	98%	367	£6,859	£2.51
	B&M Bargains, Fareham Shopping Centre	1,882	1,008	20%	202	£4,031	£0.81
	Tesco Quay Street, Fareham	8,200	4,620	75%	3,465	£13,797	£47.81
	Other Fareham Town Centre	1,524	1,067	100%	1,067	£6,000	£6.40
	Sainsburys, Broadcut, Wallington	7,953	5,611	75%	4,208	£11,691	£49.20
	Co-op, 242 White Hart Lane	325	187	95%	178	£10,824	£1.92
	Co-op, 82-90 Arundel Drive	342	248	95%	236	£10,824	£2.55
	Iceland, 12 Stubbington Green	555	321	98%	315	£6,859	£2.16
	Co-op, 42 Stubbington Green	125	81	95%	77	£10,824	£0.83
	Other Stubbington	473	331	100%	331	£6,000	£1.99
	Co-op, 139 Highlands Road	772	499	95%	474	£10,824	£5.13
	Co-op, Highlands Road (PFS)	130	84	95%	80	£10,824	£0.86
	Other Highlands	173	121	100%	121	£6,000	£0.73
	Co-op, 44 The Square, Titchfield	235	120	95%	114	£10,824	£1.23
	Other Titchfield	311	218	100%	218	£6,000	£1.31
	Co-op, Gudge Heath Lane	413	267	95%	254	£10,824	£2.75
	Asda Superstore, Speedfields Park	10,561	6,360	70%	4,452	£13,659	£60.81
	Lidl, Speedfields Park	1,160	819	85%	696	£10,103	£7.03
	B&M Homestore, Speedfields	3,886	2,937	20%	587	£4,031	£2.37
	Co-op, 47 Fairfield Avenue	196	127	95%	121	£10,824	£1.31
	Other Zone 1 and 4	1,444	1,011	100%	1,011	£6,000	£6.06
	Other Sub Total	**43,108**	**27,295**		**19,323**		**£213.91**
Portchester	Iceland 34-36 West Street, Portchester	681	384	98%	376	£6,859	£2.58
	Co-op, 12 West Street, Portchester	1,589	1,028	90%	925	£10,824	£10.01
	Other Portchester	367	257	100%	257	£6,000	£1.54
	M&S Simply Food (BP), West Street	130	84	95%	80	£10,476	£0.84
	Lidl, Castle Trading Estate	1,475	1,041	85%	885	£10,103	£8.94
	Sub-Total	**4,242**	**2,794**		**2,523**		**£23.91**
Fareham Borough	Waitrose, 83 Locks Road	4,231	2,420	90%	2,178	£12,940	£28.18
West	Iceland, Locks Heath	597	399	98%	391	£6,859	£2.68
	Other Locks Heath	971	680	100%	680	£6,000	£4.08
	Sainsburys Local, Bridge Rd, Park Gate	418	251	95%	238	£11,690	£2.79
	Co-op, 26 Bridge Road, Park Gate	371	240	95%	228	£10,824	£2.47
	M&S Simply Food (BP), Bridge Road	130	84	95%	80	£10,476	£0.84
	Co-op, 3 Warsash Road	409	239	95%	227	£10,824	£2.46
	Tesco Express, 252 Warsash Road	229	148	95%	141	£13,797	£1.94
	Co-op, Unit 1 Yew Tree Drive	529	342	95%	325	£10,824	£3.52
	B&M Bargains, Southampton Road	1,502	976	20%	195	£4,031	£0.79
	Other	1,028	720	100%	720	£6,000	£4.32
	Sub-Total	**10,415**	**6,498**		**5,402**		**£54.05**
	TOTAL	**57,765**	**36,587**		**27,248**		**£291.87**

Source: *Fareham Borough Council Health check data 2018, ORC StorePoint 2019 and Global Data 2018*

Table 13 Convenience Goods Commitments

Location	Sales Floorspace (sqm net)	Convenience Goods Floorspace (%)	Convenience Goods Floorspace (sq.m net)	Turnover (£ per sq.m)	Total Turnover (£m)
Welborne District Centre (1)	1,960	100%	1,960	£12,000	£23.52
Welborne Local Centres (2)	280	100%	280	£6,000	£1.68
Replacement Lidl, Speedfields (3)	638	80%	510	£10,103	£5.16
Total	**2,878**		**2,750**		**£30.36**

Source: Fareham Borough Council

(1) - 2,800 sq.m gross - 70% net
(2) - 400 sq.m gross - 70% net
(3) - net increase in sales floorspace

Table 14 Summary of Convenience Goods Expenditure 2017 to 2036 (£M)

Area	2017	2019	2021	2026	2031	2036
Available Expenditure						
Fareham Borough Central	240.75	238.37	241.03	245.97	252.17	258.28
Portchester	15.66	22.38	22.64	23.13	23.74	24.33
Locks Heath	30.59	30.93	31.30	32.01	32.86	33.70
Fareham Borough West	21.01	21.25	21.51	22.00	22.59	23.16
Total	**308.01**	**312.93**	**316.48**	**323.10**	**331.35**	**339.48**
Benchmark Turnover of Existing Facilities						
Fareham Borough Central	213.91	213.91	213.91	213.91	213.91	213.91
Portchester	23.91	23.91	23.91	23.91	23.91	23.91
Locks Heath	34.94	34.94	34.94	34.94	34.94	34.94
Fareham Borough West	19.11	19.11	19.11	19.11	19.11	19.11
Total	**0.00**	**291.87**	**291.87**	**291.87**	**291.87**	**291.87**
Benchmark Turnover of Commitments						
Fareham Borough Central	0.00	0.00	30.36	30.36	30.36	30.36
Portchester	0.00	0.00	0.00	0.00	0.00	0.00
Locks Heath	0.00	0.00	0.00	0.00	0.00	0.00
Fareham Borough West	0.00	0.00	0.00	0.00	0.00	0.00
Total	**0.00**	**0.00**	**30.36**	**30.36**	**30.36**	**30.36**
Surplus/Deficit Expenditure (£m)						
Fareham Borough Central	26.84	24.46	-3.23	1.71	7.90	14.02
Portchester	-8.26	-1.53	-1.27	-0.79	-0.18	0.42
Locks Heath	-4.36	-4.02	-3.64	-2.94	-2.08	-1.24
Fareham Borough West	1.90	2.14	2.40	2.89	3.48	4.05
Total	**16.13**	**21.05**	**-5.75**	**0.87**	**9.12**	**17.25**

Source: Tables 7 to 13

Table 15 Convenience Goods Floorspace Capacity 2017 to 2036

Area	2017	2019	2021	2026	2031	2036
Turnover Density New Floorspace (£ per sq.m)	£12,000	£12,000	£12,000	£12,000	£12,000	£12,000
Floorspace Requirement (sq.m net)						
Fareham Borough Central	2,237	2,039	-269	142	659	1,168
Portchester	-688	-128	-106	-65	-15	35
Locks Heath	-363	-335	-303	-245	-174	-104
Fareham Borough West	159	178	200	241	290	338
Total	**1,344**	**1,754**	**-479**	**73**	**760**	**1,437**
Floorspace Requirement (sq.m gross)						
Fareham Borough Central	3,196	2,912	-385	203	941	1,669
Portchester	-983	-182	-152	-93	-21	50
Locks Heath	-519	-478	-433	-350	-248	-148
Fareham Borough West	227	255	286	344	414	483
Total	**1,921**	**2,506**	**-685**	**104**	**1,086**	**2,053**

Appendix 3 Comparison goods assessment

Table 1 Study Area Population

Zone	2011	2017	2019	2021	2026	2031	2036
Zone 1 - Fareham East	32,572	33,872	34,294	34,716	35,764	36,724	37,597
Zone 2 - Gosport South	47,757	49,104	49,421	49,739	50,606	51,472	52,339
Zone 3 - Gosport North	34,978	35,966	36,199	36,432	37,069	37,705	38,340
Zone 4 - Fareham Central	39,469	41,045	41,556	42,067	43,337	44,501	45,558
Zone 5 - Fareham West	27,118	28,202	28,553	28,904	29,777	30,577	31,304
Zone 6 - Rural South	22,044	22,993	23,298	23,602	24,364	25,060	25,648
Zone 7 - Portsmouth	43,916	45,606	46,078	46,550	47,871	49,224	50,327
Zone 8 - Rural North	43,796	45,886	46,607	47,327	49,084	50,640	51,931
Total	**291,650**	**302,674**	**306,007**	**309,340**	**317,872**	**325,902**	**333,045**

Sources: *Experian 2011 Census of Population*
Office of National Statistics 2014 SNPP projections

Table 2 Comparison Goods Expenditure per person (£)

Zone	2017	2019	2021	2026	2031	2036
Zone 1 - Fareham East	3,611	3,787	3,952	4,426	5,005	5,726
Zone 2 - Gosport South	3,195	3,352	3,498	3,917	4,430	5,067
Zone 3 - Gosport North	3,246	3,405	3,553	3,979	4,500	5,147
Zone 4 - Fareham Central	3,795	3,981	4,155	4,653	5,261	6,019
Zone 5 - Fareham West	4,271	4,479	4,675	5,235	5,920	6,772
Zone 6 - Rural South	3,765	3,949	4,121	4,616	5,219	5,971
Zone 7 - Portsmouth	3,129	3,282	3,425	3,835	4,337	4,961
Zone 8 - Rural North	4,158	4,361	4,551	5,097	5,763	6,593

Sources:
Experian Local Expenditure 2017 (2017 prices)
Experian growth rates - Retail Planner Briefing Note 17 (February 2020)
Excludes Special Forms of Trading

Table 3 Total Comparison Goods Expenditure (£m)

Zone	2017	2019	2021	2026	2031	2036
Zone 1 - Fareham East	122.30	129.88	137.21	158.30	183.81	215.27
Zone 2 - Gosport South	156.90	165.64	173.97	198.23	228.00	265.21
Zone 3 - Gosport North	116.75	123.24	129.45	147.51	169.66	197.35
Zone 4 - Fareham Central	155.78	165.43	174.77	201.64	234.14	274.20
Zone 5 - Fareham West	120.44	127.90	135.12	155.89	181.02	212.00
Zone 6 - Rural South	86.57	92.00	97.27	112.45	130.79	153.13
Zone 7 - Portsmouth	142.69	151.21	159.42	183.61	213.49	249.69
Zone 8 - Rural North	190.77	203.24	215.38	250.17	291.86	342.37
Total	**1,092.21**	**1,158.54**	**1,222.60**	**1,407.79**	**1,632.78**	**1,909.22**

Source: Tables 1 and 2

Table 4 Base Year Comparison Goods Market Shares (%)

Centre	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
Fareham Borough Central								
Fareham Town Centre	39.0%	18.5%	34.3%	31.2%	12.0%	28.6%	7.9%	12.9%
Retail Warehouses/Parks	2.8%	4.2%	5.2%	3.7%	0.1%	2.4%	0.0%	0.1%
Other Zone 1 and 4	2.5%	1.0%	0.7%	7.1%	2.4%	1.8%	0.1%	1.0%
Portchester	4.9%	0.0%	0.2%	0.0%	0.0%	0.0%	0.7%	0.3%
Fareham Borough West								
Locks Heath	0.2%	0.1%	0.0%	0.3%	3.9%	0.3%	0.0%	0.0%
Centres Zone 5	7.0%	4.0%	4.6%	3.1%	13.8%	3.1%	1.1%	0.6%
Southampton Road Retail Park	5.4%	7.3%	8.4%	17.9%	4.6%	17.2%	1.6%	1.7%
Fareham Total	**61.8%**	**35.1%**	**53.4%**	**63.3%**	**36.8%**	**53.4%**	**11.4%**	**16.6%**
Bishops Waltham	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%	0.0%	7.4%
Eastleigh/ Chandlers Ford	0.2%	0.1%	0.1%	0.3%	0.1%	0.5%	0.1%	3.2%
Gosport	0.6%	28.4%	10.1%	0.5%	0.2%	0.5%	0.0%	0.6%
Havant	3.2%	0.7%	0.3%	0.2%	0.0%	0.0%	6.5%	0.6%
Hedge End / Burlesdon	4.3%	6.4%	7.6%	7.3%	11.8%	13.2%	2.1%	26.8%
Portsmouth	15.4%	15.8%	13.2%	4.9%	2.1%	4.8%	36.6%	4.4%
Southampton	6.4%	6.1%	9.6%	11.3%	23.5%	8.1%	10.5%	17.4%
Waterlooville	3.0%	3.3%	0.2%	0.0%	0.0%	0.2%	12.5%	6.7%
Whiteley	2.2%	2.1%	3.0%	10.7%	22.5%	15.8%	1.1%	4.8%
Wickham	0.2%	0.0%	0.1%	0.1%	0.0%	0.5%	0.0%	0.9%
Other Outside Fareham Borough	2.7%	2.0%	2.4%	1.4%	3.0%	2.4%	19.2%	10.6%
Other Sub-Total	**38.2%**	**64.9%**	**46.6%**	**36.7%**	**63.2%**	**46.6%**	**88.6%**	**83.4%**
TOTAL	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: NEMS Household Survey May 2016

Table 5 Base Year 2017 Comparison Goods Expenditure (£m)

Centre/Location	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2017	**122.30**	**156.90**	**116.75**	**155.78**	**120.44**	**86.57**	**142.69**	**190.77**	**1,092.21**
Fareham Borough Central									
Fareham Town Centre	47.70	29.03	40.04	48.60	14.45	24.76	11.27	24.61	240.47
Retail Warehouses/Parks	3.42	6.59	6.07	5.76	0.12	2.08	0.00	0.19	24.24
Other Zone 1 and 4	3.06	1.57	0.82	11.06	2.89	1.56	0.14	1.91	23.00
Portchester	5.99	0.00	0.23	0.00	0.00	0.00	1.00	0.57	7.80
Fareham Borough West									
Locks Heath	0.24	0.16	0.00	0.47	4.70	0.26	0.00	0.00	5.83
Centres Zone 5	8.56	6.28	5.37	4.83	16.62	2.68	1.57	1.14	47.06
Southampton Road RP	6.60	11.45	9.81	27.89	5.54	14.89	2.28	3.24	81.71
Fareham Borough Total	**75.58**	**55.07**	**62.34**	**98.61**	**44.32**	**46.23**	**16.27**	**31.67**	**430.09**
Bishops Waltham	0.00	0.00	0.00	0.00	0.00	0.52	0.00	14.12	14.64
Eastleigh/ Chandlers Ford	0.24	0.16	0.12	0.47	0.12	0.43	0.14	6.10	7.79
Gosport	0.73	44.56	11.79	0.78	0.24	0.43	0.00	1.14	59.68
Havant	3.91	1.10	0.35	0.31	0.00	0.00	9.27	1.14	16.09
Hedge End / Burlesdon	5.26	10.04	8.87	11.37	14.21	11.43	3.00	51.13	115.31
Portsmouth	18.83	24.79	15.41	7.63	2.53	4.16	52.22	8.39	133.97
Southampton	7.83	9.57	11.21	17.60	28.30	7.01	14.98	33.19	129.70
Waterlooville	3.67	5.18	0.23	0.00	0.00	0.17	17.84	12.78	39.87
Whiteley	2.69	3.30	3.50	16.67	27.10	13.68	1.57	9.16	77.66
Wickham	0.24	0.00	0.12	0.16	0.00	0.43	0.00	1.72	2.67
Other Outside Fareham Borough	3.30	3.14	2.80	2.18	3.61	2.08	27.40	20.22	64.73
Other Sub-Total	**46.72**	**101.83**	**54.40**	**57.17**	**76.12**	**40.34**	**126.42**	**159.11**	662.11
TOTAL	**122.30**	**156.90**	**116.75**	**155.78**	**120.44**	**86.57**	**142.69**	**190.77**	**1,092.21**

Source: Table 3 and 4

Table 6 Current 2019 Comparison Goods Market Shares (%)

Centre	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
Fareham Borough Central	44.1%	23.7%	40.0%	42.0%	14.5%	32.7%	8.0%	14.0%
Portchester	5.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.7%	0.3%
Locks Heath	0.2%	0.1%	0.0%	0.3%	3.9%	0.3%	0.0%	0.0%
Fareham Borough West	12.4%	11.3%	13.0%	21.0%	18.4%	20.3%	2.7%	2.3%
Fareham Total	**61.7%**	**35.1%**	**53.2%**	**63.3%**	**36.8%**	**53.3%**	**11.4%**	**16.6%**
Outside Fareham Borough	38.3%	64.9%	46.8%	36.7%	63.2%	46.7%	88.6%	83.4%
TOTAL	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: NEMS Household Survey and Lichfields' adjsutments to reflect changes since 2017

Table 7 Current Comparison Goods Expenditure 2019 (£m)

Centre/Location	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2019	**129.88**	**165.64**	**123.24**	**165.43**	**127.90**	**92.00**	**151.21**	**203.24**	**1,158.54**
Fareham Borough Central	57.28	39.26	49.30	69.48	18.55	30.09	12.10	28.45	304.49
Portchester	6.49	0.00	0.25	0.00	0.00	0.00	1.06	0.61	8.41
Locks Heath	0.26	0.17	0.00	0.50	4.99	0.28	0.00	0.00	6.19
Fareham Borough West	16.10	18.72	16.02	34.74	23.53	18.68	4.08	4.67	136.55
Fareham Borough Total	**80.13**	**58.14**	**65.57**	**104.72**	**47.07**	**49.04**	**17.24**	**33.74**	**455.64**
Outside Fareham Borough	49.74	107.50	57.68	60.71	80.83	42.97	133.97	169.50	702.91
TOTAL	**129.88**	**165.64**	**123.24**	**165.43**	**127.90**	**92.00**	**151.21**	**203.24**	**1,158.54**

Source: Table 3 and 6

Table 8 Future Comparison Goods Expenditure 2021 (£m)

Centre/Location	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2021	**137.21**	**173.97**	**129.45**	**174.77**	**135.12**	**97.27**	**159.42**	**215.38**	**1,222.60**
Fareham Borough Central	60.51	41.23	51.78	73.40	19.59	31.81	12.75	30.15	321.23
Portchester	6.86	0.00	0.26	0.00	0.00	0.00	1.12	0.65	8.88
Locks Heath	0.27	0.17	0.00	0.52	5.27	0.29	0.00	0.00	6.53
Fareham Borough West	17.01	19.66	16.83	36.70	24.86	19.75	4.30	4.95	144.07
Fareham Borough Total	**84.66**	**61.06**	**68.87**	**110.63**	**49.72**	**51.85**	**18.17**	**35.75**	**480.72**
Outside Fareham Borough	52.55	112.91	60.58	64.14	85.40	45.43	141.25	179.63	741.88
TOTAL	**137.21**	**173.97**	**129.45**	**174.77**	**135.12**	**97.27**	**159.42**	**215.38**	**1,222.60**

Source: Table 3 and 6

Table 9 Future Comparison Goods Expenditure 2026 (£m)

Centre/Location	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2026	**158.30**	**198.23**	**147.51**	**201.64**	**155.89**	**112.45**	**183.61**	**250.17**	**1,407.79**
Fareham Borough Central	69.81	46.98	59.00	84.69	22.60	36.77	14.69	35.02	369.57
Portchester	7.91	0.00	0.30	0.00	0.00	0.00	1.29	0.75	10.25
Locks Heath	0.32	0.20	0.00	0.60	6.08	0.34	0.00	0.00	7.54
Fareham Borough West	19.63	22.40	19.18	42.34	28.68	22.83	4.96	5.75	165.77
Fareham Borough Total	**97.67**	**69.58**	**78.47**	**127.64**	**57.37**	**59.94**	**20.93**	**41.53**	**553.12**
Outside Fareham Borough	60.63	128.65	69.03	74.00	98.52	52.52	162.68	208.64	854.67
TOTAL	**158.30**	**198.23**	**147.51**	**201.64**	**155.89**	**112.45**	**183.61**	**250.17**	**1,407.79**

Source: Table 3 and 6

Table 10 Future Comparison Goods Expenditure 2031 (£m)

Centre/Location	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2031	**183.81**	**228.00**	**169.66**	**234.14**	**181.02**	**130.79**	**213.49**	**291.86**	**1,632.78**
Fareham Borough Central	81.06	54.04	67.87	98.34	26.25	42.77	17.08	40.86	428.26
Portchester	9.19	0.00	0.34	0.00	0.00	0.00	1.49	0.88	11.90
Locks Heath	0.37	0.23	0.00	0.70	7.06	0.39	0.00	0.00	8.75
Fareham Borough West	22.79	25.76	22.06	49.17	33.31	26.55	5.76	6.71	192.12
Fareham Borough Total	**113.41**	**80.03**	**90.26**	**148.21**	**66.62**	**69.71**	**24.34**	**48.45**	**641.03**
Outside Fareham Borough	70.40	147.97	79.40	85.93	114.41	61.08	189.15	243.41	991.75
TOTAL	**183.81**	**228.00**	**169.66**	**234.14**	**181.02**	**130.79**	**213.49**	**291.86**	**1,632.78**

Source: Table 3 and 6

Table 11 Future Comparison Goods Expenditure 2036 (£m)

Centre/Location	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2036	**215.27**	**265.21**	**197.35**	**274.20**	**212.00**	**153.13**	**249.69**	**342.37**	**1,909.22**
Fareham Borough Central	94.93	62.85	78.94	115.16	30.74	50.07	19.98	47.93	500.61
Portchester	10.76	0.00	0.39	0.00	0.00	0.00	1.75	1.03	13.93
Locks Heath	0.43	0.27	0.00	0.82	8.27	0.46	0.00	0.00	10.25
Fareham Borough West	26.69	29.97	25.66	57.58	39.01	31.09	6.74	7.87	224.61
Fareham Borough Total	**132.82**	**93.09**	**104.99**	**173.57**	**78.01**	**81.62**	**28.47**	**56.83**	**749.40**
Outside Fareham Borough	82.45	172.12	92.36	100.63	133.98	71.51	221.23	285.54	1159.82
TOTAL	**215.27**	**265.21**	**197.35**	**274.20**	**212.00**	**153.13**	**249.69**	**342.37**	**1,909.22**

Source: Table 3 and 6

Table 12 Existing Comparison Goods Floorspace within Centres

Centre	Gross Floorspace (sq.m)	Sales Floorspace (sq.m net)
Fareham Town Centre	29,073	20,351
Comparison sales within food stores *	n/a	2,699
Portchester District Centre	2,741	1,919
Locks Heath District Centre	1,093	972
Comparison sales withinLocks Heath food stores	n/a	250
Highlands Road Local Centre	562	393
Park Gate Local Centre	698	489
Stubbington Local Centre	1,517	1,062
Titchfield Local Centre	392	274
Warsash Local Centre	746	522
Other Local Centres/Parades	1,795	1,257
In-Centre Total	**38,617**	**30,188**

Source: *Fareham Borough Council Heath Check Data 2018*

* incl. Tesco and Sainsbury's superstores

Table 13 Eixtsing Comparison Goods Floorspace Out of Centre

Location	Store	Gross Floorspace (sq.m)	Sales Floorspace (sq.m net)
Broadcut Retail Park	Dreams	480	408
Speedfields Park, Fareham	Wickes	2,360	2,006
	Carpets for Less	439	373
	Topps Tiles	420	357
	B&M Home Stores (comparison goods)	3,401	2,313
	Asda (Comparison goods)	n/a	1,908
	Lidl (Comparison goods)	n/a	123
	Screwfix	536	456
	Watercraft World	212	180
Collingwood Retail Park, Fareham	Homebase	3,357	3,021
	Pets at Home	706	600
	Poundstretcher	727	618
	Matalan	2,318	1,970
Southampton Road, Fareham	B&Q	3,726	3,353
	Harveys	640	544
	Currys/Pc World	1,650	1,403
	Carpetright	1,623	1,380
	Pets at Home	720	612
	Argos Extra	1,859	1,580
	Dunelm Mill	2,841	2,415
	Smyths Toys Superstores	1,235	1,050
	Paul Simon	1,260	1,071
	Abbey Gardens	729	620
	Carpet Barn and Bed Services	1,931	1,641
	Sharps	305	259
	Bensons for Beds	559	475
Other	Brewers DIY, Fielder Drive	311	264
Out of Centre Total		**34,345**	**31,000**

Source: *Fareham Borough Council Health Check data 2018*

Table 14 Comparison Goods Commitments

Location	Comparison Goods Floorspace (sq.m net)	Turnover (£ per sq.m)	Total Turnover (£m)
Welborne comparison shops (1)	2,625	£6,500	£17.06
Total	**2,625**		**£17.06**

Source: Fareham Borough Council

(1) 3,500 sq.m gross (2,625 sq.m net) amended outline application

Table 15 Summary of Comparison Goods Expenditure 2017 to 2036 (£M)

Location	2017	2019	2021	2026	2031	2036
Available Expenditure in Fareham Borough						
Fareham Borough Central	287.71	304.49	321.23	369.57	428.26	500.61
Portchester	7.80	8.41	8.88	10.25	11.90	13.93
Locks Heath	5.83	6.19	6.53	7.54	8.75	10.25
Fareham Borough West	128.76	136.55	144.07	165.77	192.12	224.61
Total	**430.09**	**455.64**	**480.72**	**553.12**	**641.03**	**749.40**
Turnover of Existing Facilities (£m)						
Fareham Borough Central	287.71	296.34	318.06	373.76	427.01	487.86
Portchester	7.80	8.03	8.62	10.13	11.57	13.22
Locks Heath	5.83	6.00	6.44	7.57	8.65	9.88
Fareham Borough West	128.76	132.62	142.35	167.27	191.11	218.34
Total	**430.09**	**443.00**	**475.47**	**558.73**	**638.34**	**729.29**
Turnover of Commitments (£m)						
Fareham Borough Central	0.00	0.00	17.06	20.05	22.91	26.17
Portchester	0.00	0.00	0.00	0.00	0.00	0.00
Locks Heath	0.00	0.00	0.00	0.00	0.00	0.00
Fareham Borough West	0.00	0.00	0.00	0.00	0.00	0.00
Total	**0.00**	**0.00**	**17.06**	**20.05**	**22.91**	**26.17**
Surplus/Deficit Expenditure (£m)						
Fareham Borough Central	n/a	8.15	-13.89	-24.24	-21.66	-13.41
Portchester	n/a	0.38	0.26	0.12	0.33	0.71
Locks Heath	n/a	0.19	0.09	-0.03	0.10	0.37
Fareham Borough West	n/a	3.93	1.72	-1.50	1.01	6.27
Total	**n/a**	**12.64**	**-11.81**	**-25.65**	**-20.22**	**-6.06**

Source: Tables 5 to 14

Table 16 Comparison Goods Floorspace Capacity 2017 to 2036

Location	2017	2019	2021	2026	2031	2036
Turnover Density New Floorspace (£ per sq.m)	£6,500	£6,695	£7,186	£8,444	£9,647	£11,022
Floorspace Requirement (sq.m net)						
Fareham Borough Central	n/a	1,218	-1,933	-2,870	-2,245	-1,217
Portchester	n/a	56	36	14	34	65
Locks Heath	n/a	28	13	-4	11	33
Fareham Borough West	n/a	587	240	-178	105	569
Total	**n/a**	**1,888**	**-1,644**	**-3,038**	**-2,096**	**-550**
Floorspace Requirement (sq.m gross)						
Fareham Borough Central	n/a	1,623	-2,578	-3,827	-2,994	-1,623
Portchester	n/a	75	49	18	45	86
Locks Heath	n/a	37	17	-5	14	44
Fareham Borough West	n/a	782	320	-237	140	759
Total	**n/a**	**2,518**	**-2,192**	**-4,050**	**-2,794**	**-733**

Appendix 4 Food/beverage assessment

Table 1 Study Area Population

Zone	2011	2017	2019	2021	2026	2031	2036
Zone 1 - Fareham East	32,572	33,872	34,294	34,716	35,764	36,724	37,597
Zone 2 - Gosport South	47,757	49,104	49,421	49,739	50,606	51,472	52,339
Zone 3 - Gosport North	34,978	35,966	36,199	36,432	37,069	37,705	38,340
Zone 4 - Fareham Central	39,469	41,045	41,556	42,067	43,337	44,501	45,558
Zone 5 - Fareham West	27,118	28,202	28,553	28,904	29,777	30,577	31,304
Zone 6 - Rural South	22,044	22,993	23,298	23,602	24,364	25,060	25,648
Zone 7 - Portsmouth	43,916	45,606	46,078	46,550	47,871	49,224	50,327
Zone 8 - Rural North	43,796	45,886	46,607	47,327	49,084	50,640	51,931
Total	**291,650**	**302,674**	**306,007**	**309,340**	**317,872**	**325,902**	**333,045**

Sources: *Experian 2011 Census of Population and ONS - SNPP 2014 projections*

Table 2 Food & Beverage Expenditure per person (£)

Zone	2017	2019	2021	2026	2031	2036
Zone 1 - Fareham East	1,261	1,258	1,286	1,365	1,449	1,538
Zone 2 - Gosport South	1,175	1,172	1,198	1,272	1,350	1,433
Zone 3 - Gosport North	1,094	1,092	1,116	1,184	1,257	1,334
Zone 4 - Fareham Central	1,266	1,263	1,291	1,371	1,455	1,544
Zone 5 - Fareham West	1,418	1,415	1,446	1,535	1,629	1,730
Zone 6 - Rural South	1,208	1,205	1,232	1,308	1,388	1,473
Zone 7 - Portsmouth	1,075	1,073	1,096	1,164	1,235	1,311
Zone 8 - Rural North	1,338	1,335	1,365	1,448	1,537	1,632

Sources: *Experian Local Expenditure 2017 (2017 prices)*
Experian growth rates - Retail Planner Briefing Note 17 (February 2020)

Table 3 Total Food & Beverage Expenditure (£m)

Zone	2017	2019	2021	2026	2031	2036
Zone 1 - Fareham East	42.71	43.15	44.65	48.82	53.21	57.83
Zone 2 - Gosport South	57.70	57.94	59.61	64.37	69.50	75.01
Zone 3 - Gosport North	39.35	39.51	40.65	43.90	47.40	51.16
Zone 4 - Fareham Central	51.96	52.49	54.32	59.39	64.74	70.35
Zone 5 - Fareham West	39.99	40.40	41.80	45.71	49.82	54.14
Zone 6 - Rural South	27.78	28.08	29.08	31.86	34.79	37.79
Zone 7 - Portsmouth	49.03	49.43	51.04	55.71	60.80	65.99
Zone 8 - Rural North	61.40	62.22	64.58	71.10	77.86	84.75
Total	**369.91**	**373.23**	**385.72**	**420.86**	**458.11**	**497.01**

Source: Tables 1 and 2

Table 4 Base Year Food and Beverage Market Shares 2017 (%)

Centre	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
Fareham	43.0%	11.6%	30.0%	46.1%	7.0%	54.0%	3.8%	4.6%
Portchester	21.6%	1.5%	1.0%	0.5%	0.0%	0.6%	4.3%	0.0%
Locks Heath	0.0%	0.0%	0.0%	1.6%	23.9%	1.5%	0.0%	0.9%
Stubbington	0.0%	0.8%	0.7%	12.7%	0.0%	1.1%	0.0%	0.0%
Park Gate	0.0%	0.3%	0.0%	0.0%	3.5%	0.0%	0.0%	0.2%
Titchfield	0.5%	1.2%	1.0%	4.0%	2.1%	0.6%	0.0%	0.2%
Fareham Total	**65.1%**	**15.4%**	**32.7%**	**64.9%**	**36.5%**	**57.8%**	**8.1%**	**5.9%**
Bishops Waltham	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.0%	30.0%
Eastleigh	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.5%
Gosport	1.1%	46.9%	33.6%	1.9%	0.3%	3.9%	0.0%	0.0%
Havant	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	1.4%	0.0%
Hedge End	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.2%
Portsmouth	14.1%	21.2%	16.3%	4.9%	0.5%	4.7%	32.2%	8.5%
Southampton	2.8%	0.9%	0.5%	0.0%	4.1%	0.0%	0.0%	6.0%
Waterlooville	0.0%	1.6%	0.0%	0.0%	0.0%	0.6%	8.4%	2.6%
Whiteley	0.0%	9.5%	4.4%	20.5%	45.8%	23.4%	0.0%	8.7%
Wickham	0.7%	0.0%	0.0%	0.5%	0.0%	3.9%	2.1%	1.8%
Outside Fareham	16.2%	4.5%	12.2%	7.3%	12.8%	5.4%	47.8%	24.8%
Other Sub-Total	**34.9%**	**84.6%**	**67.3%**	**35.1%**	**63.5%**	**42.2%**	**91.9%**	**94.1%**
TOTAL	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: NEMS Household Survey May 2016

Table 5 Base Year Food & Beverage Expenditure 2017 (£m)

Location	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2017	**42.71**	**57.70**	**39.35**	**51.96**	**39.99**	**27.78**	**49.03**	**61.40**	**369.91**
Fareham	18.37	6.69	11.80	23.95	2.80	15.00	1.86	2.82	83.30
Portchester	9.23	0.87	0.39	0.26	0.00	0.17	2.11	0.00	13.02
Locks Heath	0.00	0.00	0.00	0.83	9.56	0.42	0.00	0.55	11.36
Stubbington	0.00	0.46	0.28	6.60	0.00	0.31	0.00	0.00	7.64
Park Gate	0.00	0.17	0.00	0.00	1.40	0.00	0.00	0.12	1.70
Titchfield	0.21	0.69	0.39	2.08	0.84	0.17	0.00	0.12	4.51
Fareham Borough Total	**27.81**	**8.89**	**12.87**	**33.72**	**14.60**	**16.05**	**3.97**	**3.62**	**121.53**
Bishops Waltham	0.00	0.00	0.00	0.00	0.00	0.08	0.00	18.42	18.50
Eastleigh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.53	1.53
Gosport	0.47	27.06	13.22	0.99	0.12	1.08	0.00	0.00	42.94
Havant	0.00	0.00	0.12	0.00	0.00	0.00	0.69	0.00	0.80
Hedge End	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.65	5.65
Portsmouth	6.02	12.23	6.41	2.55	0.20	1.31	15.79	5.22	49.72
Southampton	1.20	0.52	0.20	0.00	1.64	0.00	0.00	3.68	7.24
Waterlooville	0.00	0.92	0.00	0.00	0.00	0.17	4.12	1.60	6.80
Whiteley	0.00	5.48	1.73	10.65	18.32	6.50	0.00	5.34	48.02
Wickham	0.30	0.00	0.00	0.26	0.00	1.08	1.03	1.11	3.78
Other Outside Fareham	6.92	2.60	4.80	3.79	5.12	1.50	23.43	15.23	63.39
Other Sub-Total	**14.91**	**48.81**	**26.48**	**18.24**	**25.39**	**11.72**	**45.06**	**57.77**	**248.38**
TOTAL	**42.71**	**57.70**	**39.35**	**51.96**	**39.99**	**27.78**	**49.03**	**61.40**	**369.91**

Source: Table 3 and 4

Table 6 Current Food and Beverage Market Shares 2019 (%)

Centre	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
Fareham Borough Central	43.5%	13.6%	31.7%	62.8%	9.1%	65.0%	3.8%	4.8%
Portchester	21.6%	1.5%	1.0%	0.5%	0.0%	0.6%	4.3%	0.0%
Locks Heath	0.0%	0.0%	0.0%	1.6%	23.9%	1.5%	0.0%	0.9%
Fareham Borough West	0.0%	0.3%	0.0%	0.0%	3.5%	0.0%	0.0%	0.2%
Fareham Borough Total	**65.1%**	**15.4%**	**32.7%**	**64.9%**	**36.5%**	**67.1%**	**8.1%**	**5.9%**
Outside Fareham	34.9%	84.6%	67.3%	35.1%	63.5%	32.9%	91.9%	94.1%
TOTAL	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: NEMS Household Survey May 2016 and Lichfields adjustments

Table 7 **Current 2019 Food & Beverage Expenditure (£m)**

Location	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2019	**43.15**	**57.94**	**39.51**	**52.49**	**40.40**	**28.08**	**49.43**	**62.22**	**373.23**
Fareham Borough Central	18.77	7.88	12.53	32.97	3.68	18.25	1.88	2.99	98.94
Portchester	9.32	0.87	0.40	0.26	0.00	0.17	2.13	0.00	13.14
Locks Heath	0.00	0.00	0.00	0.84	9.66	0.42	0.00	0.56	11.48
Fareham Borough West	0.00	0.17	0.00	0.00	1.41	0.00	0.00	0.12	1.71
Fareham Borough Total	**28.09**	**8.92**	**12.92**	**34.07**	**14.75**	**18.84**	**4.00**	**3.67**	**125.27**
Outside Fareham	15.06	49.02	26.59	18.43	25.65	9.24	45.42	58.55	247.96
TOTAL	**43.15**	**57.94**	**39.51**	**52.49**	**40.40**	**28.08**	**49.43**	**62.22**	**373.23**

Source: Table 3 and 6

Table 8 **Future 2021 Food & Beverage Expenditure (£m)**

Location	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2021	**44.65**	**59.61**	**40.65**	**54.32**	**41.80**	**29.08**	**51.04**	**64.58**	**385.72**
Fareham Borough Central	19.42	8.11	12.89	34.11	3.80	18.90	1.94	3.10	102.27
Portchester	9.64	0.89	0.41	0.27	0.00	0.17	2.19	0.00	13.59
Locks Heath	0.00	0.00	0.00	0.87	9.99	0.44	0.00	0.58	11.88
Fareham Borough West	0.00	0.18	0.00	0.00	1.46	0.00	0.00	0.13	1.77
Fareham Borough Total	**29.07**	**9.18**	**13.29**	**35.25**	**15.26**	**19.51**	**4.13**	**3.81**	**129.50**
Outside Fareham	15.58	50.43	27.36	19.06	26.54	9.57	46.90	60.77	256.22
TOTAL	**44.65**	**59.61**	**40.65**	**54.32**	**41.80**	**29.08**	**51.04**	**64.58**	**385.72**

Source: Table 3 and 6

Table 9 **Future 2026 Food & Beverage Expenditure (£m)**

Location	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2026	**48.82**	**64.37**	**43.90**	**59.39**	**45.71**	**31.86**	**55.71**	**71.10**	**420.86**
Fareham Borough Central	21.24	8.75	13.92	37.30	4.16	20.71	2.12	3.41	111.61
Portchester	10.55	0.97	0.44	0.30	0.00	0.19	2.40	0.00	14.83
Locks Heath	0.00	0.00	0.00	0.95	10.92	0.48	0.00	0.64	12.99
Fareham Borough West	0.00	0.19	0.00	0.00	1.60	0.00	0.00	0.14	1.94
Fareham Borough Total	**31.78**	**9.91**	**14.36**	**38.55**	**16.68**	**21.38**	**4.51**	**4.19**	**141.37**
Outside Fareham	17.04	54.46	29.55	20.85	29.03	10.48	51.20	66.90	279.50
TOTAL	**48.82**	**64.37**	**43.90**	**59.39**	**45.71**	**31.86**	**55.71**	**71.10**	**420.86**

Source: Table 3 and 6

Table 10 **Future 2031 Food & Beverage Expenditure (£m)**

Location	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2031	**53.21**	**69.50**	**47.40**	**64.74**	**49.82**	**34.79**	**60.80**	**77.86**	**458.11**
Fareham Borough Central	23.15	9.45	15.03	40.65	4.53	22.61	2.31	3.74	121.47
Portchester	11.49	1.04	0.47	0.32	0.00	0.21	2.61	0.00	16.16
Locks Heath	0.00	0.00	0.00	1.04	11.91	0.52	0.00	0.70	14.17
Fareham Borough West	0.00	0.21	0.00	0.00	1.74	0.00	0.00	0.16	2.11
Fareham Borough Total	**34.64**	**10.70**	**15.50**	**42.01**	**18.19**	**23.34**	**4.93**	**4.59**	**153.90**
Outside Fareham	18.57	58.79	31.90	22.72	31.64	11.44	55.88	73.26	304.21
TOTAL	**53.21**	**69.50**	**47.40**	**64.74**	**49.82**	**34.79**	**60.80**	**77.86**	**458.11**

Source: Table 3 and 6

Table 11 **Future 2036 Food & Beverage Expenditure (£m)**

Location	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Expenditure 2036	**57.83**	**75.01**	**51.16**	**70.35**	**54.14**	**37.79**	**65.99**	**84.75**	**497.01**
Fareham Borough Central	25.15	10.20	16.22	44.18	4.93	24.56	2.51	4.07	131.82
Portchester	12.49	1.13	0.51	0.35	0.00	0.23	2.84	0.00	17.54
Locks Heath	0.00	0.00	0.00	1.13	12.94	0.57	0.00	0.76	15.39
Fareham Borough West	0.00	0.23	0.00	0.00	1.89	0.00	0.00	0.17	2.29
Fareham Borough Total	**37.65**	**11.55**	**16.73**	**45.66**	**19.76**	**25.36**	**5.35**	**5.00**	**167.05**
Outside Fareham	20.18	63.46	34.43	24.69	34.38	12.43	60.64	79.75	329.97
TOTAL	**57.83**	**75.01**	**51.16**	**70.35**	**54.14**	**37.79**	**65.99**	**84.75**	**497.01**

Source: Table 3 and 6

Table 12 **Food and Beverage Outlets 2018**

Centre	Class A3		Class A4		Class A5		Total	
	Number	sq.m gross	Number	sq.m gross	Number	sq.m gross	Number	sq.m gross
Fareham Town Centre	34	6,147	8	2,932	13	1,318	55	10,397
Portchester District Centre	4	292	1	397	3	137	8	826
Locks Heath District Centre	3	490	1	300	1	326	5	1,116
Stubbington	3	303	1	487	3	187	7	977
Park Gate	2	168	0	0	2	236	4	404
Titchfield	2	125	3	738	1	112	6	975
Other	11	2,155	8	2,936	13	1,260	32	6,351
Fareham Borough Total	**59**	**9,680**	**22**	**7,790**	**36**	**3,576**	**117**	**21,046**

Source *Fareham Borough Council Centre health check data 2018*

Table 13 Food and Beverage Commitments/Proposals

Location	F&B Floorspace (sq.m gross)	Turnover (£ per sq.m)	Total Turnover (£m)
Welborne District Centre (1)	700	£5,000	£3.50
Welborne Local Centre (2)	490	£5,000	£2.45
Total	**1,190**		**£5.95**

(1) assumes 30% of total non-retail service floorspace (770 sq.m gross) from revised outline application.
(1) assumes 30% of total non-retail service floorspace (100 sq.m gross) plus public house (390 sq.m gross).

Table 14 Summary of Food and Beverage Expenditure 2017 to 2036 (£M)

Location	2017	2019	2021	2026	2031	2036
Available Expenditure						
Fareham Borough Central	95.45	98.94	102.27	111.61	121.47	131.82
Portchester	13.02	13.14	13.59	14.83	16.16	17.54
Locks Heath	11.36	11.48	11.88	12.99	14.17	15.39
Fareham Borough West	1.70	1.71	1.77	1.94	2.11	2.29
Total	**121.53**	**125.27**	**129.50**	**141.37**	**153.90**	**167.05**
Turnover of Existing Facilities						
Fareham Borough Central	95.45	97.37	99.33	104.39	109.72	115.32
Portchester	13.02	13.28	13.55	14.24	14.97	15.73
Locks Heath	11.36	11.59	11.82	12.42	13.06	13.72
Fareham Borough West	1.70	1.73	1.76	1.85	1.95	2.05
Total	**121.53**	**123.97**	**126.46**	**132.91**	**139.69**	**146.82**
Turnover of Commitments						
Fareham Borough Central	0.00	0.00	5.95	6.25	6.57	6.91
Portchester	0.00	0.00	0.00	0.00	0.00	0.00
Locks Heath	0.00	0.00	0.00	0.00	0.00	0.00
Fareham Borough West	0.00	0.00	0.00	0.00	0.00	0.00
Total	**0.00**	**0.00**	**5.95**	**6.25**	**6.57**	**6.91**
Surplus/Deficit Expenditure						
Fareham Borough Central	0.00	1.57	-3.01	0.96	5.18	9.59
Portchester	0.00	-0.14	0.04	0.59	1.19	1.81
Locks Heath	0.00	-0.11	0.06	0.57	1.11	1.67
Fareham Borough West	0.00	-0.02	0.01	0.08	0.16	0.24
Total	**0.00**	**1.30**	**-2.91**	**2.20**	**7.64**	**13.32**

Source: Tables 5 to 13

Table 15 Food and Beverage Floorspace Capacity 2017 to 2036

	2017	2019	2021	2026	2031	2036
Turnover Density New Floorspace (£ per sq.m)	£5,000	£5,101	£5,203	£5,468	£5,747	£6,041
Floorspace Requirement (sq.m gross)						
Fareham Borough Central	0	307	-578	175	901	1,588
Portchester	0	-27	7	109	207	300
Locks Heath	0	-22	11	104	193	277
Fareham Borough West	0	-3	1	15	28	40
Total	**0**	**255**	**-559**	**403**	**1,329**	**2,205**

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