



Chichester Retail Study Update 2010

for

Chichester District Council

125 Old Broad Street
London EC2N 2BQ

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1. Introduction

- 1.1 In 2006, DTZ completed the West Sussex Coastal Districts Retail Study on behalf of a consortium of local planning authorities, which included Chichester District Council. That study included quantitative forecasts of future retail floorspace needs in each of the principal town centres in the study area. This included Chichester, but did not include the other main towns in the District, viz. Midhurst, Petworth, Selsey or East Wittering. Since 2006, the national economy has been in recession, and as a result, some of the data inputs and assumptions underpinning the forecasts in the 2006 report are no longer valid. Chichester District Council therefore instructed DTZ in 2010 to update the part of the study relating to the district with the latest information on growth in population and expenditure and other forecasting parameters, extend it to include retail capacity forecasts for the four smaller towns in Chichester District, and roll it forward to 2026.
- 1.2 In preparing the new retail capacity forecasts in this report, we have taken account of and updated other forecasting parameters. These include the effects of the 'credit crunch' and recent economic recession, rapid growth of internet shopping, changes in the floorspace and occupancy of shops and stores, and changes in retailers' sales densities. The forecasts in this report are therefore based on the most up-to-date information currently available. As agreed with the Council, we have not undertaken a new household interview survey of shopping patterns in the catchment area of Chichester and the four smaller towns. Instead, we have relied upon the results of the survey undertaken for Asda in 2007 for the part of the catchment area covering and immediately surrounding Bognor Regis; and on the results of our own 2005 survey for the remainder of the catchment area. We describe our use of these survey results in more detail in Section 2 below.
- 1.3 After this Introduction, in Section 2 of this report we set out the results of our 'healthchecks' of Chichester City Centre and the four small town centres in the District. In Section 3, we describe the basis of our updated retail capacity forecasts, and the data inputs and assumptions on which they are based. In Section 4, we set out and describe the new forecasts for Chichester and the four smaller towns. Section 5 provides an outline of retailer demand for new shops and stores in Chichester. In Section 6, we discuss qualitative needs for new retail development. Finally, in Section 7, we summarise our principal conclusions and the implications for retail planning and development in Chichester District. The appendices provide supporting information, including full details of our RECAP Model quantitative need forecasts.

2. The Vitality and Viability of the City and Town Centres

2.1 This section reviews the vitality and viability of Chichester City Centre, and the four smaller town centres of East Wittering, Midhurst, Petworth and Selsey. In measuring the vitality and viability of town centres, PPS4 identifies a number of key indicators that should be considered, these being:

- diversity of main town centre uses;
- the amount of retail, leisure and office floorspace in edge-of-centre and out-of-centre locations;
- the potential capacity for growth and change of centres in the network;
- retailer representation and intentions to change representation;
- shopping rents;
- proportion of vacant street level property;
- commercial yields on non-domestic property;
- land values and the length of time key sites have remained undeveloped;
- pedestrian flows;
- accessibility;
- customers' and residents' views and behaviour;
- perception of safety and occurrence of crime;
- state of the town centre environmental quality.

2.2 These indicators have been used for our assessments, as far as data has been available.

2.3 Chichester City Centre is the main shopping centre in the District. Midhurst, Petworth, Selsey and East Wittering each have much smaller centres than Chichester, with distinct characteristics, supporting the day-to-day needs of the local populations. In addition, Petworth, has a particular focus on antiques, the catchment area for which extends well beyond the District. For these four smaller town centres, there is less of the above data available than for Chichester City Centre. Our assessments of the vitality of these smaller centres are therefore necessarily less detailed than that for Chichester City Centre.

CHICHESTER

Overview – Chichester City Centre

2.4 As a retail environment, Chichester City Centre has an established sub-regional role with a large catchment area within the District. The primary shopping area is located within the central area of the city walls; but in addition there are out-of-centre retail developments at and around Portfield Retail Park on the east side of the city, and a free-standing Tesco superstore and a Waitrose supermarket on the west side.

- 2.5 Most of the retail layout is cruciform in shape, along North Street, South Street, East Street and West Street, and contained by the remaining city walls and A286 ring road. The prime shopping area is the pedestrianised sections of East Street and North Street; which is supported by smaller scale shopping streets of West Street and South Street.
- 2.6 There is a small shopping mall located off East Street with units which are predominantly run by independent traders. The centre has a good presence of multiple retailers; and there have been a number of developments within the centre providing larger stores.
- 2.7 Experian GOAD estimates the city centre floorspace occupied in November 2009 by A1 to A5 uses and vacant in the city centre at 85,410 sq m. Despite the restrictions on development within the central area due to the domestic scale of the historic buildings, it has a good quantity of retail provision in relation to its catchment and shopping population.

Diversity of Uses and Retailer Representation

- 2.8 Chichester has a wide range of uses which reflects its designation as a shopping centre containing the identified primary and secondary shopping frontages within the Chichester District Local Plan (1999), and as a Secondary Regional Centre within the South East Plan (2009). Table 2.1 below summarises the mix of retail and service uses as recorded by Experian GOAD in their survey of Chichester City Centre in November 2009.

Table 2.1 - Diversity of uses in Chichester City Centre

Category	No. of units	Floorspace (sq m)	Percentage of Total (floorspace)	Percentage of Total (units)
Convenience (A1)	21	4,590	5%	5%
Comparison (A1)	227	53,090	62%	52%
Retail Services (A1)	44	3,810	4%	10%
Financial Services (A2)	43	7,850	9%	10%
Food and Drink (A3/A4/A5)	56	11,240	13%	13%
Vacant (A1)	45	4,830	6%	10%
Totals A1 to A5 & Vacant	436	85,410	100%	100%
Leisure/community facilities	14	7,920	39%	24%
Offices (B1)	44	12,430	61%	76%
Total Other Uses	58	20,350	100%	100%

Source: Experian GOAD survey November 2009.

Notes: Percentages may not always sum to 100% owing to rounding.

Floorspace is gross ground floor 'footprint' floorspace, plus upper trading floors where indicated by Experian GOAD.

Convenience goods floorspace includes the Marks & Spencer foodhall on East Street.

2.9 Our general observations are as follows:

- Chichester City Centre has a strong representation of comparison goods floorspace, which includes the larger shops and stores. The low level of convenience goods floorspace (only 5% of the total A1 to A5 and vacant A1 floorspace) shows the limited role of the city centre in providing for food shopping.
- The quality and range of the retail offer reflects the sub-regional status of the centre, and there is a good representation of national multiple comparison goods retailers.
- There is an extensive food and drink offer in the city centre, which includes restaurants, cafes, bars and hot food take-aways. This reflects the attractive historic character of the city centre as an enjoyable place for a day visit, rather than merely to shop.

Convenience Goods Shopping

2.10 Within the total convenience goods floorspace of the centre, a variety of retailers that serve local needs are represented. This convenience goods total includes Tesco Express and Iceland stores on South Street, and a Marks & Spencer foodhall occupying the ground floor of the company's store on East Street. There are a number of other smaller convenience goods shops in the centre, including bakers, health food shops, delicatessens and confectionary/tobacco/newsagent shops. However, there is a lack of butchers and fishmongers in the city centre.

2.11 There is a general market with approximately 180 stalls held at the Cattle Market, Market Avenue, on Wednesdays and Saturdays. This includes some food stalls. A farmers market is also held on the 1st and 3rd Friday of each month.

2.12 Although out-of-centre, in Chichester there are two food/non-food superstores, operated by Sainsburys and Tesco. There is also an out-of-centre large supermarket operated by Waitrose, plus a Lidl discount supermarket and some other small neighbourhood convenience stores. There is a potential food/non-food superstore development in the pipeline, on a site near the existing Homebase store at Discovery Park, to the north east of the city centre close to Chichester University campus. We understand that pre-application discussions have taken place, but no application has yet been made. Chichester District Council is not aware of any likely forthcoming planning applications to increase the existing foodstore provision within the city centre.

Comparison Goods Shopping

2.13 The Experian GOAD survey identified 227 comparison good retail units in Chichester City Centre, totalling 53,090 sq m; which makes up 62% of all A1 to A5 and Vacant A1 floorspace in the centre, but 52% of all such shops. This shows that the largest stores in the city centre

are used for the sale of comparison goods. There is a wide comparison goods offer, as would be expected from such an attractive historic centre, including clothing, gift shops, jewellery, books, telephones and health and beauty.

- 2.14 Chichester City Centre has a moderate representation of national multiple retailers occupying large stores, including Marks & Spencer, House of Fraser, Boots, Next, H&M, New Look, Waterstones, and Argos. The limited number of large stores is the result of the small scale of the buildings and the strict historic conservations constraints which inhibit enlargement or redevelopment. However, the city centre also has a large number of multiple retailers occupying smaller shops and stores, and many high quality smaller independent comparison goods shops. The latter in particular contribute substantially to the attractiveness of the city centre for day visitors.

Services

- 2.15 The city centre has a reasonably strong services presence, with a range of non-retail functions including banks, estate agents, travel agents, and personal services such as hairdressers and beauty salons. However, we consider that the provision of services is somewhat less than we would normally expect in a city centre of this size. This is likely to be mainly because of the severe constraints on retail expansion, which have meant that comparison goods retailers and A3 to A5 uses have squeezed out some service businesses by being able to pay higher rents. In an attractive, historic city centre such as this, we consider this is inevitable; and that maximising the number of comparison goods shops is more important than maintaining A1 and A2 services within the city centre, if Chichester's potential as a visitor destination is to be maintained.
- 2.16 Whilst only 13% of the total A1 to A5 and Vacant A1 retail floorspace in the city centre is occupied by A1 and A2 service uses, there is still a considerable number of individual units (87 units, or 20% of the total number of A1 to A5 and Vacant A1 units) with these functions. This shows that such services mainly occupy the smaller shop units in the city centre.

Food and Drink

- 2.17 Within the city centre there is a range of cafes and coffee shops, including national chains such as Costa, Cafe Nero and Starbucks, as well as a number of local independent cafes. Similarly there are a number of national multiples represented in the restaurant offer, including Pizza Express, Zizzi, Ask, Prezzo and Cafe Rouge; as well as a number of local restaurants.
- 2.18 13% of the total A1 to A5 and Vacant A1 floorspace within the centre has an A3/A4/A5 food and drink use, comprising 56 units or 13% of the total number of such units. Overall therefore, these uses are occupying average sized units. We consider that this is a good provision of such uses, offering a wide range of choice of food and drink establishments, and

contributing substantially to the overall attractiveness of the city centre to local residents and visitors.

Entertainment, Leisure and Community Facilities

- 2.19 Chichester has two cinemas, the Chichester Cinema to the north of the city centre at New Park Road, and a Cineworld to the south of the city centre at Terminus Road, Chichester Gate. The Chichester Festival Theatre is located to the north of the shopping centre at Oaklands Park.
- 2.20 Within the defined shopping centre, are the Oxmarket Centre of Arts at St Andrews Court, and the Pallant House Gallery and restaurant at North Pallant. The latter is a substantial attraction, housing an important collection of mainly modern art. The new District Council Museum is under construction.
- 2.21 Chichester City Centre has a small number of other art galleries and museums, a Public Library, Chichester Cathedral and a number of other places of worship. The District Council and West Sussex County Council offices and the Job Centre are within the city centre. Inside the city walls, Priory Park is a very attractive open space. The Cathedral precincts also provide green spaces for recreation.
- 2.22 Health and fitness provision is limited, probably due to difficulties with locating such uses within the historic buildings of the central area. However outside the city centre, Westgate Leisure Centre, managed by the District Council, has sports and leisure facilities and a skate park. There is also a Nuffield Health Centre near the Cinema; and the Chichester Lawn Tennis and Squash Club near Oaklands Park.

Vacant Street Level Property

- 2.23 The GOAD survey undertaken in November 2009 identified 45 vacant units (10% of the total number of A1 to A5 and Vacant A1 units) in the city centre, representing 4,830 sq m and 6% of the total of such floorspace. Overall therefore, the vacant shops are of below average size for the city centre. Whilst there are a few units within the primary frontage currently empty, these have recently become available; and we would expect them to be relet quickly. There is no evidence of significant long term vacancy within the primary or secondary shopping areas.
- 2.24 Chichester's existing vacancy rate is very manageable and there is evidence of active churn amongst the existing operators and retail units. Boots have moved from two shops on East Street into the larger former Woolworths store on North Street. It has been reported in the local press that both Topshop and Marks & Spencer are actively considering moving to larger premises made available by this.

2.25 Chichester remains attractive as a shopping and leisure destination. There is a high demand from national retailers illustrated by the representation of names within the centre, but a limited supply of larger size units given the domestic scale and historic nature of buildings within the defined shopping areas.

Retailer Demand

2.26 We describe retailer demand for shops and stores in Chichester in more detail in Section 5 below. In summary however, the Focus database indicates 53 retailers' requirements for Chichester in January 2010 (the latest date for which such information is available on a standardised basis for all principal towns nationwide). Focus ranks Chichester 53rd nationally in terms of retailers' requirements (with the centre ranked 1st having the greatest retailers' requirements). To set this in context, Venuescore¹ ranks Chichester City Centre at 115 nationally (out of 2,106 centres). Thus retailer demand for Chichester is significantly greater than is implied by the city centre's current position in the national ranking of centres. This indicates that the city centre is perceived by retailers as being a particularly strong centre in which to trade.

Prime Shop Rental Values

2.27 Shop rental values in Chichester City Centre indicate a centre which is attractive to retailers and generates significant market interest. There is good evidence of movement within the retail market and good levels of demand and supply. There is very little evidence of long term vacancy or difficulty in finding tenants for shops in the city centre.

2.28 The FOCUS database lists six transactions between January 2010 and June 2010:

- 86-87 North Street - 156.26 sq m at a rent of £607.95 per sq m (March 2010), taken by Hotter Shoes.
- Phase Eight retail outlet at 5-6 South Street - 74 sq m at a rent of £878 per sq m (March 2010), taken by Quba Sails
- 37 East Street - 40 sq m at a rent of £1,240.08 per sq m (March 2010).
- 11 Eastgate Square - 90 sq m at a rent of £328.90 per sq m (February 2010).
- 24 The Hornet - 67 sq m at a rent of £319.27 per sq m (January 2010).
- 2-8 Crane Street – 39 sq m at a rent of £516.29 per sq m (January 2010).

2.29 These transactions clearly show the difference in rental values between the prime retail area of North Street, South Street and East Street, which have high rental values, and the more secondary shopping areas outside the city walls at Eastgate Square and The Hornet. For the five years since the 2005 report, the FOCUS database holds records of 50 lettings within the

¹ Javelin Group's Venuescore is a national ranking system based on the presence and nature of multiple retailers; and location characteristics of market positioning, age focus, fashionability of retail offer, and shopping centre or High

city centre, with an average rent of £390 per sq m. None of these has offered significant/any rent free period, which illustrates retained demand within the centre.

- 2.30 The 2005 report commented on Chichester's Prime Zone A rents being maintained in the region of £1,507 sq m, as recorded in 2003. This was a steady rise from earlier levels accounted for by strong demand for representation in the city centre not being matched by a supply of larger modern units, given the physical restrictions on new development. Despite some subsequent new retail development within the centre (e.g. the former Shippams site), the limited supply of larger shops and stores will remain, and so we would expect high rental values to continue.

Prime Shop Property Investment Yields

- 2.31 The 2005 report estimated prime retail yields in Chichester to be in the region of 4.5 to 5%, relatively low as a result of the lack of quality retail units in the prime shopping areas. The most recent data on shop property investment yields is published by the Valuation Office Agency as at July 2008, and shows prime retail yields of 4.75% in Chichester. At that time this was a low yield, indicating that investors considered the city centre to have good shop rental growth potential. It indicates a strong shopping centre which is attractive to investors.

Accessibility

- 2.32 Chichester is located approximately 20 miles from Worthing, 18 miles from Portsmouth and 73 miles south of London. Road connections to and from the city centre are good. The A286 provides a route north towards London, and the A27 is the major east-west route the coastal towns.
- 2.33 The city centre is an accessible location, served by bus and rail routes. The railway station is located just to the south of the city centre, and is a 10 minute walk from the main shopping area. There are regular train services from the railway station along the coast and into London (in approximately 1 hour 30 minutes). Bus stops are located at various points around the city centre.
- 2.34 There are five public car parks within the city walls and very close to the central shopping area; and an additional five long and short term car parks just outside the ring road around the city centre, within about a five minute walk of the primary shopping area. Further from the centre are three long-term car parks. These are concentrated in the south-east, but all are within a few minutes' walk of the main shopping area and easily accessible from the local road network. At the times of both site visits (on weekdays), there was ample parking available and limited signs of parking stress within the centre. The pay and display car parks within and around the city centre are open 24 hours a day for seven days a week, and provide spaces supporting the evening economy as well as day-time shopping.

State of the Shopping Environment

- 2.35 Chichester has a very attractive historic city centre, which is an appealing place to visit and spend time. The centre attracts visitors from outside the local area on day trips, but the environment is also geared towards a functioning retail centre for the city itself and its surrounding catchment area.
- 2.36 Much of the primary retail frontage is on pedestrianised streets, which adds focus to the shopping environment and the retail offer, and makes for a pleasant shopping experience. There is a good provision of street furniture and planting throughout the retail area and the streets are clean and well maintained. However, the street furniture would benefit from more frequent maintenance and repainting. The main car parks outside the ring road are well provided with public conveniences. The open space around the cathedral creates a very pleasant ambience in this quadrant of the city centre.
- 2.37 The retail units are predominantly contained within historic buildings; and as such are generally at a domestic scale, which is smaller than would be expected from prime retail units in a centre of similar hierarchical significance elsewhere. However, the many small shops add to the charm of the city centre and help to create its unique environment. There is evidence of some modern developments within the centre, including at East Street and the Butter Market redevelopment on North Street, which have attracted new retailers and helped to maintain the vitality and viability of the city centre.
- 2.38 In June 2010, we carried out a survey and assessment of the shopping environment in Chichester City Centre. This used a checklist approach to review 12 qualitative aspects of the environment, as follows:
1. Condition of the carriageway and pedestrian surface, street lights, bollards, traffic signs and signals.
 2. Seats, planters, hanging baskets, litter bins, water features, public art.
 3. Public facilities, telephones, bus stops/shelters, public toilets.
 4. Gaffiti, fly posting and vandalism.
 5. Market stall and street traders.
 6. Barriers to movement.
 7. Cycle parking.
 8. Maintenance and repair of buildings, shopfronts and canopies.
 9. Personal security and police presence.
 10. Wheelchair access.
 11. Facilities for the blind or partially sighted.
 12. Car parking.
- 2.39 Each of the 12 aspects was reviewed in broad qualitative terms (i.e. without undertaking quantitative measurements), and a score on a scale of 1 to 5 assigned to it by the Surveyor;

with 1 being very poor, 2 poor, 3 fair, 4 good and 5 very good. In Appendix 1, we include a summary table indicating the scores assigned for each of the 5 town centres in the District.

- 2.40 Chichester City Centre scored highly on all counts, receiving an overall average for 11 of the 12 aspects, of 4.45 (the missing aspect being item 5, markets, which were not operating at the time of the survey). All the individual scores were either 4 (good) or 5 (excellent). No significant weaknesses were identified in the shopping environment in Chichester City Centre. This is a very positive result, which is a fair reflection of the high quality and attractive nature of the shopping environment in Chichester City Centre.

Land Values and Vacancy of key sites

- 2.41 FOCUS identifies 24 available retail units within Chichester, including three out-of-centre at Portfield Way, the Broadway, and Portfield Retail Park. The majority of these have been on the market for less than a year, with only five registered as available before January 2009. This indicates that shops which become vacant in the city centre are taken up quickly, unless they are very poorly located or have some other fundamental weakness.
- 2.42 17 of the available units are identified as A1 (shops), one as A2 (financial and professional services) and two as A3 (restaurants and cafes). The remainder were unspecified within the retail category. The rents quoted for these are in the region of £300 to £500 per sq m. No information is available on current retail development land values; and we are not aware of any retail development sites currently available in or on the edge of Chichester City Centre.

Pedestrian Flows

- 2.43 There is no specific up-to-date data available for this indicator; but during all our site visits there was evidence of strong pedestrian flows throughout the main retail area in the city centre. The observed flows are highest in the pedestrianised areas of North Street and East Street; and (not surprisingly) tail off towards the outer extremities of the main shopping streets of North Street, South Street, East Street and West Street. Pedestrian flows in West Street in particular appear to be lower than in the other streets, probably because there are shops only on the east part of the north side of this street. Pedestrian flows in East Street appear strong, perhaps partly due to the large car park south-east of Eastgate Square, and the secondary shops in this area outside the city walls.
- 2.44 Two small arcades, Sadlers Walk and Boardwalk, in East Street and North Street respectively, had much lower pedestrian flows than East Street and North Street. This may be because they are not part of established retail circuits and do not include strong 'anchor' stores.

Perception of Safety and Occurrence of Crime

- 2.45 Crime statistics are not available for the city centre alone, and we are unable to comment in detail on this issue. However, there are a number of CCTV cameras operational within the city centre, including the car parks. It appears the city centre would be well lit at night; and there is a distribution of A3/A4/A5 uses which help to extend activity into the evening. Since substantial parts of the shopping area are pedestrianised there is limited potential for activity outside shopping hours. However, the centre is busy during the day, and has a safe feeling with a low perception of crime.

Potential Capacity for Growth

- 2.46 Because of the high density historic built environment, which is protected by Conservation Area and Listed Building policies, there are no opportunities for large scale new retail development in the city centre itself. However, there may well be some remaining opportunities for small scale incremental growth of retail floorspace. These could include changes of use from non-retail to retail use, bringing upper floorspace into use as sales area; and extensions of or internal alterations to existing buildings. Cumulatively, these could potentially result in a significant overall increase in shop floorspace, where they can be accomplished without detriment to the historic character and fabric of the city centre.
- 2.47 In the space available, there have been some recent redevelopments to make more efficient use of the street pattern; including the Butter Market on North Street, and the former Shippams site development at East Street which is now occupied by large H&M and New Look stores.

Customer Views and Behaviour

- 2.48 As part of this Update we have not undertaken a new survey of customer views and behaviour. However the 2005 DTZ report did undertake such work and report on the findings. The majority of respondents stated they shopped in Chichester because the centre is close to home or work. However the centre was also popular due to the attractive environment (11%), high quality shops (7%), choice of larger stores (7%) and having a department store (6%).
- 2.49 Respondents suggested the improvements they thought would improve Chichester as a retail destination, and encourage them to shop more often. The most often mentioned were more clothing and fashion stores (8%), more and/or better restaurants, cafés and bars (7%), another department store (4%), more/better leisure centres (3%) and a cinema (2%).

Conclusions on Chichester City Centre

- 2.50 In the light of the foregoing, we conclude that Chichester City Centre is currently vital and viable as a retail centre, in the terms envisaged by PPS4. It has a very good range of shops

and services for a city of its size. Household interview survey data shows that it attracts expenditure from a wide area, particularly on comparison goods. Whilst there is a fairly substantial number of vacant shops, these are mainly below the average size of shops in the city centre, and located mainly in the more secondary shopping areas. Shop vacancy in the primary retail area is very low, and shops and stores in this area which become available quickly attract tenants. The city centre has a delightful and high quality shopping environment, the Cathedral and other fine features, which mean that it attracts many visitors from beyond its natural catchment area. The main weakness of the city centre is the lack of available opportunities for new retail development of larger shops and stores to accommodate the strong retailer demand. However, this is balanced by the large number of small shops, many operated by independent retailers, which substantially add to the charm of the shopping experience.

MIDHURST

Overview – Midhurst shopping centre

- 2.51 Midhurst is an important shopping centres within the District; with a reasonable range of shops, which cater for the day to day needs of the local residents, and attract visitors from elsewhere. Midhurst has an attractive, historic town centre; through the centre of which runs the busy A272 road, forming a linear principal shopping street (North Street and Rumbolds Hill). The retail units are predominantly traditional in terms of size and retail facade. It is a pleasant centre which provides an attractive environment in which to shop, albeit somewhat compromised by the presence of through traffic.
- 2.52 There are no pedestrianised areas in the town centre, but North Street is a wide road with open pavement space. Supporting the primary retail area on North Street/Rumbolds Hill are retail and leisure uses at West Street, Red Lion Street and Church Hill. The town is closely associated with the Cowdray Estate close by; famous for the ruins of Cowdray House, and polo and other sporting and cultural events during the summer.

Diversity of Uses and Retailer Representation

- 2.53 Midhurst is the largest of the identified shopping centres in the District after Chichester City Centre; and has a good range of retail units, including representation from a number of retailers catering for the immediate needs of the local residents as well as other functions. There is a good mix of shop units occupied by independent retailers and those occupied by national retailers and service businesses, with medium sized outlets in the centre. National multiples present at the time of our site visit included Tesco, Boots, Natwest, Halifax, Pizza Express, Prezzo, Budgens, William Hill. Table 2.2 summarises the mix of retail and service uses as recorded by Experian GOAD in their survey of Midhurst in November 2009.

Table 2.2 - Diversity of uses in Midhurst Town Centre

Category	No. of units	Floorspace (sq m)	Percentage of Total (floorspace)	Percentage of Total (units)
Convenience (A1)	14	2,720	19%	11%
Comparison (A1)	48	5,270	36%	38%
Retail Services (A1)	18	1,160	8%	14%
Financial Services (A2)	18	1,800	12%	14%
Food and Drink (A3/A4/A5)	19	2,190	15%	15%
Vacant (A1)	11	1,320	9%	9%
Totals A1 to A5 & Vacant	128	14,460	100%	100%
Leisure/community facilities	17	7,820	72%	43%
Offices (B1)	23	3,060	28%	58%
Total Other Uses	40	10,880	100%	100%

Source: Experian GOAD survey April 2009.

Notes: Percentages may not always sum to 100% owing to rounding.

Floorspace is gross ground floor 'footprint' floorspace, plus upper trading floors where indicated by Experian GOAD.

Convenience Goods Shopping

- 2.54 Convenience goods shops in Midhurst Town Centre occupy 19% of the A1 to A5 and Vacant A1 shop floorspace, but only 11% of the units in such uses. This is because the two main foodstores, Tesco Express on North Street and a Budgens supermarket with car parking at Bepton Road, occupy relative large stores. There are a number 12 other smaller convenience goods shops within the centre, including bakers, grocers and delicatessens mainly operated by independent retailers. However, there are no fishmongers or frozen food retailers. A Farmers' Market is held at North Street on the 4th Saturday of alternate months, and the town has also held French and Italian markets at the same site.

Comparison Goods Shopping

- 2.55 The Experian GOAD survey identified 48 comparison goods retail units which make up 36% of all A1 to A5 and Vacant A1 floorspace and 38% of all such shop units within the centre. There is a reasonably wide comparison goods retail offer for a town of this size, including clothing, gift shops, jewellery, books, and health and beauty. Independent retailers within the mid-market range dominate the comparison goods offer; and there is only limited representation from national multiple retailers. However, the presence and quality of the independent retailers and service businesses is part of the character and charm of the town centre.

Services

- 2.56 Midhurst has a good services presence within the retail area and a range of such functions including banks, estate agents, travel agents, and local services such as hairdressers and beauty salons. A1 retail services and A2 financial and professional services together occupy 20% of the total floorspace in A1 to A5 and Vacant A1 uses, but 28% of all such shop units. This shows that they mainly occupy below average sized shops in the town centre. Proportionally speaking, A1 and A2 services are more important to Midhurst Town Centre than they are to Chichester City Centre. This is not unusual, as many small town centres are relatively strong in the provision of local services.
- 2.57 There is also a good range of hotels and leisure uses within Midhurst, reflecting its popularity and function as a visitor base for the local area, and the attractions of the Cowdray Estate.

Food and Drink

- 2.58 In Midhurst Town Centre, there is an extensive food and drink offer, occupying 19 units, and including restaurants, cafes, pubs/bars and hot food take-aways. There is a good range of cafes and coffee shops, most of which are local independent cafes. There are some national and branded restaurants represented, including Pizza Express, Prezzo and Loch Fyne, as well as local independent restaurants. Midhurst is the only one of the 4 smaller centres in the District to have such branded outlets.
- 2.59 15% of the total A1 to A5 and Vacant A1 floorspace within the centre has an A3/A4/A5 food and drink use, which is slightly above the 13% in Chichester City Centre. These uses comprise 15% of such shop units in Midhurst Town Centre, indicating that overall they occupy average sized units. We consider that this is a good range and choice of food and drink establishments for a town centre of this size, which reflects its attractive historic character and the leisure and sporting attractions nearby.

Entertainment

- 2.60 The town has limited entertainment facilities; but its close association with the Cowdray Estate brings a number of entertainment and sporting events to the local area, and Cowdray Park golf club is located just north of the town. Midhurst is too small to support commercial leisure facilities such as a cinema, bowling alley or nightclub.

Community Facilities

- 2.61 There are a number of other facilities for the local community within Midhurst, including the Grange Leisure Centre located on Bepton Road and run by the Grange Community Partnership. Aside from the sports facilities, the Centre holds monthly markets, indoor car

boot sales, book fairs, jewellery fairs, modellers exhibitions and at Christmas a market and fair.

Vacant Street Level Property

- 2.62 There were a number of vacancies noted during the site visits, including the old Tesco unit on North Street, a motor garage and a number of office spaces above the retail units. The GOAD survey identified 11 vacant shop units within the centre, making up 9% of the total A1 to A5 and Vacant A1 floorspace, and 9% of such units. In the current economic climate, we consider that this is a low vacancy rate, indicating that Midhurst remains a vital and viable town centre.

Prime Shop Rental Values

- 2.63 Due to the small size of the centre there is no up-to-date information on how rental values have performed over recent years.

Prime Shop Property Investment Yields

- 2.64 Similarly, there is no up-to-date information on prime shop property investment yields in Midhurst Town Centre, owing to the small size of its investment market.

Accessibility

- 2.65 Midhurst is located approximately 12 miles north of Chichester and 7 miles west of Petworth. The A286 through the centre is the principal route between Chichester and London; and the A272 running east to west links Midhurst to Petersfield, Billingshurst and Petworth, and other smaller villages within the local area.
- 2.66 The centre is larger than other smaller shopping centres in the District and so operates with a slightly larger catchment area, but which is predominantly still the local population of the town itself and immediately surrounding rural area. During our site visit it appeared that most users of the town centre arrived by private car or public transport. There is free car parking available at the Grange car park and the North Street car park, as well as marked on-street bays for short stays.
- 2.67 28 local bus services currently serve Midhurst. These connect the town centre to most of the surrounding towns, including Chichester, Portsmouth, Guildford, Petersfield, Petworth, Pulborough, Bognor Regis and Worthing. This makes it possible for Midhurst residents who do not have the use of a car to visit larger shopping centres. There is no railway station at Midhurst.

State of the Shopping Environment

- 2.68 Midhurst is a reasonably busy and well used centre. The shopping environment is well maintained and the town is an attractive and convenient place to shop. There is limited street furniture or planting. A number of retail units have either signage, seating or display of goods on the pavement, which in places creates a barrier to movement but for the most part adds to the retail environment. The pavements are of average quality, and parts have a particularly uneven surface
- 2.69 The results of our survey of the shopping environment in Midhurst Town Centre indicated an overall score of 3.36 for 11 of the 12 aspects listed above for the Chichester survey (the missing one again being markets, which were not operating). This indicates that overall, the shopping environment is fair to good. Most individual scores were between 3 (fair) and 4 (good). However, wheelchair access and facilities for the blind or partially sighted scored only 2 (poor), and did not appear to be adequately provided for. The highest scores were recorded for those aspects covering the general appearance and condition of the town centre, indicated that in general, it offers a visually attractive shopping environment, which includes many historic buildings.

Land Values and Vacancy of key sites

- 2.70 The FOCUS database features three units vacant within Midhurst:
- 10 North Street – 167 sq m at a rent of £179 per sq m
 - 5 West Street (A3 use) – 153 sq m
 - Blackiston House, West Street – 36 sq m at a rent of £236 per sq m
- 2.71 The former Tesco store on North Street is a high profile unit which was vacant at the time of the site visit, but there appear to be no other major undeveloped sites which could readily accommodate new retail development.

Pedestrian Flows

- 2.72 There is no specific data available for this indicator, but the centre was very busy at the time of the site visit. Our perception was of a number of people visiting the centre for an extended period of time, and also many walking or stopping for a short visit by car. North Street was the busiest part of the town centre.

Perception of Safety and Occurrence of Crime

- 2.73 There is no specific data available for this indicator; but the centre felt safe at the time of our inspection.

Potential Capacity for Growth

- 2.74 There is no particular evidence of significant pipeline development in this centre. Because of its historic layout and buildings, it is unlikely that substantial new retail development could be readily accommodated in the town centre. However, there should be sufficient potential to accommodate incremental growth in A1 to A5 floorspace on a scale commensurate with likely retailer demand and forecast expenditure capacity. Such growth could potentially occur by means of changes of use and small scale new developments.

Customer Views and Behaviour

- 2.75 There is no specific data available for this indicator

Conclusions on Midhurst

- 2.76 In the light of our analysis, we conclude that Midhurst is a vital and viable small town centre, which is functioning well to serve the day-to-day needs of the local population and visitors, in the terms envisaged in PPS4. It has an attractive historic environment, and provides a reasonable range of local shops and services appropriate to the small size of the town's population. In particular, it has a good range of food and drink establishments. It also includes two (albeit small) supermarkets.

PETWORTH

Overview – Petworth Town Centre

- 2.77 Petworth is smaller than Midhurst, but is in a similar location in the rural area to the north of the District. The town centre's retail offer is substantially based on antique shops; and Petworth has become a specialist centre for antiques, which makes a particularly valuable contribution to the local economy. As with Midhurst, the centre is made up of mainly period buildings, with traditional fascias retained as in keeping with the historic surroundings. The centre is arranged around a market square, Golden Square, with the shops distributed through a number of narrow streets (mainly High Street and East Street) amongst residential property. The National Trust property, Petworth House, is located on the edge of the town centre, and the town is also close to the Cowdray Estate.
- 2.78 Because of the small scale of the town centre, there is limited health check data available for some indicators. Thus for example, the town centre is too small to have been the subject of an Experian GOAD survey.

Diversity of Uses and Retailer Representation

- 2.79 For the small size of the town the town centre has a good range of uses including shops, cafes, restaurants, banks and estate agents, which support the parallel function of the town as a centre for antiques which attracts outside visitors. There are also retailers that cater for the needs of the local community. A large number of shops in the centre are occupied by independent retailers, including a high proportion of antiques retailers; but there are also some national retailers and service businesses which have smaller outlets within the centre, including Somerfield, Lloyds pharmacy, Natwest and HSBC.
- 2.80 There is no GOAD data available for the centre, and so no information on shop floorspace. We therefore undertook our own count of the shops in the town centre. Table 2.3 below summarises the mix of retail and service uses as recorded on our site visits undertaken in May 2010.

Table 2.3 - Diversity of uses in Petworth Town Centre

Category	No. of units	Percentage of Total (units)
Convenience (A1)	11	14%
Comparison (A1)	36	46%
Retail Services (A1)	11	14%
Financial Services (A2)	6	8%
Food and Drink (A3/A4/A5)	10	13%
Vacant (A1)	4	5%
Totals A1 to A5 & Vacant	78	100%

Source: DTZ shop count, May 2010.

Notes: Percentages may not always sum to 100% owing to rounding.

- 2.81 Our general observations are as follows:
- Petworth has a high proportion of comparison goods retailers compared with the other centres and with most town centres of similar size elsewhere, which reflects the number of antiques stores.
 - Apart from Lloyds Pharmacy, there are no other national multiple comparison goods retailers within the centre.
 - There is a good food and drink offer which helps to make the town centre popular with visitors as well as a local centre, including independent restaurants, cafes and a few hot food take-aways.

- There is an hotel located on Angel Street.

Convenience Goods Shopping

- 2.82 There are few convenience goods outlets within Petworth considering its size, only one of which is a small supermarket (Somerfield, now owned by Co-op). There are a number of small local convenience stores including butchers and a baker, but no frozen food outlets. A Farmers' Market is held at Golden Square on the 4th Saturday of alternate months.

Comparison Goods Shopping

- 2.83 Comparison goods shops account for approximately 46% of all A1 to A5 and Vacant A1 shops in Petworth, which is a high proportion considering the expected operation of a local shopping centre, but reflective of the number of antique and art shops. Comparison goods outlets include the antique stores, art galleries, a number of independent high-end boutique clothes stores, interior design studios, household goods and gift shops. As with the other small centres in the District, Petworth does not have a sufficient local catchment population or 'critical mass' of existing shops to support any larger stores or the presence of a department store. However, the comparison goods shops are predominantly selling high quality goods.

Services

- 2.84 There is a moderate number of A1 and A2 service businesses occupying shops in Petworth, together accounting for 22% of all shops. These include banks, beauty salons, hairdressers and barbers and estate agents. There is a limited or no provision of building societies, leisure services, photo-processing or video rental.

Food and Drink

- 2.85 There is a good provision of food and drink facilities within the centre, including quality independent cafes and coffee/sandwich shops, restaurants and a small number of hot food take-aways. There are no branded outlets within the centre; and the food and drink offer is almost exclusively geared towards high quality locally run cafes and restaurants which complement the retail offer and add to the attractions for visitors to the antique shops and galleries.

Entertainment

- 2.86 There are no entertainment facilities in Petworth Town Centre, as the town's population is too small to support any.

Community Facilities

- 2.87 There are limited community facilities evident within the town centre.

Vacant Street Level Property

- 2.88 There were four vacant units noted on the site visit, but none are registered on the FOCUS database. As was the case in 2005, these vacancies are predominantly on the periphery of the centre. The vacancy rate of only 5% is very low in the current economic climate. The centre feels successful and vibrant within its specialised role, and there is evidence of long term occupancy of many of the shops, rather than a high turnover of occupiers. This indicates a stable town centre with a specialised role.

Prime Shop Rental Values

- 2.89 Due to the small size of the centre, there is limited data for how rental levels have performed over recent years. The shop rental values recorded in 2005 were £538 per sq m, somewhat above the comparable centre of Midhurst, due to Petworth's role and attraction as a specialist antiques centre.

Shop Property Investment Yields

- 2.90 There is no up-to-date information on shop property investment yields in Petworth, owing to the lack of an active investment market there.

Accessibility

- 2.91 Petworth is located approximately 14 miles north of Chichester and 7 miles east of Midhurst. The A283 links to the A285 at Petworth, and offers a route north to Guildford and the A3 into London, and south into Chichester. The A272 running east to west links Petworth to Midhurst, Petersfield, Billingshurst, and other smaller villages within the local area.
- 2.92 Given the attraction of Petworth as a centre for antiques, the catchment is much wider than would be expected from a small shopping centre serving its local population alone, and a large number of visitors arrive by car. There is a good availability of on-street car parking spaces for short stays within the centre, which were being well used at the time of the site visit. There is a public car park at Pound Street.
- 2.93 Petworth is served by 7 local bus services, linking it to Horsham, Midhurst, Chichester, Worthing and other towns. There is no railway station in the town.

State of the Environment

- 2.94 Petworth is a very attractive market town with a traditional history and very well maintained buildings and public areas. The carriageway and pedestrian surfaces were all well maintained with traditional style street lighting and signage, etc., adding to the good first impressions of the centre. The pavements are narrow and so there is limited street furniture, but some seating within the market square.
- 2.95 The shop fronts are maintained as traditional retail facades with a co-ordinated and managed approach to their design, and some have planting. Some of the secondary retail streets are pedestrianised cobbled streets which may cause difficulties with disabled access, but would not be overly restrictive.
- 2.96 In our survey of the shopping environment applying the 12 criteria listed above, Petworth scored an average of 4.27 for 11 of the 12 (excluding markets). This is an overall score of good to excellent. Most of the individual scores were 4 (good) or 5 (excellent); but cycle parking score 3 (fair), and facilities for the blind or partially sighted also scored 3. Overall, we consider the scores represent a realistic assessment of Petworth as a small historic town centre with an attractive shopping environment within its limitations.

Land Values and Vacancy of key sites

- 2.97 The FOCUS database does not feature any vacant units in Petworth. There do not appear to be any substantial sites within the centre which could be developed or redeveloped for retail use.

Pedestrian Flows

- 2.98 There is no specific data available for this indicator but the centre was very busy at the time of the site visit. Our perception was of a number of people visiting the centre for an extended period of time and also many walking to the centre or stopping for a short visit by car.

Perception of Safety and Occurrence of Crime

- 2.99 There is no specific data available for this indicator, but the centre felt safe at the time of our inspection.

Potential Capacity for Growth

- 2.100 There is no particular evidence of significant pipeline development in this centre.

Customer Views and Behaviour

- 2.101 There is no specific data available for this indicator

Conclusions on Petworth

- 2.102 Overall, we consider that Petworth is a very attractive historic town centre, which is vital and viable within the limitations of its small size and specialised retail role as a centre for antiques. However, we consider that the existence of only one small supermarket is a weakness, which reduces the potential for the town centre to retain more expenditure locally.

SELSEY

Overview – Selsey shopping centre

- 2.103 Selsey does not have the scale of retail offer of Chichester, Midhurst or Petworth, and so there is very limited health check data available for some indicators. The centre has a traditional linear High Street and a mix of retail and leisure units serving the surrounding population and visitors to the area. The retail units are small in size with residential units above many of them. Within the centre, there is a new Budgens foodstore set back from High Street toward its north end and with its own car park.

Diversity of Uses and Retailer Representation

- 2.104 Selsey is a small town centre with a limited range of uses and representation from retailers, as would be expected. Those present cater for the immediate needs of the local community. A large number of the units are occupied by independent retailers; but there are also national retailers who have smaller outlets within the centre, including Boots, Budgens, Co-op, Lloyds Pharmacy, Somerfield, Tesco (One Stop) and Barclays Bank. There is no GOAD data available for the centre, and we have therefore undertaken our own count of the shops and service businesses. Table 2.4 below summarises the mix of retail and service uses as recorded on our site visit undertaken May 2010.

Table 2.4 - Diversity of uses in Selsey Town Centre

Category	No. of units	Percentage of Total (units)
Convenience (A1)	17	28%
Comparison (A1)	12	20%
Retail Services (A1)	7	11%
Financial Services (A2)	7	11%
Food and Drink (A3/A4/A5)	18	30%
Vacant (A1)	0	0%
Totals A1 to A5 & Vacant	61	100%

Source: DTZ shop count, May 2010.

Notes: Percentages may not always sum to 100% owing to rounding.

2.105 Our general observations are as follows:

- In contrast to the other small centres, Selsey has a strong convenience goods offer, which includes 4 small supermarkets operated by Budgens, Somerfield (Co-op), Co-op and Tesco (One Stop).
- The centre has a small comparison goods offer which is to be expected for such a centre, but still represents a realistic proportion of shop units within the centre.
- The majority of shops are operated by independent rather than national retailers.
- Proportionate to the number of units, the centre has a strong food and drink offer, which is probably explained by the seaside location of the town, and includes businesses to serve visitors.

Convenience Goods Shopping

2.106 The town centre has a large proportion of convenience goods retailers that serve local needs, 28% of all A1 to A5 and Vacant A1 shops; including the Budgens and Co-op foodstores located just off High Street, together with a small Somerfield supermarket (now owned by Co-op) and a One Stop convenience store owned and operated by Tesco. Four small supermarkets is a good provision of foodstores for a small town centre of this size.

Comparison Goods Shopping

2.107 Comparison goods retailing accounts for approximately 20% of all shop units in Selsey Town Centre. Outlets include clothing, sports goods, florists, electrical goods retailers and general household stores. Whilst this is a low proportion of all units, it is commercially realistic for a

small town centre such as this, which also has some seasonal trade related to its seaside location. The town and its catchment population is too small to support a large provision of comparison goods shops.

Services

- 2.108 Classes A1 and A2 services uses together account for 22% of the shop units in Selsey. They include banks, beauty salons, hairdressers and barbers. This is a reasonable provision of such uses.

Food and Drink

- 2.109 There is a good range of eating and drinking facilities for the local community and visitors, accounting for 30% of all shop units. This includes independent cafes and coffee/sandwich shops, as well as hot food take-aways, and restaurants within two public houses.

Entertainment

- 2.110 There are no entertainment facilities within the centre.

Community Facilities

- 2.111 A new Community Leisure Centre and Nursery, which includes sports facilities and a community room, was opened in 2006 at Manor Park Green, north of the town centre.

Vacant Street Level Property

- 2.112 There were no vacancies noted on the site visit. There is evidence from a number of units of long term occupancy. We consider that this is a strong performance in the current economic climate.

Prime Shop Rental Values

- 2.113 There is no up-to-date market evidence of any retail property availability or any transactions completed over the last five years, which would give an indication of rental values.

Prime Shop Property Investment Yields

- 2.114 Similarly, there is no information available on shop property investment yields in Selsey, owing to the lack of an active investment market.

Accessibility

- 2.115 Selsey is located on the south coast, approximately 7.5 miles south of Chichester. The B2145 road is a direct route into Chichester. The town centre operates predominantly to serve the local population, and as such is very accessible to its local catchment. Many people live close enough to walk to the centre. There is very limited off-street car parking to some of the retail units on the High Street; whilst Budgens and the Co-op foodstores have dedicated car parking. There is a public car park at East Street. The town is served by a number of local bus services, including services to Chichester, and a local community bus service.

State of the Environment

- 2.116 Selsey is a functional and average quality centre. There is limited planting and street furniture, but aside from this the retail units are attractive and provide activity along the primary retail frontage. There was no evidence of any vandalism, graffiti or fly posting; and the perception is of a well used centre which is supported by regular visits from local residents. The retail units are spread out along the High Street, but there were few barriers to movement along the retail frontage. A small number of retailers have goods (e.g. flowers and plants) displayed on the pavement, which rather than being restrictive, added to vibrancy and activity.
- 2.117 In our survey of the shopping environment, Selsey scored an overall average of 3.81 for the 11 criteria excluding markets. This is fair to good overall. Most individual scores were 3 or 4; and the town centre scored highest on its physical condition and appearance, and a little lower on facilities and amenities for shoppers, perception of security, and facilities for the blind or partially sighted.

Land Values and Vacancy of key sites

- 2.118 There is no up-to-date information available on land values, and no substantial vacant sites in the town centre.

Pedestrian Flows

- 2.119 There is no specific data available for this indicator. The centre was reasonably busy at the time of the site visit with many people walking and some stopping for short visits by car.

Perception of Safety and Occurrence of Crime

- 2.120 There is no specific data available for this indicator but the centre felt fairly safe at the time of our daytime inspection. Whilst the centre does contain some A3 and A5 uses, we would not expect it to be busy outside normal shopping hours, thus potentially increasing personal perceptions of insecurity.

Potential Capacity for Growth

- 2.121 There is no particular evidence of significant pipeline development in this centre.

Customer Views and Behaviour

- 2.122 There is no specific data available for this indicator.

Conclusions on Selsey

- 2.123 Selsey is a small linear town centre which appears to function well to serve the day-to-day shopping and services needs of the town's residents and of leisure visitors. The absence of any vacant shops indicates that it is performing well, within its limitations. It is well provided with small supermarkets, which substantially help to retain local expenditure. We consider that it is a vital and viable town centre in PPS4 terms.

EAST WITTERING

Overview – East Wittering Town Centre

- 2.124 East Wittering is the smallest of the five shopping centres covered by this report. However, it has a reasonable range of shops and caters for the day to day needs of the local residents, with some retail provision for visitors. As a small centre, there is limited health check data available for some indicators.
- 2.125 Similar to Selsey, East Wittering is a small coastal town. It is more modern than the other small centres in the District, with several parades of shops on Cakeham Road dating to around the 1960s. Many of the retail units have residential space above them. Most of the shops are on Cakeham Road and Shore Road.

Diversity of Uses and Retailer Representation

- 2.126 East Wittering has a limited range of uses and retailers, as expected for a smaller centre, and features retailers catering mainly for the immediate needs of the local community. Most of the units are occupied by independent retailers; but there are also national multiple retailers and services businesses with small outlets including Co-op, Tesco Express, Boots, and HSBC, Barclays and Lloyds TSB banks.
- 2.127 There is no GOAD data available for the centre, and we therefore undertook our own shop count survey. Table 2.5 below summarises the mix of retail and service uses as recorded on our site visit undertaken in May 2010

Table 2.5 - Diversity of uses in East Wittering Town Centre

Category	No. of units	Percentage of Total (units)
Convenience (A1)	7	15%
Comparison (A1)	19	40%
Retail Services (A1)	7	15%
Financial Services (A2)	7	15%
Food and Drink (A3/A4/A5)	8	17%
Vacant (A1)	0	0%
Totals A1 to A5 & Vacant	48	100%

Source: DTZ shop count, May 2010.

Notes: Percentages may not always sum to 100% owing to rounding.

2.128 Our general observations are as follows:

- For its small size, the centre has both a strong comparison goods offer and a strong convenience goods offer (with two small supermarkets), reflecting its position as a shopping centre to serve the local community.
- The centre also has a fairly strong services offer, with 14 units comprising a range of A1 and A2 services, including national and local businesses.
- Most of the shop units are occupied by independent retailers.

Convenience Goods Shopping

2.129 The centre includes some convenience goods retailers that serve local need, including the Tesco Express and Co-op supermarkets on Cakeham Road. There are also a number of small local convenience stores including butchers and bakers, but limited provision of frozen food and health food shops. Convenience goods shops accounted for 15% of the units within the centre

Comparison Goods Shopping

2.130 Non-food retailing accounts for approximately 40% of all A1 to A5 and Vacant A1 units within East Wittering. This is a high proportion for such a small centre, but reflects its location on the south coast some distance from the more major centres in the District. A few of the comparison goods shops also cater for visitors to the area, e.g. Wittering Surf Shop.

- 2.131 The comparison goods outlets include a small Travis Perkins building supplies unit, and stores selling mobility scooters, interior furnishings and carpets, general household goods, and gift shops.

Services

A1 and A2 service uses together account for 30% of the retail units. These include banks, beauty salons, hairdressers and barbers. There is a limited or no provision of building societies, leisure services, photo-processing, video rental or estate agents.

Food and Drink

- 2.132 There is a limited range of eating and drinking facilities, accounting for only 17% of the shop units. The provision within A3/A4/A5 Use Classes is local, including independent cafes and coffee/sandwich shops. There is very limited provision of hot food take-away outlets, or restaurants which operate in the evening.

Entertainment

- 2.133 There are no entertainment facilities within the town centre.

Community Facilities

- 2.134 The centre is small, and apart from the Witterings Medical Centre on Cakeham Road and St Peters Church and Hall on Church Road, there are no other community facilities evident.

Vacant Street Level Property

- 2.135 No vacancies were noted on the site visit. There is evidence from a number of units of long term occupancy. In the current economic climate, this indicates that the town centre is performing well, within its limitations of size and type.

Prime Shop Rental Values

- 2.136 There is no up-to-date information available on prime shop rental values in the town centre, owing to the lack of recent shop lettings in such a small market.

Shop Property Investment Yields

- 2.137 Similarly, there is no up-to-date information on yields, owing to the lack of an active property investment market in such a small centre.

Accessibility

- 2.138 East Wittering is located on the south coast, approximately 7.5 miles south-west of Chichester and a slightly shorter distance to the north-west of Selsey. The A286 north is a direct route into Chichester. The town centre operates predominantly to serve the local population, and as such is very accessible to its local catchment area. Many of the town's residents live close enough to walk to the centre; but there is both on and off-street car parking, and a small car park for the use of shoppers only at Shore Road/Cakeham Road. There are local bus routes to the centre, including buses to Chichester.

State of the Environment

- 2.139 East Wittering is a mainly linear centre with 1960's retail units set in parades along both Shore Road and Cakeham Road, with car parking and pavement space in front. Units at the south side of Cakeham Road are raised creating a further split from the road. A number of units do have a dated appearance, but the Tesco redevelopment has revitalised the centre and adds a modern building to the collection of shop units. The pavements are wide and appear to be well maintained, but are interrupted by car parking spaces in some areas. There is some planting and street furniture evident, and the centre would be a practical place to shop.
- 2.140 In our survey of the shopping environment, East Wittering achieved an overall score of 3.45 for the 11 aspects covered (excluding markets). Most of the individual scores were 3 (fair) or 4 (good). However, the centre scored only 2 (poor) for wheelchair access, owing to the interruptions presented by raised areas of pavement and car parking spaces.

Land Values and Vacancy of key sites

- 2.141 There is no up-to-date information on retail development land values in the town centre.

Pedestrian Flows

- 2.142 There is no specific data available for this indicator, but the centre was busy at the time of the site visit, with a number of people walking and some stopping for short visits by car.

Perception of Safety and Occurrence of Crime

- 2.143 There is no specific data available for this indicator but the centre felt safe at the time of our inspection.

Potential Capacity for Growth

- 2.144 There is no particular evidence of significant pipeline development in this centre. The new Tesco Express store has been completed and there are no other major underused sites apparent within the centre which could be developed for new shops and stores. However, the land between Tesco Express, Cakeham Road and Northern Crescent could potentially form a substantial retail development site which would extend the shopping area, if existing uses could be relocated. Also, redevelopment of some of the older parades of shops may well become economic in due course.

Customer Views and Behaviour

- 2.145 There is no specific data available for this indicator, but the centre appeared to be well used.

Conclusions on East Wittering

- 2.146 East Wittering is a small compact town centre, providing a good range of shops and service businesses to serve the town's residents and visitors, in a generally pleasant environment. The absence of vacant shops shows that it is performing well in this role. The presence of two small supermarkets helps retain local expenditure and 'anchor' the town centre. A substantial site exists in the town centre which could potentially accommodate a significant expansion of retailing and services in due course, if the existing uses could be relocated, and a financially viable development formulated. We consider that the town centre is a vital and viable centre within its limitations, in PPS4 terms.

3. Basis of the Retail Capacity Forecasts

- 3.1 For the retail capacity forecasting in this report, we have used our RECAP retail capacity forecasting Model, as we now use for all such retail studies. The RECAP Model is an empirical 'step by step' model, based on the results of the 2005 and 2007 household interview surveys of shopping patterns as its method of allocating retail expenditure from catchment zones to shopping destinations. It is therefore not a theoretical gravity model, but is based on consumer responses about actual shopping patterns. It is also a growth allocation model; which allocates growth in expenditure to shopping destinations based on shopping patterns indicated by the household interview surveys, and informed professional judgements about how these will be likely to change in the future as a result of committed or potential new retail developments.
- 3.2 The RECAP Model forecasts the expenditure-based capacity for additional retail floorspace in the following way:
- Calculate the total amount of convenience and comparison goods expenditure which is available within the 9 zones comprising the catchment area²;
 - Allocate the available expenditure to Chichester City Centre and the non-central main foodstores and the retail parks in Chichester³, and to the four small town centres, based on the results of the 2005 and 2007 Household interview surveys of shopping patterns; so as to obtain estimates of current sales and forecast future sales in each;
 - Compare the estimated sales in each shopping destination with existing floorspace (and in the case of the main foodstores and the retail parks, with sales based on estimated company average performance); so as to assess the current trading performance of each shopping destination, and the capacity to support further growth in convenience and comparison goods floorspace;
 - Assess likely future changes to the indicated pattern of market shares to take account of the committed and proposed retail developments in each town; and recalculate the sales and capacity forecasts.
- 3.3 The RECAP Model (like any other forecasting model of this type) is an exploratory tool, rather than a prescriptive mechanism. Thus the resulting forecasts of quantitative need are not

² In this report, convenience goods and comparison goods are as defined in Appendix A of the PPS4 'Practice guidance'.

³ We have used the term 'non-central' rather than 'out-of-centre' in connection with our retail capacity forecasting, in order to distinguish the locations chosen for forecasting convenience from the definitions used in applying the sequential approach. However, when considering how forecast needs for any new development should be accommodated, the sequential approach should be applied, as required by PPS4 and as indicated later in this report.

intended as growth targets which must be achieved, or as rigid limits to future growth. Rather, they are a realistic guide to planning policies and decisions on planning applications.

- 3.4 When using the retail capacity forecasts as a guide to future planning policy, it is also important to remember that the further ahead the forecasting date, the less certain the forecast. Thus the forecasts for 2016 are more robust than those for 2021 and 2026. In particular for these later dates, we suggest that forecasts such as these, based as they are on household interview survey data from some years ago, should be treated with considerable caution. They indicate only the broad order of magnitude of retail capacity at those dates, if all of the forecast trends occur. There are also particular uncertainties at the present time as a result of the sharp world-wide economic recession and the climate of austerity in Britain in order to reduce the national deficit, for which there is very little precedent in recent years. It is therefore a matter of some conjecture as to how long it will take the economy to recover and at what rate. Furthermore, the long term growth in the use of internet shopping is as yet unknown (although it has to a substantial degree been taken into account in this report), and reinforces the need to revise the forecasts of retail floorspace capacity well before 2021, as we advise later in this report.

Principal Data Inputs

Catchment Area

- 3.5 For this report, we have defined a 9-zone catchment area, which matches as closely as possible the zones used for the 2005 and 2007 household interview surveys. A map of the catchment area showing the 9 zones is included in Appendix 1. This catchment area is widely drawn, and includes all the area from which Chichester and the four small towns are realistically likely to draw expenditure, apart from that by visitors to Chichester City Centre from much further afield.

Catchment Population

- 3.6 The starting point for the population forecasts was a report, dated May 2010, from Pitney Bowes on the current and projected future population of each catchment area zone. They cover the period up to 2019; and we have therefore extrapolated them to 2026 by trend projection. The result is that for the catchment area as a whole the population is expected to increase from 811,202 in 2010 to 911,887 by 2026, which is an increase of over 100,000, or 12.4%. The catchment zones are based on postcode geography and do not necessarily match local authority administrative boundaries. However, we have compared the Pitney Bowes forecasts with those prepared by West Sussex County Council, and have found that the former are high enough to include the plan-based forecasts for Chichester District by the Council Council. We have therefore not made any adjustments to the Pitney Bowes forecasts.

Forecasting Dates

- 3.7 We have prepared base year estimates of retail sales in each shopping destination as at 2010. For the future, we have prepared forecasts for 2016, 2021, and 2026, as instructed, so as to cover the period covered by the emerging Core Strategy.

Price Basis

- 3.8 All monetary values in this report are in constant 2008 prices, unless otherwise stated, so as to exclude the effects of price inflation.

Per Capita Expenditure

- 3.9 For this Study, we obtained from Pitney Bowes average per capita expenditure on convenience and comparison goods in the catchment area in 2008. Before deducting expenditure on special forms of trading, these were £1,971 and £3,096 respectively. We have used these figures as the basis for our new forecasts. The base figures in 2008 are set out in RECAP Model Table 2 in Appendix 3. Table 2 also indicates the breakdown of the comparison goods figure into the seven different categories of comparison goods expenditure covered by questions in the Household interview surveys 2005/7.
- 3.10 The base figures for the year 2008 in Table 2 have been increased to allow for actual and expected growth over the forecasting period to 2030. These increases are based on the forecasts by Oxford Economics set out in Table 3.3 of 'Retail Expenditure Guide 2009/2010' by Pitney Bowes, and are thus compatible with the 2008 figures. Oxford Economics' forecasts are for the periods 2008 to 2010, 2008 to 2014 and 2008 to 2019. They take account of the recent recession, and forecast slow but accelerating growth in the next few years. We have therefore interpolated them for our base year of 2010 and intermediate forecasting date of 2016. For our longer term forecasts to 2021 to 2026, we have projected forward the forecasts by Oxford Economics. In doing so, we have assumed that after 2019, growth in per capita convenience goods expenditure will have reached the average for the ten years preceding the recession, of 1.2% pa⁴; and for comparison goods growth will have again reached the pre-recessionary ultra-long term rate for the period 1964 to 2008 of 3.9% pa.

⁴ For convenience goods, Pitney Bowes 'Retail Expenditure Guide 2009/2010' indicates that 'The most statistically robust estimate of trend growth calculated is for the period 1998-2008 when the annual growth rate averaged 1.2%'.

3.11 This growth profile assumed indicated the growth rates set out in Table 3.1 and used in RECAP Model Table 2. We consider that these growth profiles are realistic. However, periodic review of the forecasts will enable the assumed growth rates to be adjusted as necessary in the light of actual growth in overall per capita expenditure, and the forecasts revised accordingly.

Table 3.1: Average annual growth in per capita expenditure

Period	Average Annual Growth Rate	
	Convenience Goods	Comparison Goods
2008 to 2010	-0.80% pa	-2.7% pa
2008 to 2016	0.60% pa	2.6% pa
2008 to 2021	0.84% pa	3.4% pa
2008 to 2026	0.84% pa	3.4% pa

Source: Pitney Bowes/Oxford Economics Retail Expenditure Guide 2009/10, with interpolation & projection by DTZ.

Special Forms of Trading including internet shopping

3.12 We have made deductions from the per capita expenditure figures supplied by Pitney Bowes to allow for expenditure via special forms of trading (SFT). This includes mail order, vending machines, party plan retailing, on-line shopping via the internet or interactive TV, and expenditure at temporary market stalls; and is therefore expenditure not made in retail shops. RECAP Model Table 2 shows the growing deductions which we have made, based on information for the UK published by Verdict Research Limited on growth in internet shopping and forecast trends. Table 3.2 shows Verdict's estimates for the proportion of all retail sales in the UK in 2009 accounted for by internet shopping, and its trend-based forecasts for 2014. This shows the proportion of sales taking place via the internet growing substantially over the 5 years to 2014. For some categories of comparison goods, the internet proportion is already substantial and is expected to become much more so. Based on these, we have judged the deductions for SFT shown in RECAP Model Table 2. Our deductions:

- Assume a flattening of the growth trend after 2016 as internet shopping matures;
- Allow for the fact that some internet purchases of food are sourced and delivered from food stores rather than separate warehouses (and should therefore be included in the Model);
- Allow for the fact that internet shopping sales are included in the retail sales densities of some retailers which operate multi-channel retailing;
- Allow for internet shopping to supplant mail order retailing to some degree; but include other SFT apart from the internet, in particular sales from temporary markets such as Farmers' Markets and other periodic street markets.

Table 3.2: UK Internet Shopping Estimates and Forecasts

Goods Type	Online sales as proportion of all UK retail sales (%)	
	2009	2014
Comparison goods:		
Music & video	45.5	76.7
Electrical goods	23.8	38.3
Books	18.9	33.7
Homewares	8.7	12.2
DIY & gardening goods	5.2	5.6
Clothing & footwear	6.7	12.2
Furniture & floor coverings	4.1	5.2
Health & beauty	3.2	5.6
Other comparison goods	6.6	12.2
All Comparison Goods	9.5	15.4
Food & Grocery	4.5	4.8

Source: 'e-Retail 2010', Verdict Research Limited, April 2010

- 3.13 The combined effect of the forecast growth in population and in per capita expenditure is that we expect total catchment area expenditure on convenience goods (set out in RECAP Model Table 3 in Appendix 3) to increase by about £440.5m (29%) over the period 2010 to 2026; and that on comparison goods to increase by about £2,086m (97%). This compares with growth in total catchment area population of 12.4% over the period. Thus almost half of the growth in catchment area expenditure on convenience goods will be accounted for by forecast growth in population. For comparison goods, only a small proportion (almost 13%) of the growth in catchment area expenditure will be accounted for by growth in population. This means that the comparison goods floorspace capacity forecasts in particular are very insensitive to population growth and much more sensitive to the assumptions about growth in per capita expenditure, particularly in the later part of the forecasting period. The large increase in forecast expenditure on comparison goods, once expenditure growth resumes, indicates that a need for additional comparison goods retail floorspace will grow substantially to 2026 (particularly in the later parts of this forecasting period). However, this should be reviewed at regular intervals over that period. In the short term, expenditure growth will be much more limited, as discussed above.

Shopping Patterns in the Catchment Area

- 3.14 The most up-to-date household interview survey data available for most of the catchment area of Chichester is the 2005 survey undertaken by DTZ for the West Sussex Coastal Districts Retail Study. We have used this as the source of our market shares data on comparison goods shopping for all the 9 RECAP Model Zones. Because there has been no substantial new retail development in the area since 2005, subject to the caveats below, we consider that

the results of this survey still provide a broadly realistic indication of shopping patterns in these zones.

- 3.15 For convenience goods shopping, we have used the results of our 2005 survey for RECAP Model Zones 1 to 3, 5, 6, 8 and 9. In November 2007, a household interview survey was undertaken for Asda at Bognor Regis, although this only covers Bognor Regis and Littlehampton and some areas to the north. We have used it as the source of convenience goods market shares data for RECAP Model Zones 4 (Bognor Regis), and 7 (the area to the north-east of Bognor Regis). Our Zones 4 and 7 are based on groups of smaller zones from Asda's survey. Although our zone boundaries do not always exactly match Asda's survey zones, when the distribution of population within the zones is taken into account, the match is close enough for the boundary differences to be immaterial. The reconciliation between the zones in the two surveys is indicated in Appendix 2.
- 3.16 Asda's survey had some limitations. Whilst providing objective data on shopping patterns, it was undertaken in connection with a planning application for a new food/non-food superstore in Bognor Regis; and therefore focused particularly on questions about food shopping. Although it also asked a wide range of questions about shopping habits for comparison goods, it did not ask questions about shopping for the categories of goods which would not be sold in such a superstore. Thus it did not ask questions about shopping habits for furniture, floor-coverings and household textiles; or DIY goods, hardware and garden products. For that reason, we did not use the results of Asda's survey for data on shopping patterns for comparison goods, even in our Zones 4 and 7.
- 3.17 For this Retail Study Update, our own 2005 survey also have some limitations. It was conducted for a more strategic retail study covering a wider area, and thus asked slightly fewer questions than we would now ask for a more detailed local area study such as this for Chichester District Council alone. In particular, it did not ask a question about shopping habits for chemists' medical and beauty products. However, our more recent surveys elsewhere have shown that shopping patterns for this sub-category of comparison goods are more localised than for any other sub-category. For these goods therefore, we have estimated shopping patterns; based on the general shopping patterns for the other categories of comparison goods, together with our extensive experience elsewhere of measuring the more localised shopping patterns for chemists', medical and beauty products.
- 3.18 Despite these limitations in the available survey data, we are satisfied that the market shares used in the RECAP Model, based on the results of the two surveys, provide a broadly realistic indication of shopping patterns in the catchment area. We consider that the market shares (with the corrections described below) are sufficiently accurate to provide adequate short-term forecasts of future shop floorspace needs. For the medium term, when the study is next updated we recommend that a new household interview survey of the catchment area be carried out. Being designed for such a purpose, a new survey would provide more detailed

information than is currently available from the two existing surveys. It would also be up-to-date at the time the next update of the forecasts is carried out.

- 3.19 Using Chichester City Centre as an example, in RECAP Model Table 5 in Appendix 3, we have combined the results of the question about main food shopping with those of the question about top-up food and convenience goods shopping, to provide a weighted average market share of total convenience goods expenditure in each zone which is attracted to main foodstores and other convenience goods shops in the city centre. These weighted averages are then rounded to the nearest integer and used (with the correction described below) in Table 7 to indicate the pattern of attraction of convenience goods expenditure to shops and stores in Chichester City Centre. A similar approach has been used for food stores in each of the other shopping destinations.
- 3.20 For comparison goods, we have combined the results of the questions in the household interview survey 2005 for each sub-category of comparison goods, to provide weighted average market shares of all comparison goods expenditure which are attracted to each shopping destination; using weights according to the amount of expenditure on each of these 7 sub-categories of comparison goods. These are set out in RECAP Model Table 6 for Chichester City Centre, and Table 14 for non-central stores in Chichester. The weighted averages are then corrected as necessary as described below, rounded to the nearest integer, and set out in RECAP Model Tables 7 and 15 respectively. Similar tables apply to Midhurst town centre (RECAP Model Tables 23 and 24).
- 3.21 In the case of the much smaller town centres of Petworth, Selsey and East Wittering, we have been unable to model comparison goods sales or prepare forecasts of quantitative needs for new comparison goods floorspace. This is because these small centres have too few comparison goods shops to feature in the results of the household interview survey – which asked where respondents 'last bought' each category of comparison goods. As a result, there is no data available on the (very small) market shares of catchment area comparison goods expenditure which they attract. There is also no data available on shop floorspace for comparison goods in these three small centres, which further prevents quantitative retail needs forecasting.
- 3.22 In practice, there is very little retailer demand for new comparison goods shops in these very small centres, and shop rental values are too low to make new comparison goods retail development financially viable. It is therefore very unlikely that substantial new comparison goods retail development will be possible (and in Petworth is likely to be precluded by conservation constraints in addition). The absence of comparison goods retail capacity forecasts for these three small centres, is therefore of little consequence for the Core Strategy.

Market Share Corrections

- 3.23 The household interview surveys provide a detailed picture of where the residents of each of the 9 catchment zones do most of their shopping for 7 different categories of comparison goods. Their results do not directly indicate actual expenditure flows, but are the best available data to use as a proxy for modelling retail expenditure flows from residential areas to shopping destinations. However, like all such surveys, this means that the results cannot be applied uncritically in the RECAP Model. Thus for example, in our extensive experience, such surveys (undertaken by ourselves and by other consultants) tend to over-emphasise comparison goods shopping in large centres, and under-represent it in smaller centres. Such surveys also tend to over-represent expenditure in food superstores, and under-represent it in smaller town and district centre foodstores (unless they are the only foodstores in such centres, when the survey can over-represent their sales). It is therefore sometimes necessary to introduce market share correction factors; so as to transfer expenditure in the Model from one or more locations to others, to balance (or calibrate) the Model and make it represent reality more accurately. This is not uncommon, and has been necessary in this case for Midhurst Town Centre (comparison goods), and Petworth and Selsey (convenience goods).
- 3.24 These market share corrections do not alter the centres themselves in any way, but are simply a means of calibrating the Model to make it as realistic as possible a representation of actual expenditure flows. Studies which we have undertaken over many years using the same methods have shown that there is a broad relationship between centre size and comparison goods sales density. Thus larger centres normally have higher sales densities than smaller centres (and hence higher shop rental values). This experience has informed our judgements about the market share corrections needed to make the RECAP Model realistically represent sales in each centre. In the case of convenience goods, our judgements about the market share correction factors were guided by independently published information on food retailers' sales densities.
- 3.25 For comparison goods shopping in Midhurst Town Centre, use of the household interview survey results in the RECAP Model without correction would result in an unrealistically low sales density for the town centre, which would be substantially below the sales density which we would expect for a town centre of this size and type. Respondents to the survey were asked where they '*last bought*' each category of comparison goods. In a small town centre where comparison goods shopping is infrequent, respondents who shop there only occasionally would not have been picked up by the survey. We consider that the survey results have under-represented the scale of comparison goods expenditure in Midhurst Town Centre. We have therefore increased the survey-indicated market shares for every catchment zone by the market share correction factor of 250% indicated in the header to RECAP Model Table 24 (i.e. we have multiplied them by 2.5 from the no-change default factor of 100%). This correction to the survey-indicated market shares was our professional judgement, in the light of experience with undertaking a large number of such studies over many years.

- 3.26 In the case of convenience goods shopping in Petworth, using the survey results without correction would result in an excessively high convenience goods sales density for the only significant foodstore, Somerfield, which would be far above the level based on the 'benchmark' company averages for this store. We appreciate that by virtue of its local monopoly, this store is trading very well – but it is most unlikely to be trading at the level indicated by the survey results. We have therefore applied a market share correction factor of 30% indicated in the header to RECAP Model Table 31 (i.e. we have reduced the market shares to 30% of those which would result from the no-change default factor of 100%). This brings the base year sales density down to a much more realistic level, which is still significantly above the 'benchmark' company average, so as to make the Model reflect reality more accurately.
- 3.27 Conversely in Selsey, which has 4 main foodstores, the survey results under-estimate base year sales; and would result in an average sales density for these stores which would be unrealistically low, even taking account of their small size and the local competition. We have therefore applied a convenience goods market share correction of 200% (thus doubling the market shares indicated by the surveys), to calibrate the Model and make it more realistic for Selsey. In all the other locations modelled, we have not needed to apply market share correction factors, as use of the survey results without correction results in commercially realistic sales estimates.
- 3.28 With these calibration corrections, we consider that the RECAP Model realistically represents the current patterns of shopping in the five towns in Chichester District, and provides a reliable basis for forecasting future shop floorspace capacity for the purpose of this Retail Study Update.

Visitor Expenditure from outside the Catchment Area

- 3.29 Chichester has a very charming historic walled city centre, which attracts substantial numbers of visitors. Reliable figures on the numbers of visitors from outside the catchment area are not available. However, it is likely that most visitors will undertake some shopping, as well as visiting such attractions as the Cathedral and Pallant House Gallery. In the light of our experience elsewhere therefore, we have assumed that expenditure on convenience and comparison goods in Chichester City Centre by visitors who live outside the 9-zone catchment area amounts to 7.5% of expenditure by catchment area residents.
- 3.30 Whilst these may seem small allowances for visitor expenditure, research elsewhere has shown that expenditure in retail shops by visitors is always very small in comparison with that by catchment area residents, particularly where the catchment area is widely drawn, as in this case. We therefore consider that these are realistic allowances for visitor expenditure. We have made no allowances for visitor expenditure on comparison goods in the non-central

stores in Chichester, as we do not think that such expenditure is significant. We have also made no allowances for visitor expenditure in the four small towns in the district.

Existing Shop Floorspace

- 3.31 We have obtained details of existing shop floorspace in Chichester City Centre and Midhurst Town Centres from Experian Goad. We have used these figures in our RECAP Model. For the main foodstores, we have used floorspace data from the Institute of Grocery Distribution (IGD), supplemented by our own on-site inspection of the existing superstores in Chichester. Floorspace for the retail warehouses was obtained from the Valuation Office Agency Rating List 2010, and includes mezzanine floors; and was matched to occupiers by means of on-site survey. For some retail warehouses, we have deducted part of the floorspace to allow for trade and other non-retail sales. This applies to Staples, PC World and Halfords. The resulting floorspace figures are set out in RECAP Model Tables 12 and 21 for Chichester City Centre and Non-central stores respectively; and in the equivalent tables for the four small town centres.

Sales Densities

- 3.32 For the existing main foodstores in each centre and non-central locations, we have applied 'benchmark' company average space allocations and convenience goods sales densities based on information published by Verdict Research Limited. Where necessary for individual stores, we have made our own estimates of convenience goods space allocations. The 'benchmark' company average sales densities for Chichester City Centre, as an example, are set out in RECAP Model Table 10. Similar tables are included for each of the study locations. For retail warehouses and comparison goods floorspace in main foodstores in Chichester, we have applied the most up-to-date company average sales densities published by Mintel in 'UK Retail Rankings 2008'. These are shown in RECAP Model Table 19 in Appendix 3.
- 3.33 For comparison goods, we have allowed for sales densities to rise at 1.5% pa from 2011. This allocates a substantial proportion of growth in expenditure to existing shops, before new retail floorspace is supported. This helps to support existing retailers, and reduce the impact on them of new retail development.

Committed Developments

- 3.34 We have not been informed by the Council of any committed new retail developments, and so have not included any in the RECAP Model. However, in RECAP Model Table 20 we have included two currently vacant retail warehouses in Chichester as committed developments, so as to take account of their potential to absorb future growth in expenditure. We are not aware of any committed retail developments in any of the four small towns in the District.

Development Scenarios Assessed

3.35 We have assessed four scenarios for new retail development in Chichester. Scenario 1 makes no specific allowances for any particular new retail developments in Chichester or the four smaller towns. Scenarios 2 and 4 test the implications of a potential new out-of-centre food/non-food superstore in Chichester, without and with respectively the proposed new Sainsburys superstore at Bognor Regis (which is supported by Arun District Council but has recently been the subject of a call-in Inquiry). Scenario 3 tests the implications of the proposed Sainsbury superstore at Bognor Regis being permitted, but with no new superstore in Chichester. The scenarios are as follows:

Scenario 1 – the ‘baseline’ scenario, in which we assume that the pattern of market shares indicated by the household interview surveys (corrected as described above) remains unchanged throughout the forecasting period. The implicit assumption in this scenario is that new retail development in any of the towns in Chichester District, or in other towns, does not change the market shares of expenditure attracted from the catchment area.

Scenario 2 – in which we allow for a possible new out-of-centre food/non-food superstore in Chichester to increase Chichester non-central stores’ market shares of catchment area expenditure on convenience and comparison goods from 2016 onwards. This scenario assumes that the proposed Sainsburys superstore in Bognor Regis is refused planning permission by the Secretary of State.

Scenario 3 – in which we assume that the proposed out-of-centre Sainsburys superstore in Bognor Regis will be permitted, and allow for it from 2016 onwards. This new superstore would reduce the market shares of convenience and comparison goods expenditure attracted by non-central foodstores in Chichester to some degree, as Bognor Regis residents wishing to shop at Sainsburys would no longer need to visit Chichester to do so. In this scenario, we assume that there would be no new food/non-food superstore in Chichester.

Scenario 4 – in which we assume that the proposed Sainsburys superstore at Bognor Regis would be permitted, and there would be a new out-of-centre food/non-food superstore in Chichester, both from 2016 onwards. In this scenario, the competing attractions of these two new superstores would balance each other to some degree.

3.36 Scenario 1 is conservative, because it assumes that new retail developments will be unable to change shopping habits and increase the market shares of catchment area expenditure attracted by the centre(s) in which it is located. However, new retail development on a significant scale, such as a food/non-food superstore, would be likely to make the town in which it is located more attractive to shoppers from the catchment area and beyond. We therefore consider that if a new superstore is to be developed in Chichester (but Sainsburys is refused permission in Bognor Regis), Scenario 2 is more realistic. However, Scenario 3 is

more realistic for Chichester if Sainsburys is permitted at Bognor Regis but there is no new superstore in Chichester. If both new superstores are permitted, Scenario 4 would be the most realistic. We discuss the four scenarios further in Section 3.

- 3.37 For the smaller towns, only one scenario has been considered, based on no changes to the shopping patterns indicated by the household interview surveys. This is because these towns all have a far more limited shopping offer than Chichester, and draw only small amounts of expenditure from their immediate local catchment zone only. Because they function mainly as town centres for the immediate town itself, and don't attract substantial expenditure from further afield, in particular from Chichester or Bognor Regis, we do not think that they would suffer substantial impacts from new food/non-food superstores in Chichester or Bognor Regis. However, there would inevitably be some small impacts on the main foodstores in the smaller towns, if such new superstores went ahead.

Format of the RECAP Model Tables

- 3.38 The RECAP Model Tables are set out in Appendix 3. Tables 1 to 4 set out the population and expenditure forecasts for the catchment area. Table 3 indicates the total available convenience and comparison goods expenditure which is forecast to be available in each zone at each date. Table 4 indicates for each zone the total available expenditure in the base year of 2010 on each of the 7 sub-categories of comparison goods.
- 3.39 Tables 5 to 12 are the Scenario 1 tables for Chichester City Centre. Table 5 shows the market shares for convenience goods shopping which are attracted by the city centre from each catchment zone. Table 6 shows the pattern of market shares of expenditure on each category of comparison goods attracted from the catchment area, as indicated by the household interview surveys before correction. Table 7 shows the corrected market share patterns for convenience goods and all comparison goods expenditure in the city centre. Tables 8 and 9 show the amounts of expenditure on each comparison goods sub-category attracted, and the amounts of all comparison goods, respectively. Table 8 is the product of Table 4 and Table 6; whilst Table 9 is the product of Table 3 and Table 7. Table 10 indicates the sales in the main foodstores and other convenience goods shops in the city centre, at 'benchmark' company average levels. Table 11 sets out the committed town centre developments and their expected sales levels (in the case of Chichester City Centre there are none, and so this table is blank). Table 12 brings together the expenditure attracted, visitor expenditure, existing floorspace and committed developments, to arrive at the retail capacity forecasts for the city centre in Scenario 1. It also shows the overall market shares of total catchment area expenditure on comparison goods which are shown as attracted by the city centre.
- 3.40 A similar arrangement of tables applies to each of the four smaller town centres in Scenario 1. These are Tables 22 to 29 for Midhurst; 30 to 35 for Petworth; 36 to 41 for Selsey; and 42 to 47 for East Wittering. In the case of the latter three towns, because they are too small for

comparison goods expenditure and retail capacity to be modelled (as explained above), there are no tables of comparison goods market shares or of expenditure on each sub-category of comparison goods.

- 3.41 Tables 13 to 21 are the Scenario 1 tables for the non-central shopping in Chichester. These tables follow a similar arrangement as the tables for Chichester City Centre. However they include an additional table, Table 19, which lists the occupied retail warehouses and superstores, and shows their sales at estimated company average levels, to provide a 'benchmark' for assessing future floorspace needs.
- 3.42 The RECAP Model tables for Chichester Non-central stores in Scenarios 2 to 4 are simpler. The Scenario 2 tables are Tables 48 to 50; Scenario 3 are Tables 51 to 53; and Scenario 4 are Tables 54 to 56. Thus for example in Scenario 2, Table 48 shows the revised convenience and comparison goods market shares from 2016 onwards as a result of a potential new out-of-centre food/non-food superstore in Chichester. Table 49 is the product of Table 3 and Table 48. Table 50 shows the revised retail capacity forecasts and increased overall market shares of expenditure attracted from the catchment area, under the Scenario 2 assumptions. A similar arrangement of tables applies to Scenarios 3 and 4.
- 3.43 The RECAP Model is completed by summary Tables 57 to 61. Table 57 shows the (corrected) market shares attracted in 2010 by Chichester for each of the 7 comparison goods categories. This provides the basis for the retail sector analysis described in Section 3. Tables 58 to 61 show the patterns of combined market shares (as corrected) for convenience goods and all comparison goods, attracted by the city centre and non-central stores together in Chichester under each of Scenarios 1 to 4 respectively. Table 59 for Scenario 2 shows how these combined market shares are expected to increase from 2016, as a result of a potential new superstore in the city. Tables 60 and 61 respectively show Chichester's market share changes in the catchment area as a result of Scenarios 3 and 4 respectively.

4. Quantitative Need for New Retail Development

4.1 In this section, we set out in Tables 4.1 and 4.2 and describe our retail capacity forecasts for Chichester City Centre, Non-central foodstores and retail warehouses in Chichester, and for Midhurst, Petworth, Selsey and East Wittering.

The RECAP Model Forecasts

Convenience Goods

Table 4.1:
Summary of CONVENIENCE GOODS Capacity Forecasts (sq. m. net sales area)

Scenario/Location	2016	2021	2026	RECAP Model Table (Appendix 3)
Scenario 1:				
Chichester City Centre	-150	100	300	12
Non-central stores in Chichester	900	2,050	2,950	21
Midhurst	250	400	550	29
Petworth	150	150	200	35
Selsey	-50	100	200	41
East Wittering	-50	50	100	47
Scenario 2:				
Non-central stores in Chichester	3,950	5,400	6,550	50
Scenario 3:				
Non-central stores in Chichester	-550	400	1,200	53
Scenario 4:				
Non-central stores in Chichester	2,950	4,350	5,500	56

Source: Chichester RECAP Model 2010 (Appendix 3) rounded to the nearest 50sq m net.

Notes:

The forecasts in Table 4.1 are cumulative, i.e. the forecasts for each date include the forecasts for the previous dates and are not additional to those earlier forecasts.

The forecasts are for new floorspace additional to the committed retail developments included in RECAP Model Tables 11, 20, 28, 34, 40 and 46.

4.2 Before we comment on the convenience goods retail capacity forecasts in Table 4.1, some general points should be noted. First, the forecasts are all based on the assumption that where retailers are shown by the RECAP Model to be trading at above or below the 'benchmark' level based on estimated company average levels, their sales densities will fall or rise to that company average based level. This is a conventional assumption in retail studies of this type. However, some stores may well continue to trade successfully at above or below their company average sales density. The retail capacity forecasts should therefore be seen as realistic maxima, rather than targets which must be achieved through new development.

- 4.3 Second, the convenience goods forecasts are on the assumption that in Chichester potential new floorspace will be provided in the form of new food superstores, trading at a 'generic' average sales density for such stores of £12,000 per sq m net. Some food superstore operators trade above this level (Asda, Tesco and Morrisons), whilst Sainsburys trades below it. Other types of supermarket, in particular discount supermarkets, trade at far below £12,000 per sq m net. Thus the format in which new floorspace is provided will affect the amount of such floorspace which can be supported in terms of retail capacity. If it is provided only in the form of discount supermarkets, for example, the forecast growth in expenditure would be sufficient to support substantially more floorspace than indicated in Table 4.1. It is of course not possible to predict over a 16 year period the format in which potential food store developments might come forward in Chichester. It will therefore be necessary to review the implications for retail capacity in each location when specific proposals for new stores come forward, taking account of the format of the proposed stores and their likely occupiers and sales densities.
- 4.4 The four small towns are all too small to be capable of supporting a food superstore. In these towns therefore, we have assumed that new convenience goods floorspace would trade at a sales density of £6,500 per sq m net. This is a realistic 'generic' sales density for small supermarkets such as Co-op stores, Budgens, Farmfoods, Iceland and Aldi stores; but is substantially lower than small supermarkets operated by Tesco, Sainsburys, Marks & Spencer and Waitrose, for example. As in Chichester therefore, the format in which new floorspace is provided would affect how much floorspace would be supportable by forecast growth in expenditure. In the smaller towns too, it will be necessary to review the expenditure capacity to support specific development proposals for new foodstores.
- 4.5 Third, we have made no allowance for increases in sales densities of convenience goods floorspace over the forecasting period. This is because convenience goods sales densities have not been rising across the board over the last few years. For some retailers they have risen but for others they have fallen. However, at the next review of the forecasts, the most up-to-date sales densities should be used, so as to take account of any changes in real terms.
- 4.6 Fourth, although we have forecast capacity for additional non-central convenience goods floorspace in Chichester, this has been calculated separately from that in the city centre merely for forecasting reliability and convenience. It does not mean that any such capacity should necessarily be accommodated in the form of out-of-centre development. Rather, the sequential approach should be applied; and throughout the District new developments to accommodate any of the forecast need, including that forecast as non-central, should be located in or on the edge of the city and town centres, in preference to out-of-centre locations, if at all possible. However, Chichester City Centre is already highly developed, and (together with much of its immediate surroundings) has very strong conservation constraints. We are not aware of any sites in the city centre which could accommodate substantial new foodstores. Unless a site could be found on the edge of the city centre therefore, which

seems unlikely, in Chichester any large new foodstores would have to be located out-of-centre.

Chichester City Centre

- 4.7 Based on the results of the household interview surveys, we estimate that the foodstores and other convenience goods shops in Chichester City Centre as a group are currently trading somewhat below the 'benchmark' level based on company average sales densities. We estimate that at the 'benchmark' level, these stores and shops should achieve convenience goods sales of £28.6m (RECAP Model Table 10). However, we estimate that including visitor expenditure, they are actually achieving £24.1m in 2010 (RECAP Model Table 12). This means that with no changes in market shares, there will be no significant forecast capacity for any new convenience goods floorspace in the city centre throughout the forecasting period to 2026. Growth in expenditure resulting from growth in catchment area population and per capita expenditure would slowly reduce the under-trading, and bring convenience goods sales in the town centre up to about the current 'benchmark' level by about 2019.
- 4.8 Table 4.1 therefore shows that under Scenario 1, there will be a small theoretical over-supply of convenience goods floorspace in Chichester City Centre in 2016, of about 150 sq m net. By 2026, this should be replaced by nominal capacity of about 300 sq m net, if forecast trends occur. Unless there was to be a substantial increase in the city centre's market share of convenience goods expenditure attracted therefore, there will be no need for any substantial addition to convenience goods floorspace in the city centre during the forecasting period to 2026.
- 4.9 We have not modelled any further scenarios for Chichester City Centre, because we consider it very unlikely that sites could be made available for new foodstores there. We also do not expect that the existing foodstores and other convenience goods shops in the city centre would be greatly affected by a new out-of-centre superstore in the city, or by the proposed Sainsburys superstore at Bognor Regis if this is permitted.

Non-central main foodstores in Chichester

- 4.10 We estimate that the non-central main foodstores in Chichester as a group are trading slightly below the 'benchmark' level based on company average sales densities. The 'benchmark' level is £109.4m (RECAP Model Table 18). We estimate that these stores together are currently achieving convenience goods sales of about £107.2m (RECAP Model Table 21). Under Scenario 1, allowing for their sales densities to rise to the 'benchmark' level, and taking account of growth in expenditure, Table 4.1 shows that there will be expenditure capacity to support up to about 900 sq m net additional convenience goods floorspace in 2016, rising to about 2,950 sq m net by 2026, trading at £12,000 per sq m net, if forecast trends occur. This would not be sufficient to support a new superstore before about 2026.

- 4.11 Under Scenario 2, in which a new superstore opens by 2016, with substantial increases in market shares attracted by the non-central stores in Chichester as a result, there would be capacity for up to about 3,950 sq m net additional convenience goods floorspace in 'generic' superstore format. This would be somewhat more than sufficient to support such a superstore, which would be likely to have convenience goods floorspace of around 3,000 sq m net. In Scenario 2, the market share of convenience goods expenditure in the catchment area as a whole, which is attracted by Chichester's non-central main foodstores, would be likely to rise from 7.1% at present to about 9.4% in 2016, as a result of a new superstore in the city.
- 4.12 In Scenario 3, the effect of the proposed new Sainsburys superstore at Bognor Regis if permitted, would be to reduce substantially the capacity for additional foodstore floorspace in Chichester. In Scenario 3, we assume that there is no new superstore in Chichester to balance the new Sainsburys at Bognor Regis. In this case, there would be substantially less expenditure in the Sainsburys superstore in Chichester, and an over-supply of convenience goods floorspace in Chichester in 2016, of about 550 sq m net. This would be eliminated by about 2019; and thereafter capacity for additional convenience goods floorspace in 'generic' superstore format would grow to about 1,200 sq m net by 2026, if forecast trends occur. This would not be sufficient to support a new superstore in Chichester. Under this scenario, the overall market share of catchment area expenditure attracted by Chichester's non-central main foodstores would fall to about 6.2% in 2016.
- 4.13 Scenario 4 assumes that as well as the proposed Sainsburys superstore in Bognor Regis, a new superstore is developed in Chichester by 2016. As with Scenario 2, this would require a substantial increase in market shares of catchment area expenditure to be attracted. However, the effect of the proposed Sainsburys superstore at Bognor Regis would be to reduce the potential for such market share increases, particularly from Zones 2, 4 and 7. Indeed, in the case of Zone 4, Bognor Regis, we expect that Chichester's market share of available convenience goods expenditure would fall, rather than rising as in Scenario 2. To offset this, it would be necessary for the market share of Zone 1 expenditure to rise more than in the case of Scenario 2, for a new superstore in Chichester to be supportable in addition to the proposed Sainsburys superstore in Bognor Regis.
- 4.14 In Scenario 4, there would be capacity for up to about 2,950 sq m net additional convenience goods floorspace in 'generic' superstore format by 2016 – provided that the market share of expenditure attracted from Chichester itself (Zone 1) can be increased to a greater extent than in Scenario 2 to offset the loss of market share from other zones, particularly Zone 4. On this basis, the overall market share attracted by the non-central stores would be about 8.7% in 2016, i.e. less than in Scenario 2. However, subject to the proviso above, there should just about be sufficient capacity for a new superstore in Chichester in 2016, if forecast trends occur.

- 4.15 Overall, we conclude that if the proposed Sainsburys superstore in Bognor Regis is not permitted, there should be capacity for the additional convenience goods floorspace which would be in a new superstore in Chichester; which should be achievable in terms of increased market shares of convenience goods expenditure attracted. However, if the Sainsburys superstore in Bognor Regis is permitted, the capacity to support a new superstore in Chichester would be significantly reduced. However, it could still be supportable if it was operated by a retailer which currently does not have a superstore in the city, i.e. Asda or Morrisons, in the interest of increasing competition for convenience goods sales. Alternatively, there could be one or more smaller new foodstores in the city, e.g. additional discount supermarkets and local neighbourhood foodstores.

Midhurst

- 4.16 We estimate that the foodstores and other convenience goods shops in Midhurst are currently trading at just above the 'benchmark' level based on company averages. This level would be about £10.3m, compared with our estimate of actual current sales of about £10.9m. As Table 4.1 shows, this means that under Scenarios 1 and 2, there will be capacity for about 250 sq m net additional convenience goods floorspace in the town by 2016, rising to about 550 sq m net by 2026, trading at £6,500 per sq m net, if forecast trends occur. With no increases in the market share of catchment area expenditure attracted, this would be sufficient to support an additional small supermarket from about 2021 onwards. If such a store could effect small increases in the market share of catchment area expenditure attracted, it would be supportable by somewhat earlier. However, there is no realistic prospect of a large supermarket or a superstore being supportable in Midhurst terms of retail capacity, even by the end of the forecasting period.

Petworth

- 4.17 The only foodstore in Petworth is a small Somerfield supermarket. Not surprisingly, the household interview survey results show that this store is trading very well. We estimate that it is trading at a sales density of almost double the company average. After allowing for its sales density to fall to that 'benchmark' level, our forecasts in Table 4.1 show that there would be capacity for additional convenience goods floorspace of about 150 sq m net by 2016, rising to about 200 sq m net by 2026, trading at £6,500 per sq m net, if forecast trends occur. This would be sufficient to support an additional similar small supermarket operated by Co-op or Budgens, for example. If small increases in market share could be achieved, a higher sales density small local neighbourhood supermarket operated by Sainsburys, Tesco, Marks & Spencer or Waitrose, for example, should be supportable. As with Midhurst, there would not be sufficient expenditure capacity to support a large supermarket or a superstore in Petworth. However, a second small local supermarket would help to improve local retention of convenience goods expenditure in the town, and reduce the need for resident to travel to other towns for food and other convenience goods shopping.

Selsey

- 4.18 Selsey has one medium-sized supermarket (Budgens) and three small supermarkets. We estimate that as a group they are collectively trading at a little below the level based on 'benchmark' company average sales densities. The latter is about £9.3m, compared with our estimate of actual combined sales of about £8.2m. As a result, Table 4.1 shows that there will be a marginal theoretical over-supply of convenience goods floorspace of about 50 sq m net in 2016, which will be replaced by a small capacity of up to about 200 sq m net by 2026, trading at £6,500 per sq m net, if forecast trends occur. We therefore do not expect there to be any need for any new foodstores in Selsey (other than perhaps a small neighbourhood convenience store) during the forecasting period to 2026.

East Wittering

- 4.19 In East Wittering there is only a small Co-op supermarket and a Tesco Express convenience store. Their combined sales at 'benchmark' company average levels would be about £5.8m; whereas we estimate that they are currently achieving about £5.1m. As in Selsey, there is therefore a marginal theoretical over-supply of convenience goods floorspace of about 50 sq m net, which will be replaced by marginal capacity of about 100 sq m net by 2026, if forecast trends occur. We therefore do not expect there to be any need for new foodstores in East Wittering (apart perhaps from a small neighbourhood convenience store) over the period to 2026.

Comparison Goods

- 4.20 In Table 4.2, we summarise our comparison goods capacity forecasts for Chichester and Midhurst. As indicated above, we have been unable to prepare comparison goods capacity forecasts for Petworth, Selsey and East Wittering because of their small size and very limited comparison goods retail offer. Scenario 1 assumes no increases in market shares of comparison goods expenditure attracted from the catchment area. Scenario 2 assumes increases in market shares for Non-central stores in Chichester as a result of a potential new food/non-food superstore there. Scenario 3 allows for the impact on Chichester's existing Non-central stores of the proposed Sainsburys out-of-centre superstore in Bognor Regis. Scenario 4 assumes that there would be a new Non-central food/non-food superstore in Chichester, and that the proposed Sainsburys superstore in Bognor Regis would be permitted. It therefore allows for smaller increases in market shares attracted by Chichester's Non-central stores than in Scenario 2 (in which Sainsburys at Bognor Regis is not permitted).
- 4.21 In Scenarios 2, 3 or 4, we do not expect any significant impacts on Chichester City Centre from the potential new superstores considered, because of the special role and attractions of the city centre as an historic centre. Insofar as there was any impact, the effect of it would be to take some of the growth pressure off the city centre thus reducing its forecast capacity

somewhat, rather than adversely affecting the existing shops to any significant degree. We have therefore not modelled Scenarios 2, 3 and 4 for Chichester City Centre.

- 4.22 The forecasts in Table 4.2 are on the basis that in Chichester City Centre, new floorspace would trade at typical sales densities for town centres of its size and type. For additional floorspace forecast as Non-central in Chichester, we have applied sales densities for Scenarios 2 and 4 which are different from those in Scenarios 1 and 3. In the latter, we have assumed that new Non-central floorspace would trade at typical retail warehouse sales densities. If this was instead developed as higher density town centre format shops and stores in accordance with the sequential approach, or some of it formed part of a new food superstore, it would trade at higher sales densities than are typically found in retail warehouses. These higher sales densities would reduce the forecast capacity, if some of the capacity forecast as Non-central was actually to be located in the City Centre or a superstore.
- 4.23 In Scenarios 2 and 4, we have assumed that the first 3,000 sq m net sales area would be developed in a new food/non-food superstore in Chichester, trading at a 'generic' sales density for such comparison goods floorspace (£7,500 per sq m net in 2010, increasing at 1.5% pa thereafter). Subsequent floorspace has been assumed to be in retail warehouses, trading at typical retail warehouse sales densities. Again however, if some of the latter was developed in the city centre it would trade at a higher sales density, thus reducing the capacity below that forecast.

Table 4.2:
Summary of COMPARISON GOODS Capacity Forecasts (sq. m. net sales area)

Scenario/Location	2016	2021	2026	RECAP Model Table (Appendix 3)
Scenario 1:				
Chichester City Centre	9,700	20,750	29,750	12
Non-central stores in Chichester	7,050	14,200	20,050	21
Midhurst	600	1,250	1,800	29
Scenario 2:				
Non-central stores in Chichester	6,700	14,450	20,800	50
Scenario 3:				
Non-central stores in Chichester	4,100	10,700	16,100	53
Scenario 4:				
Non-central stores in Chichester	5,000	12,000	17,900	56

Source: Chichester RECAP Model 2010 (Appendix 3) rounded to the nearest 50sq m net.

Notes:

The forecasts in Table 4.1 are cumulative, i.e. the forecasts for each date include the forecasts for the previous dates and are not additional to those earlier forecasts.

The forecasts are for new floorspace additional to the committed retail developments included in RECAP Model Tables 11, 20 and 28.

Chichester City Centre

- 4.24 Table 4.2 shows that under Scenario 1, there would be capacity for additional comparison goods floorspace in the city centre at 2016, of about 9,700 sq m net. After 2016, forecast capacity rises further to about 20,750 sq m net by 2021, and further to about 29,750 sq m net by 2026, if forecast trends occur. This would be sufficient to support substantial city centre development in the second half of the forecasting period, even without any increases in market shares of comparison goods expenditure attracted.
- 4.25 This forecast capacity is on the basis that the sales density of the existing comparison goods shops and stores in Chichester City Centre will increase at 1.5%pa from 2011 onwards, as the national economy recovers from the recession. However, if the forecast capacity is not accommodated in new city centre development (as seems likely owing to the constraints on developing new retail floorspace in the city centre), city centre sales densities will rise at a faster rate than 1.5%pa, as the existing floorspace absorbs more of the growth in expenditure. This will create increasing pressure for incremental increases in retail floorspace, such as by changes of use, internal alterations to buildings, use of upper floors for trading, and extensions to existing shops. Such changes, if achievable without compromising conservation constraints, could collectively account for some of the forecast capacity. Some of the remainder would be accounted for by increasing sales densities. Permitting some additional (and carefully controlled) out-of-centre retail development could also account for some of the forecast growth potential of the city centre.

Non-central Stores in Chichester

- 4.26 Under Scenario 1, assuming no changes in market shares, and that new floorspace forecast as Non-central in Chichester is developed as retail warehouses, Table 4.2 shows that there would be capacity for up to about 7,050 sq m net additional such floorspace in 2016, rising to about 14,200 sq m net by 2021, and further to about 20,050 sq m net by 2026, if forecast trends occur.
- 4.27 In Scenario 2, the effect of a potential new food/non-food superstore in Chichester by 2016 would be to reduce the capacity forecasts from those in Scenario 1 at that date; because although market shares of comparison goods expenditure attracted from the catchment area would increase, some of the increased capacity would be absorbed by the superstore, which would have a much higher comparison goods sales density than would 'generic' retail warehouses. After 2016, assuming that the increased market shares are maintained, capacity would rise a little above that forecast under Scenario 1 because of those increased market shares. Table 4.2 therefore shows that in Scenario 2, there would be capacity in Chichester for additional floorspace forecast as Non-central of about 6,700 sq m net in 2016. 3,000 sq m net of this is assumed to be in a food/non-food superstore, and the remainder in retail warehouses. By 2021, the forecast capacity rises to about 14,450 sq m net, and further to about 20,800 sq m net by 2026. Again, 3,000 sq m net is assumed to be in a superstore, and

the remainder in retail warehouses. However, if it was developed in other formats with different sales densities, the forecast capacity would need to be adjusted accordingly.

- 4.28 In Scenario 3, market shares of catchment area comparison goods expenditure attracted by Chichester's Non-central stores would fall, as a result of permitting the Sainsburys superstore at Bognor Regis. That superstore would attract substantial expenditure which currently flows from Zones 2, 3, 4 and 7 to the Sainsburys superstore in Chichester and other Non-central stores. As a result, with no new superstore in Chichester to help balance the new Sainsburys in Bognor Regis, the capacity for new floorspace forecast as Non-central in Chichester would be about 4,100 sq m net, rising to about 10,700 sq m net by 2021, and further to about 16,100 sq m net in 2026, if forecast trend occur. This assumes that all such floorspace is developed in retail warehouse formats.
- 4.29 The forecasts for Scenario 4 fall between those for Scenario 2 and Scenario 3. This is because a new superstore in Chichester would go part way towards clawing back the expenditure lost (in Scenario 3) to the new Sainsburys superstore at Bognor Regis. In Scenario 4 therefore, Table 4.2 shows forecast capacity for up to about 5,000 sq m net additional floorspace forecast as Non-central in Chichester in 2016, rising to about 12,000 sq m net by 2021, and further to about 17,900 sq m net by 2026. 3,000 sq m of this is assumed to be in a new superstore in Chichester, and the remainder in retail warehouses. As in the previous scenarios, if it is proposed to be developed in different formats, the capacity forecasts should be adjusted to take account of the different sales densities.
- 4.30 Overall, we conclude that there should be expenditure capacity for fairly substantial additional comparison goods floorspace in Chichester, forecast as Non-central but which should be located in accordance with the sequential approach. This does not mean that sites must be identified and allocated for such development. In view of the conservation constraints and lack of available sites for new retail development in Chichester, the Council would be justified in deciding that not all of the forecast capacity for new retail floorspace can be accommodated in the city.

Midhurst

- 4.31 Table 4.2 shows that with no changes in market shares of catchment area expenditure attracted, there will be expenditure capacity for up to about 600 sq m net additional comparison goods floorspace, rising to about 1,250 sq m net by 2021, and further to about 1,800 sq m net by 2026, if forecast trends occur. If this could be achieved, it would amount to a fairly substantial expansion of comparison goods floorspace in Midhurst, equivalent to about 10 to 15 new standard shops by 2026. In practice, shop rental values may not be high enough in Midhurst, and retailer demand too limited, to make such development financially viable and a practical proposition. Also, conservation constraints may limit the opportunity to achieve such development in the town centre. However, well designed new retail development within or on the edge of the town centre within these capacity forecasts, or

incremental increases in floorspace, could in principle be supported, subject to proper evaluation.

Retail Sector Analysis for Chichester

- 4.32 RECAP Model Table 57 shows the market shares of expenditure on each sub-category of comparison goods which we estimate are attracted in 2010 by Chichester City Centre and the Non-central stores in Chichester. It also shows the combined market shares attracted by Chichester as a whole. Table 57 shows that the city centre attracts the highest market shares of expenditure on clothing and footwear; chemists', medical and beauty products; and on personal and luxury goods, games, books, CDs, etc. It attracts much lower market shares on the 'bulky goods' categories of expenditure. This is not surprising, as the retail warehouses substantially sell goods in the 'bulky goods' categories. The profile of city centre market shares is fairly typical of town centres of this size and type. It does not indicate any conspicuous weaknesses of the city centre, within its constraints of size and type.
- 4.33 Table 57 also shows that the profile of market shares attracted by the Non-central superstores and retail warehouses in Chichester is approximately a 'mirror image' of that for the city centre. Thus it shows low market shares for the goods categories in which the city centre attracts high market shares, and high market shares for the more 'bulky' goods categories such as furniture and floorcoverings, household appliances, audio-visual equipment, and DIY goods, in which the city centre's market shares are low. Taken together, the retail sector analysis in Table 57 does not indicate any major weaknesses in the retail performance of the city as a whole. It is not unusual for chemists' medical and beauty products to show a market share which is low relative to other goods categories, because much expenditure on such goods is undertaken locally.
- 4.34 The only goods category in which Chichester is somewhat under-performing, therefore, is DIY goods and decorators' supplies and garden products. This is not surprising, as there is only a Homebase store, Topps Tiles, and various (mainly non-retail) building supplies outlets. We therefore suggest that if additional retail warehouses are developed in Chichester, they should include another DIY goods store, for example one operated by B&Q or Wickes.

Use and Review of the Forecasts

Finally, we must emphasise that all expenditure based forecasts of future shop floorspace capacity are based on imperfect data and contain a number of assumptions. Our forecasts set out in this report are based on the most up-to-date and reliable information currently available to us. However, they are intended as an indication of the likely order of magnitude of future shop floorspace capacity (if forecast trends are realised) rather than as growth targets or rigid limits to future growth. The forecasts should be periodically revised as necessary, as advised above, in the light of actual population and expenditure growth, and as development proceeds and its effects become measurable.

5. Retailer Demand in Chichester District

- 5.1 This report looks ahead to 2026, in accordance with the period covered by the Core Strategy for the District. Whilst retailer demand will substantially determine the scale and nature of new retail development which can be implemented, it is clearly impossible to assess demand over such a long period. Retailer demand is very susceptible to national economic conditions, and to conditions in local areas. It is therefore only possible to assess current demand, as a guide to the practicality of achieving new development in the next few years alone. To provide a current indication of what scale and type of new retail development would be commercially realistic in Chichester in the short term, therefore, we undertook an outline assessment of the demand from retailers to open new stores and shops in the city.

DEMAND IN CHICHESTER

Foodstores

- 5.2 Chichester already includes two large out-of-centre food/non-food superstores operated by Sainsburys and Tesco; a large out-of-centre Waitrose supermarket; city centre foodstores operated by Marks & Spencer, Tesco and Iceland; an out-of-centre Lidl discount supermarket; and three local neighbourhood convenience stores operated by Tesco. There is also a wide range of small convenience goods shops, including food specialists. Together these provide a broad range of food shopping opportunities in the city.
- 5.3 Of the main food retailers, Chichester lacks superstores operated by Asda and Morrisons; neighbourhood stores operated by the Co-op; and discount supermarkets operated by Aldi and Netto. Asda has for some time been keen to obtain a new superstore in this part of the south coast; and was recently refused planning permission for one at Bognor Regis. We understand that the company is seriously considering a possible site on the east side of Chichester for a new food/non-food superstore; and is expected to submit a planning application in the near future. There is therefore evidence of retailer demand for one new superstore in Chichester; which we would expect to be maintained even if Sainsburys is permitted to develop its proposed superstore at Bognor Regis.
- 5.4 Morrisons already has a large supermarket in Bognor Regis and a superstore in Worthing. The company has recently submitted planning applications to replace the Bognor Regis store with a new superstore, and to extend the Worthing store. We therefore consider it unlikely that Morrisons would be interested in developing a new superstore in Chichester, unless Asda is unable to proceed with a new superstore in the city, and Morrisons is unable to achieve a larger store in Bognor Regis.
- 5.5 Stores operated by the Co-op and by the discount retailers, Aldi and Netto, are much smaller than those operated by the 'big four' food retailers. Also, because their sales densities are

substantially lower, they absorb very much less expenditure. Their requirements are therefore much less important to a retail planning strategy for the city than those of the superstore operators. However, we consider it likely that there would be retailer interest for up to one new edge-of-centre or out-of-centre discount supermarket in Chichester, if a suitable opportunity became available in the next few years. This is supported by Aldi's inclusion on the Focus database of retailers' requirements, as seeking more stores in West Sussex generally. We would also expect interest from the Co-op in any new opportunities to develop small local neighbourhood supermarkets in local shopping areas in the city.

- 5.6 In addition, the Focus database of retailers' requirements indicates interest from Sainsburys for small 'Sainsburys Local' convenience stores in West Sussex generally (although not specifically in Chichester). We would therefore expect the company to be interested in any opportunities for such new stores in the city.

Other A1 to A5 Uses

- 5.7 Retailers' and service businesses' requirements for shops in Chichester (excluding foodstores) have been assessed using the Focus database. The Focus retailers' requirements database provides a useful indicator of demand for shop floorspace in a town. Table 5.1 summarises requirements for floorspace in Chichester, and in West Sussex including Chichester. The latter has been included because retailers seeking space in towns in this wider area will be likely to consider Chichester, because of its attractiveness to shoppers and importance as a shopping centre in the County.
- 5.8 Table 5.1 shows that demand is currently reasonably healthy in Chichester. All of the requirements were updated in 2009 or 2010, meaning that the demand for shops still exists, despite the current poor economic climate. Multiple retailers and service businesses currently require between about 11,000 sq m and 33,000 sq m of space in Chichester in total. The largest requirement comes from TJ Hughes, which is a discount variety store retailer that has registered a requirement of between 2,323 sq m and 13,935 sq m gross of space; but it must be noted that this operator has registered interest in many retail centres around the UK, but has not opened many new stores recently. Some of the other companies with requirements to locate in Chichester represent charity shops, hot food take-aways and coffee shops, or Class A3 restaurants. However, there is also a requirement from Debenhams to open one of its Desire stores, with a minimum of 1,858 sq m required at ground floor level.

Table 5.1: Retailers' and Services' Requirements – Chichester and West Sussex

Location	From sq m gross	To sq m gross	Retailer	Updated
Chichester	56	111	Hotel Chocolat	03-Mar-10
Chichester	28	93	Culpeper	08-Mar-10
Sub-Total Convenience	84	204		

Chichester	372	650	Tile Depot	09-Mar-09
Chichester	279	1,115	Pets At Home Ltd	10-Mar-09
Chichester	116	139	Polarn O Pyret	26-Mar-09
Chichester	2,323	13,935	TJ Hughes Ltd	09-Apr-09
Chichester	279	557	British Heart Foundation Furniture & Electrical	22-Apr-09
Chichester	139	929	PamPurredPets	22-Apr-09
Chichester	1,394	3,716	TK Maxx	22-Apr-09
Chichester	232	465	Joy	30-Apr-09
Chichester	65	139	Phase Eight	08-May-09
Chichester	232	929	Formula One Auto Centre	21-May-09
Chichester	1,858	2,323	Desire by Debenhams	28-May-09
Chichester	121	232	Pilot Clothing Ltd	08-Jun-09
Chichester	325	743	Poundland Ltd	16-Jun-09
Chichester	139	325	Mountain Warehouse	18-Jun-09
Chichester	84	372	Steamer Trading Ltd	22-Jun-09
Chichester	84	139	Futon Company	01-Sep-09
Chichester	74	279	Mark Wilkinson Furniture Ltd	01-Sep-09
Chichester	93	163	Hawkin's Bazaar	03-Sep-09
Chichester	28	74	Dr China	14-Sep-09
Chichester	93	186	Oliver Bonas	03-Nov-09
Chichester	139	232	The Works Retail Limited	02-Feb-10
Chichester	372	929	Sussex Bed Centre	08-Feb-10
Chichester	70	116	Weird Fish Retail	17-Feb-10
Chichester	111	279	Gerry Weber	23-Feb-10
Chichester	79	139	Card Factory	23-Feb-10
Chichester	27	93	Hatton Goldsmiths	16-Mar-10
Chichester	465	743	99p Stores Ltd	18-May-10
Chichester	111	279	YMCA Shops	10-Jun-10
West Sussex	325	650	Kids Unlimited	28-Sep-09
Sub-Totals Comparison	10,028	30,871		
Chichester	149	260	Gourmet Burger Kitchen	10-Jun-09
Chichester	139	279	The Real Eating Company Ltd	22-Jun-09
Chichester	93	186	Headmasters	28-Jan-10
Chichester	111	139	Costa	11-Feb-10
Chichester	74	186	Caffe Nero	22-Feb-10
West Sussex	23	232	OJ's	06-Apr-09
West Sussex	279	650	Glo Restaurant	06-Apr-09
West Sussex	46	167	Subway	13-May-10
Sub-Totals Services	915	2,100		
TOTALS	11,027	33,175		

Source: Focus, 2010

- 5.9 Most of these retailers and service businesses are seeking space in Chichester City Centre. However some would only locate in out-of-centre retail warehouses, in particular Tile Depot and Pets at Home. Some would consider the city centre or out-of-centre retail warehouses, including TK Maxx and Desire by Debenhams.
- 5.10 We consider that this shows a healthy demand in the current economic conditions. Also, many retailers will not register an interest on the Focus database, in circumstances where they know that there are no substantial opportunities for new stores coming forward, as is the case in Chichester City Centre. Given the apparent level of demand for shop floorspace at present, we would expect that once economic conditions improve, interest from comparison goods retailers and service businesses in opening shops and stores in Chichester will increase. The evidence of retailer demand therefore generally supports our short to medium term retail capacity forecasts set out in Section 4, and confirms that there will probably be an increasing need for more shops and stores in the city in the short to medium term.

DEMAND IN THE SMALLER CENTRES

Midhurst

- 5.11 The Focus database lists only four retailers' requirements for space in Midhurst. These are from Steamer Trading, Timpsons, Superdrug and Dolland & Aitichison. Their requirements total between 348 sq m and 1,068 sq m gross. This is not surprising in view of the small size of the town centre relative to Chichester. It does indicate that even in the current difficult economic climate, there is still some current demand for new shops in the town centre, from specialist national multiple retailers.

Selsey

- 5.12 The Focus database lists one retailer as having a requirement for a store in Selsey. This is 'The Original Factory Shop', which is seeking between 557 and 1,394 sq m gross. This is a general merchandise retailer, selling a wide range of goods including clothing, footwear, and household goods, at discounted prices. The lack of demand from any other retailers indicates that substantial new retail development in Selsey is unlikely to be achievable in the short term. This is not surprising, in view of the small size and limited role of the town centre.

Petworth and East Wittering

- 5.13 No retailers' requirements were recorded on the Focus database for these small centres. It confirms our view that significant new retail development will be unlikely in the short term. The exception could be a new foodstore in Petworth, to remove the deficiency of access to foodstores in the town.

6. Qualitative Needs for New Retail Development

CHICHESTER

Chichester City Centre

- 6.1 Chichester is a substantial town centre and the second largest on the south coast between Brighton and Portsmouth (after Worthing). In the 2010 town centre rankings according to Venuescore, Chichester City Centre ranked 115th nationally (out of 2,106 centres, with rank number 1 being the highest); compared with a national ranking of 99 for Worthing Town Centre. For comparison, Brighton Town Centre ranked 8 nationally, and Portsmouth City Centre ranked 98. Chichester is classified by Venuescore as a 'regional centre' in the national context. Its overall market position is assessed by Venuescore to be 'upscale'; and its fashion goods market position to be 'mainstream'. Worthing is also ranked as a 'regional centre'; and has an overall market position of 'middle', and a fashion goods market position of 'mainstream'.
- 6.2 There has been no substantial town centre retail development in Chichester City Centre for many years, despite the rapid economic growth of the late 1990s and early to mid 2000's. However, this is also true of Worthing. During that period, most new retail floorspace in these towns was developed out-of-centre, in superstores and retail warehouse parks. However, the City Centre remained vital and viable, as indicated in Section 2 above. More recently, the Shippams site on East Street was redeveloped, and now includes large H&M and New Look stores, which are amongst the largest in the city centre.
- 6.3 Chichester City Centre is a strong shopping and services centre, with a wide range of retailers and service businesses, in a very attractive and pleasant environment. Our retail capacity forecasts show that there will be a growing and substantial capacity for new comparison goods retail floorspace in the city centre. This is supported by current evidence of retailer demand. However, the city centre is already highly developed within the city walls, and is subject to strict conservation constraints owing to the large number of historic buildings, and the overall historic environment. The issue facing the Council therefore is the degree to which quantitative needs and pressures for new retail development can be accommodated in or on the edge of the city centre, within these constraints.
- 6.4 In practice, it will probably be impossible to accommodate more than a small proportion of forecast quantitative capacity for new retail floorspace within the city centre itself. However, the Core Strategy will need to lay down criteria-based policies for doing so; such as by means of changes of use from non-retail to retail, internal alterations to existing buildings and their extension, and sensitive incremental redevelopment of any buildings which are not listed and which are inappropriate to the historic character of the streets.

- 6.5 Under the sequential approach of PPS4, the second priority location for new retail development is edge-of-centre sites, defined as ‘*a location that is well connected to and within easy walking distance (i.e. up to 300 metres) of the primary shopping area*’. In Chichester such areas are close to the city walls, and are themselves subject to conservation constraints. Apart from building on important green spaces alongside the city walls (which is very unlikely to be acceptable), the only such sites which could potentially accommodate substantial new retail development are surface car parks inside the city walls south of the District Council offices; and just outside the city walls at Northgate and Eastgate. However, the car parking would need to be replaced (for example with underground or multi-storey parking), which might compromise the financial viability of such development. In the case of the Eastgate car park, the small temporary markets which take place on the site on Wednesdays and Saturdays would need to be relocated. Large scale comparison goods retail development on these sites would have to be very sensitively designed, if it was not to detract from the very pleasant historic character of the city centre and its immediate setting. Of these sites, we consider that the most suitable for new retail development and replacement car parking would be the Eastgate car park; as it is the best connected to the existing primary shopping areas, and to existing secondary shopping at The Hornet.
- 6.6 In the immediate short term, the future for Chichester City Centre will probably not be development led. In the medium term (potentially before 2016) there could be opportunities to attract some new retail development, to an edge of centre site. We therefore suggest that the Council evaluates fully this potential retail development opportunity, in conjunction with work on the development plan. Any opportunities to include small scale and incremental new retail floorspace in the city centre itself should also be pursued by the Council.

Chichester Non-central Shopping

- 6.7 Out-of-centre, Chichester has two food/non-food superstores, a large supermarket, a substantial retail park (two stores on which are currently vacant), two large free-standing retail warehouses (Homebase and BHS), and two small retail warehouses. There are therefore no urgent qualitative needs for new out-of-centre retail development in the city. However, development of a third food/non-food superstore would increase competition and consumer choice for food shopping, and widen the range of mass-market comparison goods available in the city (albeit with some impacts on the existing foodstores, and on foodstores in Bognor Regis).
- 6.8 The exception to this is DIY goods stores. There is only one such store in Chichester at present (Homebase). Our Retail Sector Analysis described in Section 4 above shows that the city’s market share of DIY good expenditure is significantly below its market shares of expenditure in the other comparison goods categories. There is therefore a qualitative need for another DIY goods store in Chichester, for example operated by B&Q or Wickes. In view of the conservation constraints in and on the edge of the city centre, such a store could probably only be located out-of-centre in Chichester.

MIDHURST

- 6.9 Midhurst has a very much smaller town centre than Chichester. It is ranked 1,721 nationally by Venuescore (compared with 115 for Chichester), largely due to its small size. Venuescore classifies it as a 'local centre' in the national context. Anchored by Budgens and Tesco Express supermarkets, it is a small but very pleasant town centre of historic character. Whilst it includes few multiple retailers, it also has a good number of independent retailers and service businesses, some of which are specialists in their field. However, it lacks the modern multiple retailers, or sufficient strong 'anchor' stores to retain a high proportion of catchment area residents' expenditure.
- 6.10 In view of Midhurst's status as a small town in the largely rural Rother Valley, there are no conspicuous qualitative needs for new retail development in the town. However, any opportunities which arise to attract new shops and service businesses should be taken, where this can be done without detracting from the attractive historic environment; and without significant adverse impact on the existing shops and services. The Council should also aim to make the town centre as it currently exists as attractive and convenient as possible for shoppers and other town centre users.

PETWORTH

- 6.11 Petworth is too small a town centre to be included in the Venuescore national ranking of centres. It has a specialist role selling antiques, in addition to serving the needs of the local population. The main weakness in the retail offer is that there is only one very small supermarket in the town. As our RECAP Model forecasts show, that store is estimated to be trading at well above the company average sales density. There is therefore both a quantitative and qualitative need for another foodstore in Petworth, in order to retain more expenditure locally in the town, and reduce the need for residents to travel elsewhere for food shopping. Such a new store should be in scale with the retail capacity forecasts. At the same time, the Council should also support proposals elsewhere in the town centre for small scale extensions to existing shops and stores, infill developments and appropriate changes of use, so as to help increase the retail attractiveness of the town centre as a whole; provided that these can be achieved without compromising the attractive historic environment of the town centre.

SELSEY

- 6.12 Selsey is also too small a centre to be included in the Venuescore national ranking of centres. It is already served by four small supermarkets, one of which (Budgens) is a modern store with its own car park; and which collectively are estimated to be trading at a little below the level based on the respective company average sales densities. There is therefore no qualitative need for a new foodstore in the town centre. Whilst additional shops and services

would increase the retention of locally generated expenditure, the lack of retailer demand shows that the commercial potential to attract such retail development will be very limited in the short to medium term. The need in Selsey is therefore to make the centre as it currently exists as attractive as possible for the town's residents. Measures to achieve this could potentially include:

- Provision of additional seating for shoppers.
- Reviewing car parking arrangements, with the aim of maximising short stay car parking and making it as convenient as possible to use.
- Designation of High Street as a 20mph slow speed zone, to reduce the impact of traffic.
- Installation of one or more additional pedestrian crossings on High Street.
- Removal of any obstacles to easy movement by wheelchair and mobility scooter.

EAST WITTERING

- 6.13 As the smallest town centre in the District, East Wittering is also too small to be included in the Venuescore national ranking of centres. It is anchored by two small supermarkets, one of which (Tesco Express) is a modern store opened in 2003. There is therefore no conspicuous need for another foodstore in the town. There is currently no apparent demand from national multiple retailers to open in East Wittering, and therefore little prospect of achieving any substantial new retail development. However, a site exists at the west end of Cakeham Road, which could potentially accommodate new shops to extend the retail area, and help retain more retail expenditure locally, if a financially viable development could be formulated. Such a development could perhaps be anchored by an additional foodstore, to increase consumer choice, if retailer demand (for example from a discount supermarket) was forthcoming.
- 6.14 Apart from such a potential future retail development, the focus should be on making the town centre as attractive and convenient as possible for use by local residents. This could include some or all of the same actions as indicated above for Selsey. At East Wittering, Cakeham Road could with advantage be designated a 20mph slow speed zone, enforced by passive traffic calming measures such as speed humps and width restrictions at either end.

7. Summary of Principal Conclusions

- 7.1 This Retail Study Update is intended to provide an up-to-date indication of the likely order of magnitude of future expenditure capacity to support new retail floorspace in Chichester and the four small town centres in the District. It takes account of forecast population growth, growth in per capita expenditure, and retail developments which have already been permitted.

CHICHESTER

- 7.2 Chichester City Centre is currently vital and viable as a retail centre, in the terms envisaged by PPS4. It has a very good range of shops and services for a city of its size. Household interview survey data shows that it attracts expenditure from a wide area, particularly on comparison goods. Whilst there is a fairly substantial number of vacant shops, these are mainly below the average size of shops in the city centre, and located mainly in the more secondary shopping areas. Shop vacancy in the primary retail area is very low, and shops and stores in this area which become available quickly attract tenants. The city centre has a delightful and high quality shopping environment, the Cathedral and other fine features, which mean that it attracts many visitors from beyond its natural catchment area. The main weakness of the city centre is the lack of available opportunities for new retail development of larger shops and stores to accommodate the strong retailer demand. However, this is balanced by the large number of small shops, many operated by independent retailers, which substantially add to the charm of the shopping experience.
- 7.3 In preparing the retail capacity forecasts, we have examined four possible scenarios for future retail development in Chichester. Scenario 1 assumes that there will be no changes in the pattern of market shares of expenditure attracted from the catchment area by each town. Scenario 2 takes account of the potential effects of a possible new food/non-food superstore in Chichester, and examines the implications for future floorspace needs. Both scenarios assume that the proposed out-of-centre Sainsburys superstore at Bognor Regis is not permitted. Scenario 3 assumes that the Sainsburys superstore at Bognor Regis goes ahead by 2016, but with no new superstore in Chichester; whilst Scenario 4 assumes that there would be a new superstore in Chichester as well as the proposed Sainsburys superstore in Bognor Regis.
- 7.4 Scenarios 2, 3 and 4 are more realistic than Scenario 1, because they allow for the effects of potential new food/non-food superstores in Chichester and Bognor Regis. Having considered these three scenarios, we conclude that there should be sufficient expenditure capacity for a new food/non-food superstore in Chichester, even if the proposed Sainsburys superstore at Bognor Regis is permitted, if forecast trends occur. The latter superstore would increase the impact on the existing main foodstores in Chichester, particularly on Sainsburys. Much of the impact from such new superstores would fall on the existing out-of-centre Tesco and Sainsburys superstores in Chichester, which do not qualify for any protection from competition

under PPS4. We do not expect any significant impacts on the city centre foodstores, which in the particular circumstances of Chichester, serve a somewhat different market.

- 7.5 Our forecasts show that there should be a growing and eventually substantial expenditure capacity for new comparison goods shop floorspace in Chichester City Centre. This would be sufficient to support one or more substantial retail developments over the period 2016 to 2026. Current evidence of retailer demand for city centre shops and stores supports this conclusion.
- 7.6 We are aware that there are no sites within the city centre itself which could accommodate more than a small proportion of such development. However, we expect that it may be possible to accommodate some new comparison goods retail floorspace, for example by changes of use, internal alterations to and extension of existing buildings, and sensitive redevelopment of non-listed and less attractive buildings. We therefore recommend that the Council includes in the emerging Core Strategy criteria-based policies to support such development.
- 7.7 In addition to such criteria-based policies for the city centre, we recommend that in conjunction with its work on the Core Strategy, the Council reviews the potential of the Eastgate car park to accommodate a substantial new retail development and replacement car parking. This edge of centre site is the closest and best related to the primary shopping area, and to existing secondary shopping at The Hornet. A substantial retail development on this site would need to be very sensitively designed; but if achievable, could accommodate much of the forecast capacity for new city centre comparison goods floorspace over the period 2016 to 2026. An initial urban design study and commercial appraisal would identify what could realistically be achievable on this site.
- 7.8 In addition to capacity for new city centre comparison goods retail development, our forecasts show that there should also be growing capacity for additional comparison goods floorspace forecast as non-central in Chichester. Under the sequential approach, any such capacity should actually be located in or on the edge of the city centre, in city centre format shops and stores rather than in low density retail warehouses, if suitable sites can be found in these higher priority locations. However in Chichester, with its exceptionally strong conservation constraints, it is likely that substantial new retail developer could be edge-of-centre at best. It is also likely that edge-of-centre sites would be unable to accommodate all the capacity forecast as non-central as well as that forecast for the city centre. It is therefore likely that there will remain a significant need for some additional out-of-centre comparison goods retail floorspace, over the long term to 2026.
- 7.9 Some of this forecast capacity could be accommodated in a potential new out-of-centre food/non-food superstore in Chichester. The remainder could support limited additional retail warehouses. However, we recommend that any planning permissions for retail warehouses are strictly conditioned to limit them to the sale of 'bulky' comparison goods only, such as

furniture and floor-coverings, domestic appliances, DIY goods, decorators' supplies and garden products, and motor and cycle parts and accessories. This is to avoid such out-of-centre retail development detracting from the city centre, and to maximise the prospects for a successful edge-of-centre retail development of city centre format shops and stores, as discussed above. For the same reasons, the Council will need to resist any proposals to relax existing planning conditions limiting goods sold to 'bulky' comparison goods only, from the existing retail warehouses. There is a particular qualitative need in Chichester for another DIY goods store.

THE SMALLER TOWN CENTRES

- 7.10 Midhurst is a vital and viable small town centre, which is functioning well to serve the day-to-day needs of the local population and visitors, in the terms envisaged in PPS4. It has an attractive historic environment, and provides a reasonable range of local shops and services appropriate to the small size of the town's population. In particular, it has a good range of food and drink establishments. It also includes two (albeit small) supermarkets.
- 7.11 We have only been able to identify very limited needs for additional retail floorspace in the four smaller centres in the District. In Midhurst, there is forecast capacity for a small amount of additional comparison goods retail floorspace. However, this is not sufficient to support a substantial retail development. Retailer demand for shops in Midhurst is also very limited. This means that it is unlikely that anything more than small scale incremental increases in retail floorspace will be possible over the period covered by the Core Strategy.
- 7.12 Petworth is a very attractive historic town centre, which is vital and viable within the limitations of its small size and specialised retail role as a centre for antiques. However, we consider that the existence of only one small supermarket is a weakness, which reduces the potential for the town centre to retain more expenditure locally.
- 7.13 In Petworth therefore, we have identified a specific need for another foodstore. The existing sole supermarket is very small and is estimated to be heavily over-trading. We therefore recommend that the Council investigates potential sites which could accommodate a new small supermarket of up to about 150 to 200 sq m net, for example a Marks & Spencer Simply Food store, Sainsburys Local Store, Tesco Express store or Budgens supermarket.
- 7.14 Selsey is a small linear town centre which appears to function well to serve the day-to-day shopping and services needs of the town's residents and of leisure visitors. The absence of any vacant shops indicates that it is performing well within its limitations. It is well provided with small supermarkets, which substantially help to retain local expenditure. We consider that it is a vital and viable town centre in PPS4 terms.
- 7.15 East Wittering is a small compact town centre, providing a good range of shops and service businesses to serve the town's residents and visitors, in a generally pleasant environment. The absence of vacant shops shows that it is performing well in this role. The presence of

two small supermarkets helps retain local expenditure and 'anchor' the town centre. We consider that the town centre is a vital and viable centre within its limitations, in PPS4 terms.

- 7.16 In Selsey and East Wittering, we have not been able to identify any specific needs for new retail floorspace. However, In East Wittering a site exists at the west end of Cakeham Road, which could in due course potentially accommodate another supermarket such a discount foodstore, plus other shops and services, if retailer demand is forthcoming and such a development could be made financially viable. Otherwise, in Selsey and East Wittering action should focus on making each centre as attractive and convenient for local residents as possible. We have suggested some ways in which this might be advanced, including the possible designation of 20mph slow speed zones in both centres, to reduce the traffic impact and improve the environment for shoppers.

REVIEW OF THE RETAIL CAPACITY FORECASTS, AND PLANNING POLICIES FOR FUTURE RETAIL DEVELOPMENT

- 7.17 The retail capacity forecasts set out in this report cover a long period to 2026. However, national economic conditions can sometimes be volatile, and retailing is a very dynamic industry. This means that our shorter term forecasts are likely to prove more reliable than our longer term forecasts. We therefore consider it essential that our forecasts are next reviewed well before 2016, based on a new household interview survey of shopping patterns at that time, to measure the effects of any new retail development in the District and in competing towns which had taken place in the meantime. In particular, retail capacity and impact would need to be updated and assessed in connection with the submission of planning applications for any new retail development, for example a new superstore in Chichester, in the light of economic and retail conditions at that time, before planning permission is granted.
- 7.18 Policy EC5.5 of PPS4 states that sites should be identified and allocated in development plan documents *'to meet at least the first five years identified need'*. We therefore consider that it is not essential to provide in the emerging Core Strategy, policy support for potential new retail developments for which significant capacity is not forecast to arise until after about 2021. However, if the Council wishes to include policies to support such potential developments, we recommend that it should be made clear that planning permission will not be granted until expenditure capacity has demonstrably arisen to support them; and that this is not expected to be before about 2021, subject to review before that date.



Appendix 1 – Survey of the Shopping Environment



Appendix 2 – Catchment Area Map



Appendix 3 – Reconciliation of Survey and Catchment Area Zones



Appendix 4 – Chichester RECAP Model 2010

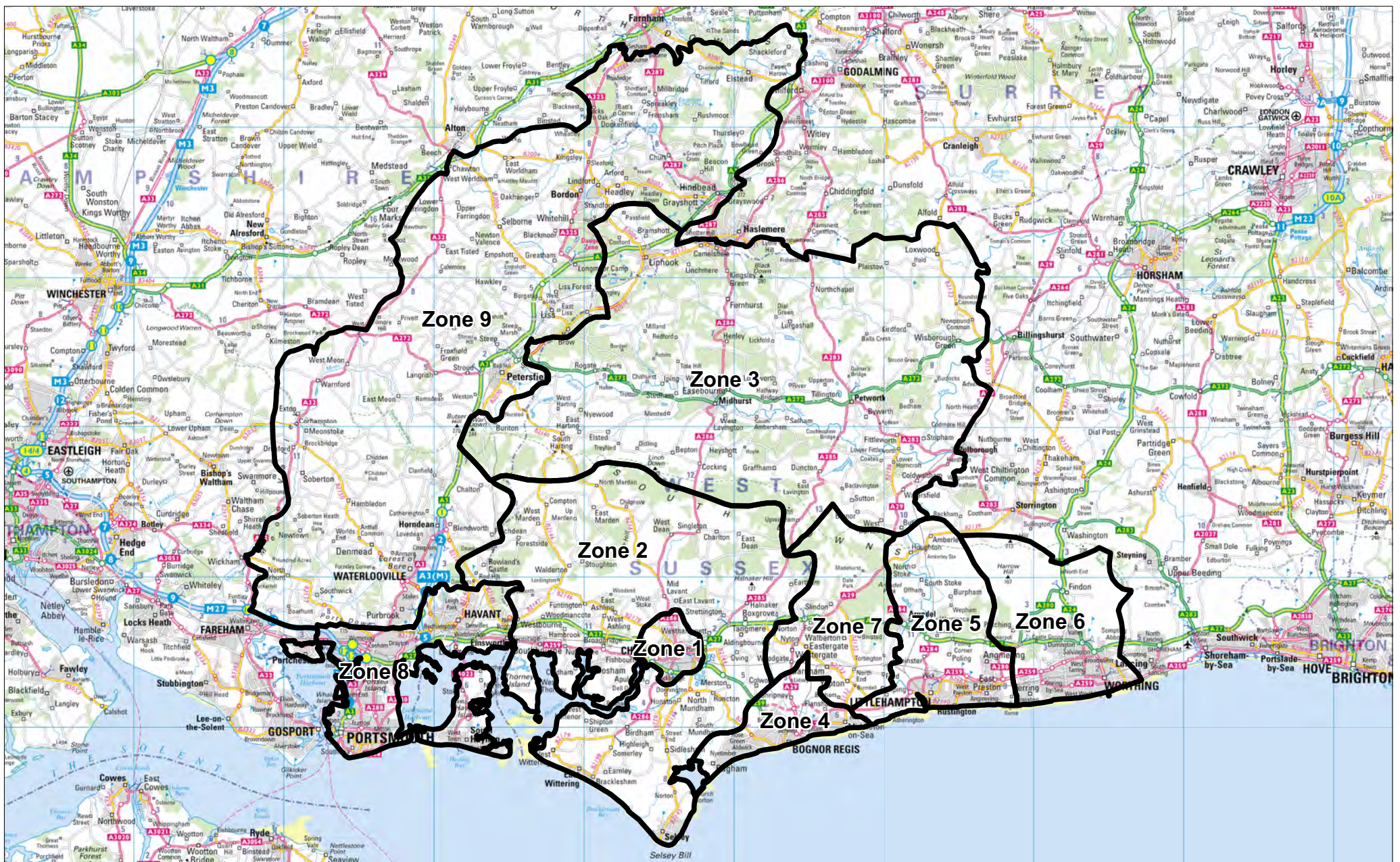
Chichester Retail Study Update 2010

SUMMARY RESULTS OF SURVEY OF THE SHOPPING ENVIRONMENT

Item	Score				
	Chichester	Midhurst	Petworth	Selsey	E. Wittering
1 Condition of carriageway and pedestrian surface, street lights, bollard, signs, traffic signs and signals	5	4	5	4	4
2 Seats/planters/hanging baskets/litter bins/water features/public art	4	3	4	4	4
3 Public facilities, telephones, bus stops/shelters, public toilets	4	3	4	3	3
4 Graffiti, fly-posting, vandalism	5	4	5	5	5
5 Market stalls and street traders	n/a	n/a	n/a	n/a	n/a
6 Barriers to movement	4	3	5	4	3
7 Cycle parking	4	4	3	4	3
8 Maintenance and repair of buildings, shopfronts and canopies	5	3	5	4	3
9 Personal security and police presence	4	4	5	3	4
10 Wheelchair access	4	2	4	4	2
11 Facilities for the blind or partially sighted	5	2	3	3	3
12 Car parking	5	5	4	4	4
AVERAGE SCORE (excluding item 5)	4.45	3.36	4.27	3.82	3.45

Source: DTZ Survey, May 2010.

Notes: 1 = Very Poor; 2 = Poor; 3 = Fair; 4 = Good; 5 = Excellent.



Chichester: Zones 1 - 9

Chichester Catchment Area

RECAP Model Zone	Asda Survey Zones	2005 DTZ Survey Zones	Postcode Sectors
1		1	PO19 1 PO19 3 PO19 5 PO19 6 PO19 7 PO19 8
2		2	PO9 6 PO10 8 PO18 0 PO18 8 PO18 9 PO20 0 PO20 1 PO20 2 PO20 7 PO20 8 PO20 9
3		3	GU27 3 GU28 0 GU28 9 GU29 0 GU29 9 GU30 7 GU31 5 RH14 0 RH20 1
4	1 to 6		PO21 1 PO21 2 PO21 3 PO21 4 PO21 5 PO22 6 PO22 7 PO22 8 PO22 9
5		5	BN16 1 BN16 2 BN16 3 BN16 4 BN17 5 BN17 6 BN17 7 BN18 9
6		6	BN11 1 BN11 2 BN11 3 BN11 4 BN11 5 BN12 4 BN12 5 BN12 6 BN13 1 BN13 2 BN13 3 BN14 0 BN14 7 BN14 8

7	7 to 9		BN18 0 PO20 3 PO22 0
8		8	PO1 1 PO1 2 PO1 3 PO1 4 PO1 5 PO2 0 PO2 7 PO2 8 PO2 9 PO3 5 PO3 6 PO4 0 PO4 8 PO4 9 PO5 1 PO5 2 PO5 3 PO5 4 PO6 1 PO6 2 PO6 3 PO6 4 PO9 1 PO9 2 PO9 3 PO9 4 PO9 5 PO10 7 PO11 0 PO11 9 PO16 9
9		9	GU10 2 GU10 3 GU10 4 GU26 6 GU31 4 GU32 1 GU32 2 GU32 3 GU33 6 GU33 7 GU34 3 GU35 0 GU35 8 GU35 9 GU8 6 PO17 6 PO7 4 PO7 5 PO7 6 PO7 7 PO7 8 PO8 0 PO8 8 PO8 9 SO32 3



RECAP

The Retail Capacity forecasting Model

Project:	Chichester Retail Study Update	Number:	107D9900
Client:	Chichester District Council		
Date of Latest Revision:	24-Jun-10	File:	Chichester RECAP Model 2010

Retail Locations Modelled:	Chichester City Centre
	Non-central Stores in Chichester
	Midhurst Town Centre
	Petworth Town Centre
	Selsey Town Centre
	East Wittering Town Centre

Scenarios Modelled:	1	Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.
	2	Potential new out-of-centre food/non-food superstore in Chichester by 2016
	3	Proposed Sainsburys superstore at Bognor Regis permitted
	4	Proposed Sainsburys superstore at Bognor Regis permitted, and a new out-of-centre food/non-food superstore at Chichester

Notes:

Table: 2

PER CAPITA EXPENDITURE

Per Capita Expenditure in (year):	2008	Price Basis (Year):	2008					
Including Special Forms of Trading:								
Convenience Goods (£):	1,971	Comparison Goods (£):	3,096					
GROWTH IN PER CAPITA RETAIL EXPENDITURE:								
Convenience Goods:	(0.80) %pa 2008 to 2010 0.84 %pa 2008 to 2026	0.60 % pa 2008 to 2016	0.84 % pa 2008 to 2021					
Comparison Goods:	(2.7) %pa 2008 to 2010 3.4 %pa 2008 to 2026	2.6 %pa 2008 to 2016	3.4 %pa 2008 to 2021					
PER CAPITA EXPENDITURE IN	Convenience Goods (£)				Comparison Goods (£)			
	2010	2016	2021	2026	2010	2016	2021	2026
(Including SFT)	1,939.59	2,067.62	2,197.42	2,291.28	2,931.07	3,801.72	4,781.54	5,651.59
Deduction for SFT (%)	4.5	5.5	6.0	7.0	10.0	15.0	17.0	18.0
Excluding SFT	1,852.31	1,953.90	2,065.58	2,130.89	2,637.97	3,231.46	3,968.68	4,634.30

COMPARISON GOODS PER CAPITA EXPENDITURE BY GOODS TYPE									
Per Capita Comparison Goods Expenditure in 2008									
	Clothing & footwear	Furniture, floor coverings & Hh textiles	Household appliances	Audio-visual equipment	DIY goods & hardware	Chemists' medical & beauty products	Personal & luxury goods, games, CDs, books, etc	Total comparison goods	
Including SFT (£)	705	403	130	370	281	429	778	3,096	
Per Capita Comparison Goods Expenditure in 2010									
Including SFT	667.44	381.53	123.07	350.29	266.03	406.15	736.56	2,931.07	
Deduction for SFT (%)	7.5	5.0	10.0	24.1	6.0	2.0	14.0	10.0	
Excluding SFT (£)	617.39	362.46	110.77	265.87	250.07	398.02	633.44	2,637.97	

Sources:

Pitney Bowes 'Anysite Report' for the catchment area, May 2010. Pitney Bowes/Oxford Economics Retail Expenditure Guide 2009/10. DTZ estimates for SFT based on 'e-retail 2010', Verdict Research Limited.

Notes:

Growth projections apply the Oxford Economics forecasts up to 2019; followed by 1.2% pa for convenience goods, and the ultra long term trend of 3.9% pa for comparison goods, for the period 2019 to 2030.

Scenario 1

Chichester City Centre

Table: **5**
CONVENIENCE GOODS MARKET SHARES IN 2010

2010 Allocations to Chichester City Centre			
Indicated by household interview surveys			
Zones	Main Food	Top-up convenience	WEIGHTED AVERAGE
	Q2	Q5	
	Expenditure weighting		
	75 (%)	25 (%)	100 (%)
1	6.0	17.0	8.8
2	3.0	10.0	4.8
3	0.0	1.0	0.3
4	1.5	1.4	1.5
5	0.0	0.0	0.0
6	0.0	0.0	0.0
7	4.4	2.0	3.8
8	2.0	0.0	1.5
9	0.0	0.0	0.0

Sources: Household Interview Surveys.
 Expenditure weighting by DTZ.

Table: **6**
COMPARISON GOODS MARKET SHARES BY GOODS TYPE IN 2010

2010 Allocations to Chichester City Centre								
Indicated by Household Interview Surveys								
Zones	Clothing & footwear	Furniture, floor coverings & Hh textiles	Household appliances	Audio-visual equipment	DIY goods & hardware	Chemists' medical & beauty products	Personal & luxury goods, games, CDs, books, etc	WEIGHTED AVERAGE
	Q1	Q8A	Q8B	Q8C	Q8D	Q8E	Q8F	
	Expenditure weighting							
	617 (%)	362 (%)	111 (%)	266 (%)	250 (%)	398 (%)	633 (%)	2,638 (%)
1	85.5	27.1	16.3	20.3	5.8	70.0	87.6	58.6
2	76.6	12.0	6.1	8.3	1.2	35.0	68.1	42.4
3	31.1	3.9	3.2	4.8	0.0	10.0	34.8	18.3
4	45.9	3.5	8.2	7.6	0.0	12.0	40.0	23.7
5	13.6	0.0	0.0	1.1	0.0	2.0	13.3	6.8
6	4.2	0.0	0.0	0.0	0.0	1.0	5.4	2.4
7	61.1	5.0	5.0	11.0	0.0	30.0	20.0	25.6
8	4.2	0.0	0.0	0.0	0.0	2.0	4.2	2.3
9	5.4	1.1	1.1	0.0	0.0	1.0	2.1	2.1

Sources: Household Interview Surveys and DTZ estimates.
 RECAP Table 2 for expenditure weights.

Table:

7

MARKET SHARES ATTRACTED FROM THE CATCHMENT AREA

Scenario: 1		Location: Chichester City Centre							
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.									
Market shares correction factors:		Convenience Goods:				100% of survey indicated figures			
		Comparison Goods:				100% of survey indicated figures			
Catchment Zone	PROPORTION OF CATCHMENT AREA EXPENDITURE ATTRACTED								
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010 (%)	2016 (%)	2021 (%)	2026 (%)	2010 (%)	2016 (%)	2021 (%)	2026 (%)	
1	9	9	9	9	59	59	59	59	
2	5	5	5	5	42	42	42	42	
3	0	0	0	0	18	18	18	18	
4	1	1	1	1	24	24	24	24	
5	0	0	0	0	7	7	7	7	
6	0	0	0	0	2	2	2	2	
7	4	4	4	4	26	26	26	26	
8	2	2	2	2	2	2	2	2	
9	0	0	0	0	2	2	2	2	

Sources: RECAP Model.
DTZ for market share corrections.

Table: 10

**SALES CAPACITY OF EXISTING
MAIN FOOD & CONVENIENCE GOODS SHOPS AND STORES IN**

2010

Store	Net Floorspace (sq m)	Convenience Goods Allocation (%)	Net convnce Goods Floorspace (sq m)	Convenience Goods sales Density (£ per sq m)	Convenience Goods sales (£000)
Marks & Spencer	1,410	93	1,311	12,710	16,667
Iceland	511	92	470	6,436	3,026
Tesco Express	152	95	144	14,330	2,069
Other convenience goods shops	1,695	90	1,526	4,500	6,865
ALL STORES	3,768		3,451	8,294	28,626

Sources: IGD, Experian Goad, DTZ, Verdict Research.

Table: 11

SALES CAPACITY OF COMMITTED RETAIL DEVELOPMENTS

2016

CONVENIENCE GOODS					
Store/Scheme	Net Floorspace (sq m)	Convenience Goods Allocation (%)	Net Conv Gds Floorspace (sq m)	Conv Gds Sales Density (£ p sq m net)	Conv Gds Sales (£000)
			-		
			-		
			-		
			-		
ALL STORES AND SCHEMES	-		-	#DIV/0!	-
COMPARISON GOODS					
Store/Scheme	Gross Floorspace (sq m)	Net to Gross Ratio (%)	Net Floorspace (sq m)	Sales Density (£ p sq m net)	Sales (£000)
ALL STORES AND SCHEMES	-		-	#DIV/0!	-

Sources: DTZ, based on Verdict Research and Retail Rankings.

Table: **12**
FORECAST RETAIL CAPACITY

Scenario:	1				Location:	Chichester City Centre				
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.										
Growth in sales per sq m from shop floorspace existing in 2010					Comparison Goods:	1.50 % pa		2011 to		2026
	CONVENIENCE GOODS					COMPARISON GOODS				
	2010	2016	2021	2026		2010	2016	2021	2026	
Residents' Spending £000	22,427	25,030	27,647	29,748		218,452	283,934	365,414	446,200	
Plus visitors' spending (%)	7.5	7.5	7.5	7.5		7.5	7.5	7.5	7.5	
Total spending (£000)	24,109	26,907	29,720	31,979		234,836	305,229	392,820	479,665	
Existing shop floorspace (sq m net)	3,451	3,451	3,451	3,451		44,645	44,645	44,645	44,645	
Sales per sq m net (£)	6,985	8,294	8,294	8,294		5,260	5,667	6,105	6,576	
Sales from extg flrspace (£000)	24,109	28,626	28,626	28,626		234,836	252,985	272,537	293,600	
Available spending to support new shops (£000)	0	(1,719)	1,094	3,352		0	52,244	120,283	186,065	
Less sales capacity of committed new floorspace (£000)	0	0	0	0		0	0	0	0	
Net available spending for new shops (£000)	0	(1,719)	1,094	3,352		0	52,244	120,283	186,065	
Sales per sq m net in new shops (£)	12,000	12,000	12,000	12,000		5,000	5,386	5,803	6,251	
Capacity for new shop flrspace (sq m net)	0	(143)	91	279		0	9,699	20,729	29,765	
Market Share of Catchment Area Expenditure	1.5%	1.5%	1.5%	1.5%		10.2%	10.3%	10.5%	10.6%	

Sources: RECAP Model.

Notes: Excludes floorspace in secondary shopping areas vacant at the time of the Experian Goad Survey (November 2009)

Scenario 1
Non-central Stores in Chichester

Table: **13**
CONVENIENCE GOODS MARKET SHARES IN 2010

2010 Allocations to Non-central Stores in Chichester Indicated by household interview surveys			
Zones	Main Food	Top-up convenience	WEIGHTED AVERAGE
	Q2	Q5	
	Expenditure weighting		
	75 (%)	25 (%)	100 (%)
1	58.0	39.0	53.3
2	48.0	25.0	42.3
3	18.0	5.0	14.8
4	11.9	2.4	9.5
5	2.0	0.0	1.5
6	0.0	0.0	0.0
7	30.7	5.4	24.4
8	0.0	0.0	0.0
9	1.0	0.0	0.8

Sources: Household Interview Surveys.
 Expenditure weighting by DTZ.

Table: **14**
COMPARISON GOODS MARKET SHARES BY GOODS TYPE IN 2010

2010 Allocations to Non-central Stores in Chichester Indicated by Household Interview Surveys								
Zones	Clothing & footwear	Furniture, floor coverings & Hh textiles	Household appliances	Audio-visual equipment	DIY goods & hardware	Chemists' medical & beauty products	Personal & luxury goods, games, CDs, books, etc	WEIGHTED AVERAGE
	Q1	Q8A	Q8B	Q8C	Q8D	Q8E	Q8F	
	Expenditure weighting							
	617 (%)	362 (%)	111 (%)	266 (%)	250 (%)	398 (%)	633 (%)	2,638 (%)
1	5.0	42.1	66.5	62.1	89.1	10.0	5.0	27.2
2	3.0	48.0	73.3	63.6	77.0	7.5	3.0	25.9
3	1.0	21.3	29.0	29.0	32.4	2.0	1.0	10.9
4	2.0	24.6	24.6	13.1	14.7	3.0	2.0	8.5
5	0.0	20.2	13.9	9.7	7.9	0.0	0.0	5.1
6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	2.0	25.0	45.0	40.0	18.0	3.0	2.0	12.5
8	0.0	5.7	2.1	2.1	2.3	0.0	0.0	1.3
9	0.0	1.1	1.1	1.1	0.0	0.0	0.0	0.3

Sources: Household Interview Surveys and DTZ estimates.
 RECAP Table 2 for expenditure weights.

Table:

15

MARKET SHARES ATTRACTED FROM THE CATCHMENT AREA

Scenario: 1		Location: Non-central Stores in Chichester							
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.									
Market shares correction factors:		Convenience Goods:				100% of survey indicated figures			
		Comparison Goods:				100% of survey indicated figures			
Catchment Zone	PROPORTION OF CATCHMENT AREA EXPENDITURE ATTRACTED								
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010 (%)	2016 (%)	2021 (%)	2026 (%)	2010 (%)	2016 (%)	2021 (%)	2026 (%)	
1	53	53	53	53	27	27	27	27	
2	42	42	42	42	26	26	26	26	
3	15	15	15	15	11	11	11	11	
4	10	10	10	10	9	9	9	9	
5	2	2	2	2	5	5	5	5	
6	0	0	0	0	0	0	0	0	
7	24	24	24	24	12	12	12	12	
8	0	0	0	0	1	1	1	1	
9	1	1	1	1	0	0	0	0	

Sources: RECAP Model.
DTZ for market share corrections.

Table: 16

COMPARISON GOODS SALES BY GOODS TYPE IN 2010

Catchment Zones	2010 Sales in Non-central Stores in Chichester						
	By Comparison Goods Type.						
	Clothing & footwear (£000)	Furniture, floor coverings & Hh textiles (£000)	Household appliances (£000)	Audio-visual equipment (£000)	DIY goods & hardware (£000)	Chemists' medical & beauty products (£000)	Personal & luxury goods, games, CDs, books, etc (£000)
1	907	4,484	2,165	4,852	6,547	1,170	931
2	976	9,170	4,279	8,913	10,149	1,573	1,002
3	279	3,495	1,454	3,490	3,668	360	287
4	806	5,823	1,780	2,275	2,401	780	827
5	0	4,513	949	1,590	1,218	0	0
6	0	0	0	0	0	0	0
7	209	1,533	843	1,800	762	202	214
8	0	5,679	639	1,535	1,581	0	0
9	0	626	191	459	0	0	0
TOTALS	3,178	35,323	12,301	24,912	26,325	4,085	3,261
MARKET SHARES	0.6%	12.0%	13.7%	11.6%	13.0%	1.3%	0.6%

Sources: RECAP Model.

Table: 17

FORECAST RETAIL SALES

Scenario:	1 Location: Non-central Stores in Chichester							
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.								
Catchment zone	RETAIL SALES BY CATCHMENT ZONE							
	CONVENIENCE GOODS				COMPARISON GOODS			
	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)
1	28,848	33,726	38,493	42,650	20,929	28,415	37,677	47,254
2	41,005	45,092	49,338	52,613	36,151	46,166	58,683	70,834
3	12,577	13,739	14,967	15,894	13,135	16,663	21,088	25,349
4	12,097	13,316	14,567	15,533	15,505	19,820	25,190	30,404
5	2,284	2,612	2,940	3,216	8,131	10,801	14,120	17,485
6	0	0	0	0	0	0	0	0
7	7,523	8,801	10,062	11,160	5,357	7,278	9,666	12,136
8	0	0	0	0	7,251	9,209	11,627	13,950
9	2,907	3,172	3,449	3,656	0	0	0	0
TOTALS	107,241	120,459	133,815	144,723	106,460	138,353	178,051	217,411

Sources: RECAP Model.

Table: 18

**SALES CAPACITY OF EXISTING
MAIN FOOD & CONVENIENCE GOODS SHOPS AND STORES IN**

2010

Store	Net Floorspace (sq m)	Convenience Goods Allocation (%)	Net convnce Goods Floorspace (sq m)	Convenience Goods sales Density (£ per sq m)	Convenience Goods sales (£000)
Sainsburys, Westhampnett Road, PO19 4YR	6,116	50	3,058	10,756	32,892
Tesco Extra, Fishbourne Road East, PO19 3JT	5,368	54	2,899	14,330	41,539
Waitrose, Via Ravenna, PO19 1RD	2,309	86	1,986	13,137	26,087
Lidl, Portfield Road, PO19 7YH	929	78	725	4,728	3,426
One Stop (Tesco), St Pauls Road, PO19 3DD	139	95	132	14,330	1,892
One Stop (Tesco), The Broadway, PO19 4QP	139	95	132	14,330	1,892
Tesco Expresss, St James Road, PO19 7HR	124	95	118	14,330	1,688
ALL STORES	15,124		9,049	12,092	109,416

Sources: IGD, DTZ, Verdict Research.

Table: 19

SALES CAPACITY OF EXISTING RETAIL WAREHOUSES & SUPERSTORES *

Net to gross ratio:	Date of sales densities:			
90 %**	2006			2006
Store	Gross Flrspace (sq m)	Net Flrspace (sq m)	Sales Density 2006 (£per sqm net)	Sales 2006 (£000)
Portfield Retail Park, Portfield Way, PO19 7YH:				
Staples (1)	n/a	454	1,817	825
Homesense	914	823	2,500	2,057
Paul Simon	1,580	1,422	2,750	3,911
Currys (Unit 3B)	n/a	1,803	6,815	12,287
PC World (Unit 3A) (2)	n/a	1,084	6,815	7,387
Harveys/Bensons (Unit 2C)	n/a	1,310	2,657	3,481
Pets at Home (Unit 2B)	869	782	2,464	1,927
Carpentryright (Unit 2A)	972	875	1,263	1,105
Halfords (Unit 1) (3)	n/a	810	2,328	1,886
Other Retail Warehouses:				
British Home Stores, Westhampnett Road	2,973	2,676	3,000	8,027
Homebase, Westhampnett Road, PO19 7UH	n/a	4,686	1,346	6,307
Topps Tiles, Quarry Lane, PO19 8NX	522	470	1,323	622
The Bed & Mattress Centre, Chichester By-Pass, PO19 8FH	n/a	229	2,000	458
Large Foodstores:				
Sainsburys	n/a	3,058	6,737	20,602
Tesco	n/a	2,469	8,490	20,964
Waitrose	n/a	323	7,405	2,394
Lidl	n/a	204	3,122	638
		-		
		-		
		-		
		-		
		-		
TOTALS Trading in 2009		23,478	4,041	94,877

Sources: Retail Rankings', Mintel, with VAT added for compatibility with expenditure. DTZ estimates in some cases. VOA Rating List 2010 for floorspace.

Notes: * Comparison goods floorspace in food/non-food superstores
 ** Unless otherwise indicated.
 (1) 908 sq m net sales, but 50% excluded as non-retail, i.e. trade sales.
 (2) 1,445 sq m net sales, but 25% excluded as non-retail i.e. trade sales.
 (3) 1,350 sq m net sales, but 40% excluded as non-retail (vehicle parts and accessories)

Table:

20

SALES CAPACITY OF VACANT AND COMMITTED RETAIL DEVELOPMENTS

2016

CONVENIENCE GOODS					
Store/Scheme	Net Floorspace (sq m)	Convenience Goods Allocation (%)	Net Conv Gds Floorspace (sq m)	Conv Gds Sales Density (£ p sq m net)	Conv Gds Sales (£000)
			-		
			-		
			-		
			-		
ALL STORES AND SCHEMES	-		-	#DIV/0!	-
COMPARISON GOODS					
Store/Scheme	Gross Floorspace (sq m)	Net to Gross Ratio (%)	Net Floorspace (sq m)	Sales Density (£ p sq m net)	Sales (£000)
Portfield Retail Park:			-		-
Vacant Unit 1A	411	90	370	2,000	740
Vacant Unit 4	n/a	n/a	2,304	2,500	5,760
			-		
			-		
ALL STORES AND SCHEMES	n/a		2,674	2,431	6,500

Sources:

DTZ, based on Verdict Research and Retail Rankings.

Table: 21

FORECAST RETAIL CAPACITY

Scenario:	1				Location:	Non-central Stores in Chichester					
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.											
Growth in sales per sq m from shop floorspace existing in					2010	Comparison Goods:		1.50	% pa	2011 to	2026
	CONVENIENCE GOODS					COMPARISON GOODS					
	2010	2016	2021	2026		2010	2016	2021	2026		
Residents' Spending £000	107,241	120,459	133,815	144,723		106,460	138,353	178,051	217,411		
Plus visitors' spending (%)	-	-	-	-		-	-	-	-		
Total spending (£000)	107,241	120,459	133,815	144,723		106,460	138,353	178,051	217,411		
Existing shop floorspace (sq m net)	9,049	9,049	9,049	9,049		23,478	23,478	23,478	23,478		
Sales per sq m net (£)	11,851	12,092	12,092	12,092		4,534	4,485	4,832	5,205		
Sales from extg flrspace (£000)	107,241	109,416	109,416	109,416		106,460	105,299	113,437	122,203		
Available spending to support new shops (£000)	0	11,043	24,400	35,307		0	33,054	64,614	95,207		
Less sales capacity of committed new floorspace (£000)		0	0	0		0	6,500	7,002	7,543		
Net available spending for new shops (£000)	0	11,043	24,400	35,307		0	26,554	57,612	87,664		
Sales per sq m net in new shops (£)	12,000	12,000	12,000	12,000		3,500	3,770	4,062	4,376		
Capacity for new shop flrspace (sq m net) *	0	920	2,033	2,942		0	7,043	14,184	20,034		
Market Share of Catchment Area Expenditure	7.1%	7.3%	7.4%	7.4%		5.0%	5.0%	5.1%	5.1%		

Sources: RECAP Model.

Notes: * Assumes the new floorspace would be provided in typical retail warehouse formats.

Scenario 1

Midhurst Town Centre

Table: **22**
CONVENIENCE GOODS MARKET SHARES IN 2010

2010 Allocations to Midhurst Town Centre Indicated by household interview surveys			
Zones	Main Food	Top-up convenience	WEIGHTED AVERAGE
	Q2	Q5	
	Expenditure weighting		
	75 (%)	25 (%)	100 (%)
1	0.0	0.0	0.0
2	0.0	0.0	0.0
3	14.0	8.0	12.5
4	0.0	0.0	0.0
5	0.0	0.0	0.0
6	0.0	0.0	0.0
7	0.0	0.0	0.0
8	0.0	0.0	0.0
9	0.0	0.0	0.0

Sources: Household Interview Survey.
Expenditure weighting by DTZ.

Table: **23**
COMPARISON GOODS MARKET SHARES BY GOODS TYPE IN 2010

2010 Allocations to Midhurst Town Centre Indicated by Household Interview Surveys								
Zones	Clothing & footwear	Furniture, floor coverings & Hh textiles	Household appliances	Audio-visual equipment	DIY goods & hardware	Chemists' medical & beauty products	Personal & luxury goods, games, CDs, books, etc	WEIGHTED AVERAGE
	Q1	Q8A	Q8B	Q8C	Q8D	Q8E	Q8F	
	Expenditure weighting							
	617 (%)	362 (%)	111 (%)	266 (%)	250 (%)	398 (%)	633 (%)	2,638 (%)
1	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2
2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3	3.6	0.0	0.0	0.0	0.0	15.0	3.5	3.9
4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.1
8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Sources: Household Interview Surveys and DTZ estimates.
RECAP Table 2 for expenditure weights.

Table:

24

MARKET SHARES ATTRACTED FROM THE CATCHMENT AREA

Scenario: 1		Location: Midhurst Town Centre							
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.									
Market shares correction factors:		Convenience Goods:				100 % of survey indicated figures			
		Comparison Goods:				250 % of survey indicated figures			
Catchment Zone	PROPORTION OF CATCHMENT AREA EXPENDITURE ATTRACTED								
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010 (%)	2016 (%)	2021 (%)	2026 (%)	2010 (%)	2016 (%)	2021 (%)	2026 (%)	
1	0	0	0	0	1	1	1	1	
2	0	0	0	0	0	0	0	0	
3	13	13	13	13	10	10	10	10	
4	0	0	0	0	0	0	0	0	
5	0	0	0	0	0	0	0	0	
6	0	0	0	0	0	0	0	0	
7	0	0	0	0	0	0	0	0	
8	0	0	0	0	0	0	0	0	
9	0	0	0	0	0	0	0	0	

Sources: RECAP Model.
DTZ for market share corrections.

Table: **25**
COMPARISON GOODS SALES BY GOODS TYPE IN 2010

Catchment Zones	2010 Sales in Midhurst Town Centre						
	By Comparison Goods Type.						
	Clothing & footwear (£000)	Furniture, floor coverings & Hh textiles (£000)	Household appliances (£000)	Audio-visual equipment (£000)	DIY goods & hardware (£000)	Chemists' medical & beauty products (£000)	Personal & luxury goods, games, CDs, books, etc (£000)
1	454	0	0	0	0	0	0
2	0	0	0	0	0	0	0
3	2,515	0	0	0	0	6,757	2,509
4	0	0	0	0	0	0	0
5	0	0	0	0	0	0	0
6	0	0	0	0	0	0	0
7	131	0	0	0	0	0	0
8	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0
TOTALS	3,099	0	0	0	0	6,757	2,509
MARKET SHARES	0.6%	0.0%	0.0%	0.0%	0.0%	2.1%	0.5%

Sources: RECAP Model.

Table: **26**
FORECAST RETAIL SALES

Scenario:	1		Location:	Midhurst Town Centre				
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.								
Catchment zone	RETAIL SALES BY CATCHMENT ZONE							
	CONVENIENCE GOODS				COMPARISON GOODS			
	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)
1	0	0	0	0	775	1,052	1,395	1,750
2	0	0	0	0	0	0	0	0
3	10,900	11,907	12,971	13,775	11,941	15,148	19,171	23,045
4	0	0	0	0	0	0	0	0
5	0	0	0	0	0	0	0	0
6	0	0	0	0	0	0	0	0
7	0	0	0	0	0	0	0	0
8	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0
TOTALS	10,900	11,907	12,971	13,775	12,716	16,201	20,566	24,795

Sources: RECAP Model.

Table:

27

**SALES CAPACITY OF EXISTING
MAIN FOOD & CONVENIENCE GOODS SHOPS AND STORES IN**

2010

Store	Net Floorspace (sq m)	Convenience Goods Allocation (%)	Net convnce Goods Floorspace (sq m)	Convenience Goods sales Density (£ per sq m)	Convenience Goods sales (£000)
Budgens, Bepton Road, GU29 9BD	771	85	655	6,402	4,196
Tesco Express, North Street, GU29 9DD	295	95	280	14,330	4,016
Other Convenience Goods Shops	765	90	689	3,000	2,066
ALL STORES	1,831		1,624	6,328	10,277

Sources: IGD, DTZ, Verdict Research.

Table:

28

SALES CAPACITY OF COMMITTED RETAIL DEVELOPMENTS

2016

CONVENIENCE GOODS					
Store/Scheme	Net Floorspace (sq m)	Convenience Goods Allocation (%)	Net Conv Gds Floorspace (sq m)	Conv Gds Sales Density (£ p sq m net)	Conv Gds Sales (£000)
			-		
			-		
			-		
			-		
ALL STORES AND SCHEMES	-		-	#DIV/0!	-
COMPARISON GOODS					
Store/Scheme	Gross Floorspace (sq m)	Net to Gross Ratio (%)	Net Floorspace (sq m)	Sales Density (£ p sq m net)	Sales (£000)
ALL STORES AND SCHEMES	-		-	#DIV/0!	-

Sources: DTZ, based on Verdict Research and Retail Rankings.

Table: 29

FORECAST RETAIL CAPACITY

Scenario:	1				Location:	Midhurst Town Centre				
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.										
Growth in sales per sq m from shop floorspace existing in 2010					Comparison Goods:	1.50 % pa		2011 to		2026
	CONVENIENCE GOODS				COMPARISON GOODS					
	2010	2016	2021	2026	2010	2016	2021	2026		
Residents' Spending £000	10,900	11,907	12,971	13,775	12,716	16,201	20,566	24,795		
Plus visitors' spending (%)	-	-	-	-	-	-	-	-		
Total spending (£000)	10,900	11,907	12,971	13,775	12,716	16,201	20,566	24,795		
Existing shop floorspace (sq m net)	1,624	1,624	1,624	1,624	4,159	4,159	4,159	4,159		
Sales per sq m net (£)	6,712	6,328	6,328	6,328	3,057	3,294	3,548	3,822		
Sales from extg flrspace (£000)	10,900	10,277	10,277	10,277	12,716	13,699	14,758	15,899		
Available spending to support new shops (£000)	0	1,630	2,694	3,498	0	2,502	5,808	8,896		
Less sales capacity of committed new floorspace (£000)	0	0	0	0	0	0	0	0		
Net available spending for new shops (£000)	0	1,630	2,694	3,498	0	2,502	5,808	8,896		
Sales per sq m net in new shops (£)	6,500	6,500	6,500	6,500	4,000	4,309	4,642	5,001		
Capacity for new shop flrspace (sq m net)	0	251	414	538	0	581	1,251	1,779		
Market Share of Catchment Area Expenditure	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%	0.6%		

Sources: RECAP Model.

Notes:

Table: 31

MARKET SHARES ATTRACTED FROM THE CATCHMENT AREA

Scenario:	1	Location:	Petworth Town Centre						
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.									
Market shares correction factors:		Convenience Goods:					30 % of survey indicated figures		
		Comparison Goods:					100 % of survey indicated figures		
Catchment Zone	PROPORTION OF CATCHMENT AREA EXPENDITURE ATTRACTED								
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010 (%)	2016 (%)	2021 (%)	2026 (%)	2010 (%)	2016 (%)	2021 (%)	2026 (%)	
1	0	0	0	0					
2	0	0	0	0					
3	2	2	2	2					
4	0	0	0	0					
5	0	0	0	0					
6	0	0	0	0					
7	0	0	0	0					
8	0	0	0	0					
9	0	0	0	0					

Sources: RECAP Model.
DTZ for market share corrections.

Table: 32

FORECAST RETAIL SALES

Scenario:	1	Location:	Petworth Town Centre						
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.									
Catchment zone	RETAIL SALES BY CATCHMENT ZONE								
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)	
1	0	0	0	0					
2	0	0	0	0					
3	1,677	1,832	1,996	2,119					
4	0	0	0	0					
5	0	0	0	0					
6	0	0	0	0					
7	0	0	0	0					
8	0	0	0	0					
9	0	0	0	0					
TOTALS	1,677	1,832	1,996	2,119					

Sources: RECAP Model.

Table:

33

**SALES CAPACITY OF EXISTING
MAIN FOOD & CONVENIENCE GOODS SHOPS AND STORES IN**

2010

Store	Net Floorspace (sq m)	Convenience Goods Allocation (%)	Net convnce Goods Floorspace (sq m)	Convenience Goods sales Density (£ per sq m)	Convenience Goods sales (£000)
Somerfield (Co-op), Market Square, GU28 0AH	117	95	111	8,513	946
ALL STORES	117		111	8,513	946

Sources: IGD, DTZ, Verdict Research.

Table:

34

SALES CAPACITY OF COMMITTED RETAIL DEVELOPMENTS

2016

CONVENIENCE GOODS					
Store/Scheme	Net Floorspace (sq m)	Convenience Goods Allocation (%)	Net Conv Gds Floorspace (sq m)	Conv Gds Sales Density (£ p sq m net)	Conv Gds Sales (£000)
			-		
			-		
			-		
			-		
ALL STORES AND SCHEMES	-		-	#DIV/0!	-
COMPARISON GOODS					
Store/Scheme	Gross Floorspace (sq m)	Net to Gross Ratio (%)	Net Floorspace (sq m)	Sales Density (£ p sq m net)	Sales (£000)
ALL STORES AND SCHEMES	-		-	#DIV/0!	-

Sources: DTZ, based on Verdict Research and Retail Rankings.

Table: 35

FORECAST RETAIL CAPACITY

Scenario:	1				Location:	Petworth Town Centre				
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.										
Growth in sales per sq m from shop floorspace existing in 2010					Comparison Goods:	1.50 % pa		2011 to		2026
	CONVENIENCE GOODS					COMPARISON GOODS				
	2010	2016	2021	2026		2010	2016	2021	2026	
Residents' Spending £000	1,677	1,832	1,996	2,119						
Plus visitors' spending (%)	-	-	-	-						
Total spending (£000)	1,677	1,832	1,996	2,119						
Existing shop floorspace (sq m net)	111	111	111	111						
Sales per sq m net (£)	15,087	8,513	8,513	8,513						
Sales from extg flrspace (£000)	1,677	946	946	946						
Available spending to support new shops (£000)	0	886	1,049	1,173						
Less sales capacity of committed new floorspace (£000)	0	0	0	0						
Net available spending for new shops (£000)	0	886	1,049	1,173						
Sales per sq m net in new shops (£)	6,500	6,500	6,500	6,500						
Capacity for new shop flrspace (sq m net)	0	136	161	180						
Market Share of Catchment Area Expenditure	0.1%	0.1%	0.1%	0.1%						

Sources: RECAP Model.

Notes:



Scenario	1
Selsey Town Centre	

Table: **36**
CONVENIENCE GOODS MARKET SHARES IN **2010**

2010 Allocations to			
Selsey Town Centre			
Indicated by household interview surveys			
Zones	Main Food	Top-up convenience	WEIGHTED AVERAGE
	Q2	Q5	
	Expenditure weighting		
	75 (%)	25 (%)	100 (%)
1	0.0	0.0	0.0
2	4.0	4.0	4.0
3	0.0	0.0	0.0
4	0.1	0.1	0.1
5	0.0	0.0	0.0
6	0.0	0.0	0.0
7	0.0	0.0	0.0
8	0.0	0.0	0.0
9	0.0	0.0	0.0

Sources: Household Interview Survey.
 Expenditure weighting by DTZ.

Table: 37

MARKET SHARES ATTRACTED FROM THE CATCHMENT AREA

Scenario:	1	Location:	Selsey Town Centre						
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.									
Market shares correction factors:		Convenience Goods:				200 % of survey indicated figures			
		Comparison Goods:				100 % of survey indicated figures			
Catchment Zone	PROPORTION OF CATCHMENT AREA EXPENDITURE ATTRACTED								
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010 (%)	2016 (%)	2021 (%)	2026 (%)	2010 (%)	2016 (%)	2021 (%)	2026 (%)	
1	0	0	0	0					
2	8	8	8	8					
3	0	0	0	0					
4	0	0	0	0					
5	0	0	0	0					
6	0	0	0	0					
7	0	0	0	0					
8	0	0	0	0					
9	0	0	0	0					

Sources: RECAP Model.
DTZ for market share corrections.

Table: 38

FORECAST RETAIL SALES

Scenario:	1	Location:	Selsey Town Centre						
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.									
Catchment zone	RETAIL SALES BY CATCHMENT ZONE								
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)	
1	0	0	0	0					
2	7,811	8,589	9,398	10,022					
3	0	0	0	0					
4	0	0	0	0					
5	0	0	0	0					
6	0	0	0	0					
7	0	0	0	0					
8	0	0	0	0					
9	0	0	0	0					
TOTALS	7,811	8,589	9,398	10,022					

Sources: RECAP Model.

Table:

39

**SALES CAPACITY OF EXISTING
MAIN FOOD & CONVENIENCE GOODS SHOPS AND STORES IN**

2010

Store	Net Floorspace (sq m)	Convenience Goods Allocation (%)	Net convnce Goods Floorspace (sq m)	Convenience Goods sales Density (£ per sq m)	Convenience Goods sales (£000)
Budgens, High Street, PO20 0QG	743	85	632	6,402	4,043
Community Store (Co-op), High Street, PO20 0QB	328	90	295	7,156	2,112
Somerfield (Co-op), High Street, PO20 0QL	202	90	182	7,156	1,301
One Stop (Tesco), New Parade, PO20 0QA	139	95	132	14,330	1,892
ALL STORES	1,412		1,241	7,536	9,349

Sources: IGD, Goad, DTZ, Verdict Research.

Table:

40

SALES CAPACITY OF COMMITTED RETAIL DEVELOPMENTS

2016

CONVENIENCE GOODS					
Store/Scheme	Net Floorspace (sq m)	Convenience Goods Allocation (%)	Net Conv Gds Floorspace (sq m)	Conv Gds Sales Density (£ p sq m net)	Conv Gds Sales (£000)
			-		
			-		
			-		
			-		
ALL STORES AND SCHEMES	-		-	#DIV/0!	-
COMPARISON GOODS					
Store/Scheme	Gross Floorspace (sq m)	Net to Gross Ratio (%)	Net Floorspace (sq m)	Sales Density (£ p sq m net)	Sales (£000)
ALL STORES AND SCHEMES	-		-	#DIV/0!	-

Sources: DTZ, based on Verdict Research and Retail Rankings.

Table: 41

FORECAST RETAIL CAPACITY

Scenario:	1				Location:	Selsey Town Centre				
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.										
Growth in sales per sq m from shop floorspace existing in 2010					Comparison Goods:	1.50 % pa		2011 to 2026		
	CONVENIENCE GOODS				COMPARISON GOODS					
	2010	2016	2021	2026	2010	2016	2021	2026		
Residents' Spending £000	7,811	8,589	9,398	10,022						
Plus visitors' spending (%)	5.0	5.0	5.0	5.0						
Total spending (£000)	8,201	9,018	9,868	10,523						
Existing shop floorspace (sq m net)	1,241	1,241	1,241	1,241						
Sales per sq m net (£)	6,611	7,536	7,536	7,536						
Sales from extg flrspace (£000)	8,201	9,349	9,349	9,349						
Available spending to support new shops (£000)	0	(330)	519	1,174						
Less sales capacity of committed new floorspace (£000)	0	0	0	0						
Net available spending for new shops (£000)	0	(330)	519	1,174						
Sales per sq m net in new shops (£)	6,500	6,500	6,500	6,500						
Capacity for new shop flrspace (sq m net)	0	(51)	80	181						
Market Share of Catchment Area Expenditure	0.5%	0.5%	0.5%	0.5%						

Sources: RECAP Model.

Notes:

Scenario	1
East Wittering Town Centre	

Table: **42**
CONVENIENCE GOODS MARKET SHARES IN 2010

2010 Allocations to East Wittering Town Centre Indicated by household interview surveys			
Zones	Main Food	Top-up convenience	WEIGHTED AVERAGE
	Q2	Q5	
	Expenditure weighting		
	75 (%)	25 (%)	100 (%)
1	0.0	0.0	0.0
2	5.0	5.0	5.0
3	0.0	0.0	0.0
4	0.0	0.0	0.0
5	0.0	0.0	0.0
6	0.0	0.0	0.0
7	0.0	0.0	0.0
8	0.0	0.0	0.0
9	0.0	0.0	0.0

Sources: Household Interview Survey.
 Expenditure weighting by DTZ.

Table: 43

MARKET SHARES ATTRACTED FROM THE CATCHMENT AREA

Scenario:	1	Location:	East Wittering Town Centre						
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.									
Market shares correction factors:		Convenience Goods:				100 % of survey indicated figures			
		Comparison Goods:				100 % of survey indicated figures			
Catchment Zone	PROPORTION OF CATCHMENT AREA EXPENDITURE ATTRACTED								
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010 (%)	2016 (%)	2021 (%)	2026 (%)	2010 (%)	2016 (%)	2021 (%)	2026 (%)	
1	0	0	0	0					
2	5	5	5	5					
3	0	0	0	0					
4	0	0	0	0					
5	0	0	0	0					
6	0	0	0	0					
7	0	0	0	0					
8	0	0	0	0					
9	0	0	0	0					

Sources: RECAP Model.
DTZ for market share corrections.

Table: 44

FORECAST RETAIL SALES

Scenario:	1	Location:	East Wittering Town Centre						
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.									
Catchment zone	RETAIL SALES BY CATCHMENT ZONE								
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)	
1	0	0	0	0					
2	4,882	5,368	5,874	6,263					
3	0	0	0	0					
4	0	0	0	0					
5	0	0	0	0					
6	0	0	0	0					
7	0	0	0	0					
8	0	0	0	0					
9	0	0	0	0					
TOTALS	4,882	5,368	5,874	6,263					

Sources: RECAP Model.

Table:

45

**SALES CAPACITY OF EXISTING
MAIN FOOD & CONVENIENCE GOODS SHOPS AND STORES IN**

2010

Store	Net Floorspace (sq m)	Convenience Goods Allocation (%)	Net convnce Goods Floorspace (sq m)	Convenience Goods sales Density (£ per sq m)	Convenience Goods sales (£000)
Community Store (Co-op), Cakeham Road, PO20 8BP	384	90	346	7,156	2,473
Tesco Express, Kingfisher Parade, PO20 8BJ	258	90	232	14,330	3,327
ALL STORES	642		578	10,039	5,801

Sources: IGD, Goad, DTZ, Verdict Research.

Table:

46

SALES CAPACITY OF COMMITTED RETAIL DEVELOPMENTS

2016

CONVENIENCE GOODS					
Store/Scheme	Net Floorspace (sq m)	Convenience Goods Allocation (%)	Net Conv Gds Floorspace (sq m)	Conv Gds Sales Density (£ p sq m net)	Conv Gds Sales (£000)
			-		
			-		
			-		
			-		
ALL STORES AND SCHEMES	-		-	#DIV/0!	-
COMPARISON GOODS					
Store/Scheme	Gross Floorspace (sq m)	Net to Gross Ratio (%)	Net Floorspace (sq m)	Sales Density (£ p sq m net)	Sales (£000)
ALL STORES AND SCHEMES	-		-	#DIV/0!	-

Sources: DTZ, based on Verdict Research and Retail Rankings.

Table: 47

FORECAST RETAIL CAPACITY

Scenario:	1				Location:	East Wittering Town Centre				
Baseline - Market Shares indicated by the Household Interview Surveys remain unchanged.										
Growth in sales per sq m from shop floorspace existing in 2010					Comparison Goods:	1.50 % pa		2011 to 2026		
	CONVENIENCE GOODS				COMPARISON GOODS					
	2010	2016	2021	2026	2010	2016	2021	2026		
Residents' Spending £000	4,882	5,368	5,874	6,263						
Plus visitors' spending (%)	5.0	5.0	5.0	5.0						
Total spending (£000)	5,126	5,637	6,167	6,577						
Existing shop floorspace (sq m net)	578	578	578	578						
Sales per sq m net (£)	8,871	10,039	10,039	10,039						
Sales from extg flrspace (£000)	5,126	5,801	5,801	5,801						
Available spending to support new shops (£000)	0	(164)	367	776						
Less sales capacity of committed new floorspace (£000)	0	0	0	0						
Net available spending for new shops (£000)	0	(164)	367	776						
Sales per sq m net in new shops (£)	6,500	6,500	6,500	6,500						
Capacity for new shop flrspace (sq m net)	0	(25)	56	119						
Market Share of Catchment Area Expenditure	0.3%	0.3%	0.3%	0.3%						

Sources: RECAP Model.

Notes:



Scenario 2

Non-central Stores in Chichester

Table: 48

MARKET SHARES ATTRACTED FROM THE CATCHMENT AREA

Scenario:	2		Location:	Non-central Stores in Chichester					
Potential new out-of-centre food/non-food superstore in Chichester by 2016									
Market shares correction factors:			Convenience Goods:			100% of survey indicated figures			
			Comparison Goods:			100% of survey indicated figures			
Catchment Zone	PROPORTION OF CATCHMENT AREA EXPENDITURE ATTRACTED								
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010 (%)	2016 (%)	2021 (%)	2026 (%)	2010 (%)	2016 (%)	2021 (%)	2026 (%)	
1	53	73	73	73	27	30	30	30	
2	42	50	50	50	26	28	28	28	
3	15	20	20	20	11	12	12	12	
4	10	15	15	15	9	10	10	10	
5	2	3	3	3	5	5	5	5	
6	0	0	0	0	0	0	0	0	
7	24	30	30	30	12	14	14	14	
8	0	0	0	0	1	1	1	1	
9	1	1	1	1	0	0	0	0	

Sources: RECAP Model.
DTZ for market share corrections.

Table: 49

FORECAST RETAIL SALES

Scenario:	2		Location:	Non-central Stores in Chichester					
Potential new out-of-centre food/non-food superstore in Chichester by 2016									
Catchment zone	RETAIL SALES BY CATCHMENT ZONE								
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)	
1	28,848	46,453	53,019	58,745	20,929	31,573	41,863	52,504	
2	41,005	53,681	58,736	62,635	36,151	49,717	63,197	76,283	
3	12,577	18,319	19,956	21,192	13,135	18,178	23,005	27,654	
4	12,097	19,973	21,851	23,300	15,505	22,022	27,989	33,782	
5	2,284	3,919	4,409	4,824	8,131	10,801	14,120	17,485	
6	0	0	0	0	0	0	0	0	
7	7,523	11,001	12,577	13,950	5,357	8,491	11,277	14,158	
8	0	0	0	0	7,251	9,209	11,627	13,950	
9	2,907	3,172	3,449	3,656	0	0	0	0	
TOTALS	107,241	156,519	173,997	188,301	106,460	149,991	193,078	235,815	

Sources: RECAP Model.

Table: **50**
FORECAST RETAIL CAPACITY

Scenario:	2		Location: Non-central Stores in Chichester						
Potential new out-of-centre food/non-food superstore in Chichester by 2016									
Growth in sales per sq m from shop floorspace existing in 2010				Comparison Goods:		1.50 % pa		2011 to 2026	
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010	2016	2021	2026	2010	2016	2021	2026	
Residents' Spending £000	107,241	156,519	173,997	188,301	106,460	149,991	193,078	235,815	
Plus visitors' spending (%)	-	-	-	-	-	-	-	-	
Total spending (£000)	107,241	156,519	173,997	188,301	106,460	149,991	193,078	235,815	
Existing shop floorspace (sq m net)	9,049	9,049	9,049	9,049	23,478	23,478	23,478	23,478	
Sales per sq m net (£)	11,851	12,092	12,092	12,092	4,534	4,485	4,832	5,205	
Sales from extg flrspace (£000)	107,241	109,416	109,416	109,416	106,460	105,299	113,437	122,203	
Available spending to support new shops (£000)	0	47,103	64,581	78,885	0	44,693	79,642	113,612	
Less sales capacity of committed new floorspace (£000)	0	0	0	0	0	6,500	7,002	7,543	
Net available spending for new shops (£000)	0	47,103	64,581	78,885	0	38,193	72,640	106,069	
Sales per sq m net in new shops (£)	12,000	12,000	12,000	12,000	7,500	5,700	5,025	5,097	
Capacity for new shop flrspace (sq m net) #	0	3,925	5,382	6,574	0	6,701	14,454	20,810	
Market Share of Catchment Area Expenditure	7.1%	9.4%	9.6%	9.7%	5.0%	5.5%	5.5%	5.6%	

Sources: RECAP Model.

Notes: # Assumes the first 3,000 sq m net of forecast comparison goods capacity would be in a food/non-food superstore and the remainder in retail warehouses.

Scenario 3

Non-central Stores in Chichester

Table: **51**
MARKET SHARES ATTRACTED FROM THE CATCHMENT AREA

Scenario: 3		Location: Non-central Stores in Chichester							
Proposed Sainsburys superstore at Bognor Regis permitted									
Market shares correction factors:		Convenience Goods:				100% of survey indicated figures			
		Comparison Goods:				100% of survey indicated figures			
Catchment Zone	PROPORTION OF CATCHMENT AREA EXPENDITURE ATTRACTED								
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010 (%)	2016 (%)	2021 (%)	2026 (%)	2010 (%)	2016 (%)	2021 (%)	2026 (%)	
1	53	53	53	53	27	27	27	27	
2	42	39	39	39	26	25	25	25	
3	15	14	14	14	11	10	10	10	
4	10	2	2	2	9	6	6	6	
5	2	2	2	2	5	5	5	5	
6	0	0	0	0	0	0	0	0	
7	24	16	16	16	12	10	10	10	
8	0	0	0	0	1	1	1	1	
9	1	1	1	1	0	0	0	0	

Sources: RECAP Model.
 DTZ for market share corrections.

Table: **52**
FORECAST RETAIL SALES

Scenario: 3		Location: Non-central Stores in Chichester							
Proposed Sainsburys superstore at Bognor Regis permitted									
Catchment zone	RETAIL SALES BY CATCHMENT ZONE								
	CONVENIENCE GOODS				COMPARISON GOODS				
	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)	
1	28,848	33,726	38,493	42,650	20,929	28,415	37,677	47,254	
2	41,005	41,872	45,814	48,855	36,151	44,391	56,426	68,110	
3	12,577	12,823	13,969	14,835	13,135	15,148	19,171	23,045	
4	12,097	2,663	2,913	3,107	15,505	13,213	16,793	20,269	
5	2,284	2,612	2,940	3,216	8,131	10,801	14,120	17,485	
6	0	0	0	0	0	0	0	0	
7	7,523	5,867	6,708	7,440	5,357	6,065	8,055	10,113	
8	0	0	0	0	7,251	9,209	11,627	13,950	
9	2,907	3,172	3,449	3,656	0	0	0	0	
TOTALS	107,241	102,736	114,286	123,759	106,460	127,243	163,869	200,225	

Sources: RECAP Model.

Table: 53

FORECAST RETAIL CAPACITY

Scenario:	3				Location:	Non-central Stores in Chichester				
Proposed Sainsburys superstore at Bognor Regis permitted										
Growth in sales per sq m from shop floorspace existing in 2010					Comparison Goods:	1.50 % pa		2011 to		2026
	CONVENIENCE GOODS					COMPARISON GOODS				
	2010	2016	2021	2026		2010	2016	2021	2026	
Residents' Spending £000	107,241	102,736	114,286	123,759		106,460	127,243	163,869	200,225	
Plus visitors' spending (%)	-	-	-	-		-	-	-	-	
Total spending (£000)	107,241	102,736	114,286	123,759		106,460	127,243	163,869	200,225	
Existing shop floorspace (sq m net)	9,049	9,049	9,049	9,049		23,478	23,478	23,478	23,478	
Sales per sq m net (£)	11,851	12,092	12,092	12,092		4,534	4,485	4,832	5,205	
Sales from extg flrspace (£000)	107,241	109,416	109,416	109,416		106,460	105,299	113,437	122,203	
Available spending to support new shops (£000)	0	(6,680)	4,870	14,343		0	21,944	50,433	78,021	
Less sales capacity of committed new floorspace (£000)	0	0	0	0		0	6,500	7,002	7,543	
Net available spending for new shops (£000)	0	(6,680)	4,870	14,343		0	15,444	43,430	70,478	
Sales per sq m net in new shops (£)	12,000	12,000	12,000	12,000		3,500	3,770	4,062	4,376	
Capacity for new shop flrspace (sq m net) *	0	(557)	406	1,195		0	4,096	10,692	16,106	
Market Share of Catchment Area Expenditure	7.1%	6.2%	6.3%	6.4%		5.0%	4.6%	4.7%	4.7%	

Sources: RECAP Model.

Notes: * Assumes the new floorspace would be provided in typical retail warehouse formats.

Scenario 4

Non-central Stores in Chichester

Table: 54

MARKET SHARES ATTRACTED FROM THE CATCHMENT AREA

Scenario:	4		Location:	Non-central Stores in Chichester				
Proposed Sainsburys superstore at Bognor Regis permitted, and a new out-of-centre food/non-food superstore at Chichester								
Market shares correction factors:		Convenience Goods:			100% of survey indicated figures			
		Comparison Goods:			100% of survey indicated figures			
Catchment Zone	PROPORTION OF CATCHMENT AREA EXPENDITURE ATTRACTED							
	CONVENIENCE GOODS				COMPARISON GOODS			
	2010 (%)	2016 (%)	2021 (%)	2026 (%)	2010 (%)	2016 (%)	2021 (%)	2026 (%)
1	53	80	80	80	27	30	30	30
2	42	48	48	48	26	27	27	27
3	15	19	19	19	11	12	12	12
4	10	7	7	7	9	7	7	7
5	2	3	3	3	5	5	5	5
6	0	0	0	0	0	0	0	0
7	24	24	24	24	12	12	12	12
8	0	0	0	0	1	1	1	1
9	1	1	1	1	0	0	0	0

Sources: RECAP Model.
DTZ for market share corrections.

Table: 55

FORECAST RETAIL SALES

Scenario:	4		Location:	Non-central Stores in Chichester				
Proposed Sainsburys superstore at Bognor Regis permitted, and a new out-of-centre food/non-food superstore at Chichester								
Catchment zone	RETAIL SALES BY CATCHMENT ZONE							
	CONVENIENCE GOODS				COMPARISON GOODS			
	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)	2010 (£000)	2016 (£000)	2021 (£000)	2026 (£000)
1	28,848	50,908	58,103	64,378	20,929	31,573	41,863	52,504
2	41,005	51,534	56,386	60,129	36,151	47,942	60,940	73,558
3	12,577	17,403	18,958	20,133	13,135	18,178	23,005	27,654
4	12,097	9,321	10,197	10,873	15,505	15,415	19,592	23,647
5	2,284	3,919	4,409	4,824	8,131	10,801	14,120	17,485
6	0	0	0	0	0	0	0	0
7	7,523	8,801	10,062	11,160	5,357	7,278	9,666	12,136
8	0	0	0	0	7,251	9,209	11,627	13,950
9	2,907	3,172	3,449	3,656	0	0	0	0
TOTALS	107,241	145,057	161,564	175,153	106,460	140,396	180,814	220,934

Sources: RECAP Model.

Table: 56

FORECAST RETAIL CAPACITY

Scenario:	4				Location:	Non-central Stores in Chichester				
Proposed Sainsburys superstore at Bognor Regis permitted, and a new out-of-centre food/non-food superstore at Chichester										
Growth in sales per sq m from shop floorspace existing in 2010					Comparison Goods:	1.50 % pa		2011 to		2026
	CONVENIENCE GOODS				COMPARISON GOODS					
	2010	2016	2021	2026	2010	2016	2021	2026		
Residents' Spending £000	107,241	145,057	161,564	175,153	106,460	140,396	180,814	220,934		
Plus visitors' spending (%)	-	-	-	-	-	-	-	-		
Total spending (£000)	107,241	145,057	161,564	175,153	106,460	140,396	180,814	220,934		
Existing shop floorspace (sq m net)	9,049	9,049	9,049	9,049	23,478	23,478	23,478	23,478		
Sales per sq m net (£)	11,851	12,092	12,092	12,092	4,534	4,485	4,832	5,205		
Sales from extg flrspace (£000)	107,241	109,416	109,416	109,416	106,460	105,299	113,437	122,203		
Available spending to support new shops (£000)	0	35,641	52,148	65,737	0	35,098	67,377	98,730		
Less sales capacity of committed new floorspace (£000)	0	0	0	0	0	6,500	7,002	7,543		
Net available spending for new shops (£000)	0	35,641	52,148	65,737	0	28,598	60,375	91,187		
Sales per sq m net in new shops (£)	12,000	12,000	12,000	12,000	7,500	5,700	5,025	5,097		
Capacity for new shop flrspace (sq m net) #	0	2,970	4,346	5,478	0	5,018	12,014	17,891		
Market Share of Catchment Area Expenditure	7.1%	8.7%	8.9%	9.0%	5.0%	5.1%	5.2%	5.2%		

Sources: RECAP Model.

Notes: # Assumes the first 3,000 sq m net of forecast comparison goods capacity would be in a food/non-food superstore and the remainder in retail warehouses.

