

**BASILDON RETAIL AND
LEISURE NEEDS STUDY**

**FINAL REPORT
VOLUME 1**

Prepared for:

**Basildon Borough
Council**

February 2024

lsh.co.uk



This document has been prepared and checked in accordance with the Lambert Smith Hampton Quality Assurance procedures and authorised for release. If not signed off by a Director in the Planning, Regeneration + Infrastructure (PR+) division at LSH then this document should be treated as a draft, and as being Private and Confidential. It should not be for wider distribution without the sign-off and permission of Lambert Smith Hampton.

Prepared by:

A handwritten signature in black ink, appearing to read "Steve Norris". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Steve Norris, Director

For and on behalf of Lambert Smith Hampton

Contents

1.	INTRODUCTION	1
2.	PLANNING POLICY CONTEXT	4
3.	TOWN CENTRE TRENDS	15
4.	CATCHMENT, COMPETITION & MARKET SHARES	33
5.	CENTRE HEALTH CHECKS: APPROACH & KPIs	47
6.	HEALTHCHECK SUMMARIES	52
7.	RETAIL CAPACITY ASSESSMENT	63
8.	COMMERCIAL LEISURE NEEDS ASSESSMENT	72
9.	HOTEL ASSESSMENT	97
10.	KEY FINDINGS & RECOMMENDATIONS.....	109
11.	GLOSSARY OF TERMS	135

VOLUME 2: APPENDICES

Appendix 1 DEFINED CATCHMENT AREA & ZONES

Appendix 2 POPULATION AND EXPENDITURE: CONVENIENCE GOODS

Appendix 3 CONVENIENCE GOODS MARKET SHARES (INCLUDING SFT)

Appendix 4 CONVENIENCE GOODS TURNOVER (EXCLUDING SFT)

Appendix 5 CONVENIENCE GOODS CAPACITY

Appendix 6 POPULATION AND EXPENDITURE: COMPARISON GOODS

Appendix 7 COMPARISON GOODS MARKET SHARES (INCLUDING SFT)

Appendix 8 COMPARISON GOODS TURNOVER (EXCLUDING SFT)

Appendix 9 COMPARISON GOODS CAPACITY

VOLUME 3: HEALTHCHECK ASSESSMENTS

VOLUME 4: HOUSEHOLD SURVEY – METHODOLOGY & RESULTS

1. INTRODUCTION

- 1.1 Basildon Borough Council (hereafter referred to as 'the Council') commissioned Lambert Smith Hampton (LSH) in January 2023 to prepare the '*Basildon Retail and Leisure Needs Study*' (the 'Study').
- 1.2 This Study will provide the robust evidence needed to inform strategic and development management policies for the new Basildon Local Plan, particularly in relation to town centre uses across the Borough's network of centres, supporting new communities and businesses.
- 1.3 The study will assess how much additional retail and commercial leisure floorspace (including food & beverage, and hotel bed spaces) is needed within the Borough over the Local Plan period. The findings of the Study will supersede the Council's current town centre policy evidence base, the South Essex Retail Study 2017 ('2017 SERS') and the previous Retail and Commercial Leisure Capacity Study 2015 ('2015 RCLCS').
- 1.4 Other key objectives of the study are to:
- Highlight the impact of Class E on the Borough's town centres.
 - Provide discussion on the out-of-town retail and leisure parks, as well as discussion of impacts (both positive and negative) these may have on the future growth of retail and leisure activity within the Borough's town centres, and Basildon Town Centre in particular.
 - Make recommendations for new floorspace requirements for the comparison and convenience retail sectors, and for the commercial leisure sector.
 - Provide an indication as to the vitality and viability of the Borough's main five town centres.
 - Provide a clear town centre hierarchy.
 - Consider the likely future potential for hotel bedspaces.
- 1.5 The study has been prepared in the context of current and emerging local, regional and national development plan policy guidance, as well as other key material considerations; principally the National Planning Policy Framework (NPPF). Where relevant the study also draws on advice set out in the National Planning Practice Guidance (PPG). Both the NPPF and PPG place significant weight on the development of positive plan-led visions and strategies to help ensure the vitality and viability of town centres¹.
- 1.6 At the time of preparing this study the UK's economy was in a fragile state after emerging from the COVID-19 pandemic and being heavily impacted by a cost of living crisis.

¹ Town centres or centres are defined by the NPPF (Annex 2) as city centres, town centres, district centres and local centres but exclude small parades of shops of purely neighbourhood significance. Unless they are identified as centres in the development plan, existing out-of-centre developments, comprising or including main town centre uses, do not constitute town centres.

Notwithstanding the economic uncertainties, this study does provide the robust evidence base and key findings to help inform and guide both plan-making and decision-taking across the Borough and its main centres up to the new Local Plan period. Whilst the study will assess outputs up to 2042, any findings beyond 2033 should be treated with caution on the basis that forecasts become less reliable after a 10-year period.

- 1.7 The study is presented in a series of inter-related Volumes as follows:
- **Volume 2:** comprises the quantitative appendices that inform the economic capacity tables for retail and leisure needs.
 - **Volume 3** sets out the findings of the 2023 town centre health check assessments of: Basildon, Billericay, Laindon, Pitsea and Wickford.
 - **Volume 4** presents the weighted results of the household telephone interview survey conducted by NEMS Market Research (NEMS) for this study. Interviews conducted with over 808 households across a defined Study Area between March and April 2023.
- 1.8 This Volume draws on the evidence and research in **Volumes 2-3**. It provides robust policy recommendations to help the Council prepare positive strategies, plans and policies for the growth, management and adaptation of the Borough's main town centres over the short, medium and long term to help ensure their future vitality and viability.
- 1.9 For ease of reference this Study (**Volume 1**) is divided into the following inter-related sections:
- **Section 2** reviews the national, regional and local planning policy context.
 - **Section 3** highlights some of the key trends that are driving the dynamic changes in the retail and leisure sectors at the national and regional level, and how these trends have shaped (and are likely to shape) Basildon Borough's urban and retail landscape over the short to long term.
 - **Section 4** summarises the survey-derived market share analysis of shopping patterns for different types of comparison and convenience goods purchases across the defined Catchment Area (see **Volume 2**) and provides a brief profile of the Borough's main centres and the main competition including out-of-centre provision.
 - **Sections 5** sets out the health check methodology.
 - **Section 6** provides a summary assessment of the relative vitality and viability of the main town centres of Basildon, Billericay, Laindon, Pitsea and Wickford.
 - **Section 7** details the key assumptions and findings of the strategic retail capacity assessment for new convenience and comparison goods retailing up to 2042 based on LSH's in-house CREATE economic model and drawing on the results of the economic tabulations provided in **Volume 2**.

-
- **Section 8** sets out the findings of the commercial leisure need and 'gap' assessment, drawing on the evidence and market research, including the results of the household survey.
 - **Section 9** details the findings of the Hotel Assessment for the Borough.
 - **Section 10** draws on the previous sections and provides recommendations to help inform the Council's preparation of robust policies and strategies aimed at maintaining and enhancing the vitality and viability, and competitive positions of the Borough's main centres over the lifetime of the plan.

2. PLANNING POLICY CONTEXT

- 2.1 To help inform the preparation of this study, this section provides a summary of the key national, regional and local planning policies pertaining to retail, leisure and other main town centre uses.

NATIONAL PLANNING POLICY & GUIDANCE

National Planning Policy Framework (NPPF)

- 2.2 The NPPF was updated in December 2023 and sets out the Government’s planning policies for England. Planning law requires that applications for planning permission be determined in accordance with the development plan², unless material considerations indicate otherwise³. The NPPF must therefore be considered in plan-making and is a material consideration in planning decisions.
- 2.3 The NPPF states that the purpose of the planning system is to contribute to the achievement of sustainable development, which is defined as meeting the needs of the present without compromising the ability of future generations to meet their own needs⁴. The Framework (paragraph 11) sets out the Government’s view of what the presumption in favour of sustainable development means in practice. For **plan-making**: “...plans should positively seek opportunities to meet the development needs of their area and be sufficiently flexible to adapt to rapid change” (paragraph 11a).
- 2.4 Chapter 3 (**‘Plan-Making’**) of the Framework provides guidance to local authorities on preparing local plans. Paragraph 20 states that policies should set out an overall strategy for the location, scale and quality of development, and make sufficient provision for new sustainable development. It requires that strategic policies should look ahead over a minimum 15-year period from adoption, **except in relation to town centre development** (see below). In preparing development plans, “policies should be underpinned by relevant and up-to-date evidence” (paragraph 31). To ensure the local plans and spatial strategies are relevant they should be reviewed at least once every five years and updated as necessary (paragraph 33).
- 2.5 Chapter 7 (**‘Ensuring the vitality of town centres’**) provides guidance on plan-making and decision-taking for retail and other town centre uses. Paragraph 90 states that “*planning policies and decisions should support the role that town centres play at the heart of local*

² This includes local and neighbourhood plans that have been brought into force and any spatial development strategies produced by combined authorities or elected Mayors.

³ Section 38(6) of the Planning and Compulsory Purchase Act 2004 and section 70(2) of the Town and Country Planning Act 1990.

⁴ Resolution 42/187 of the United Nations General Assembly

communities" and sets out criteria that local authorities should consider when preparing planning policies. These include: (a) defining a network and hierarchy of centres; (b) defining the extent of town centres and Primary Shopping Areas (PSAs); (c) retaining and enhancing existing markets; and (d) allocating a range of suitable sites in town centres to meet the sales and type of development likely to be needed, "**looking at least ten years ahead**".

- 2.6 Paragraphs 91-95 specifically set out the requirement to apply the sequential and impact tests to determine applications for new retail, leisure and main town centres that are neither in an existing centre, nor in accordance with an up-to-date development plan.
- 2.7 Other Chapters in the NPPF are also relevant to the preparation of this study, and to the Council's plan-making and decision-taking policies for its network and hierarchy of centres. For example, Chapter 8 ('Promoting healthy and safe communities') sets out the need to achieve healthy, inclusive and safe places; including the need to plan positively for the provision and use of shared spaces, community facilities (such as local shops) and other local services to enhance the sustainability of communities and residential environments (paragraph 97a).

Planning Practice Guidance (PPG)

- 2.8 The Planning Practice Guidance (PPG) provides specific guidance on plan-making and decision taking for retail, leisure and town centre uses, including guidance on Permitted Development Rights (PDR), Article 4 Directions, and the new Use Classes Order ('UCO') that came into effect on 1st September 2020⁵ (discussed later in this section). The Guidance supports the policies and provisions of the NPPF, placing significant weight on the development of positive plan-led visions and strategies for town centres.
- 2.9 In terms of planning for town centres, the PPG states that a wide range of complementary uses can, if suitably located, help to support the vitality and viability of town centres. These include residential, employment, office, commercial, leisure/entertainment, healthcare and educational development. Evening and night-time activities also have the potential to increase economic activity within town centres and provide additional employment opportunities.
- 2.10 The PPG (paragraph 004) sets out the importance of evidence-based strategies and visions for town centres to help establish their role and function over the plan period, the need for new retail, leisure and town centre uses, and other interventions. However, given the uncertainty in forecasting long-term retail trends and consumer behaviour, the PPG states that forecasts "**...may need to focus on a limited period (such as the next five years) but will also need to take the lifetime of the plan into account and be regularly**

⁵ Paragraph: 007 Reference ID: 2b-007-20190722. Also refer to: Town and Country Planning (General Permitted Development) (England) Order 2015, as amended.

reviewed⁶. In those cases where development cannot be accommodated in town centres, the PPG requires planning authorities to plan positively to identify the most appropriate alternative strategy for meeting the identified need, having regard to the sequential and impact tests⁷. The PPG also sets out several Key Performance Indicators (KPIs) that “may be relevant in assessing the health of town centres, and planning for their future”⁸.

Use Classes Order & Permitted Development Rights

- 2.11 The Government has issued a series of reforms to the planning system since 2020 that are relevant to this study. The reforms principally relate to Permitted Development Rights (PDR) and the Use Classes Order (UCO), alongside the Government’s White Paper “Planning for the Future” (published in August 2020) and the 2021 Planning Reform Bill.
- 2.12 The new UCO came into effect from 1st September 2020 and is relevant to the Council’s plan-making and decision-taking on new retail, leisure and town centre uses. The new UCO amended and revoked a number of use classes under the 1987 Order and has replaced them with much broader use classes. In summary, the main reforms introduced by the new UCO include⁹:
- a new **Class E (commercial, business and service uses)**: which subsumes the former Use Classes A1 (shops), A2 (financial and professional services) and A3 (restaurants and cafés). It also incorporates: the former Class B1 (commercial, business and service uses), comprising office, research and development and light industry; Class D1(non-residential institutions) in part, comprising medical or health services, clinics, crèches, day nurseries and day centres; and Class D2 (assembly and leisure) in part, comprising gyms or areas for indoor recreation.
 - a new **Class F1 (learning and non-residential institutions)**: which includes some of the former uses under Class D1 (non-residential institutions), including museums, public libraries, art galleries, schools, and places of worship.
 - a new **Class F2 (local community uses)**: which comprises (former Class A1) shops defined as being “...not more than 280 sqm mostly selling essential goods, including food, and at least 1km from another similar shop”. This Use Class also includes former Class D2 (assembly and leisure), such as meeting places/halls, indoor/outdoor swimming baths, skating rinks, and outdoor sport and recreation.
 - an extension to the Sui Generis uses (which fall outside the specified use classes) to include the former Use Classes A4 (pubs and drinking establishments) and A5 (hot food

⁶ Paragraph: 004 Reference ID: 2b-004-20190722

⁷ Refer to Paragraph: 005 Reference ID: 2b-005-20190722. Paragraph 010A ID: 2b-010-20190722 also provides a checklist for local planning authorities to consider when applying the sequential test.

⁸ Paragraph: 006 Reference ID: 2b-006-20190722

⁹ It should be noted that reference is also made throughout this study to classifications defined by the previous 1987 UCO.

takeaways). It also incorporates some uses previously classified under D2 (assembly and leisure), including cinemas, concert halls, live music venues, bingo and dance halls.

2.13 The Government also issued the new PDR on 1st August 2021¹⁰ that permits the change of Class E to Class C3 (residential), subject to prior approval applications. This PDR replaces the two existing commercial to residential PDRs under Class O (office to residential) and Class M (conversion of shops, financial services, betting offices and pay day loan or mixed uses to residential), with a new Class MA. In launching the PDR the Government stated that the regulations will give “...greater freedom for buildings and land in our town centres to change use without planning permission and create new homes from the regeneration of vacant and redundant buildings”¹¹. The PDR (Class MA) does contain some conditions and limitations, such as: (i) it only applies to buildings that have been vacant for a least three continuous months; and (ii) it does not apply to buildings with a cumulative floorspace of more than 1,500 sqm. Although it does not apply to Listed Buildings, it can be applied in a Conservation Area (subject to an impact assessment if it involves converting the ground floor). Since it was introduced, we are aware some local authorities are planning to bring in new Article 4 restrictions under the GPDO to prevent parts of their area from being converted (including, for example, Westminster City Council and a number of other London Boroughs).

Article 4 Directions

2.14 Article 4 Directions are a tool used by local authorities to remove national permitted development rights, if warranted and supported by robust evidence.

2.15 The Government supports the use of Article 4 Directions in a “highly targeted way” to protect core high street areas whilst not restricting the ability for much needed housing to be delivered.

2.16 The December 2023 update to the NPPF provided more detail on Article 4 Directions in paragraph 53. Of relevance, the NPPF states that Article 4 Directions should only be used to “avoid wholly unacceptable adverse impacts” such as “the loss of the essential core of a primary shopping area which would seriously undermine its vitality and viability” but discourages against the use of Article 4 Directions across the entirety of a town centre. The NPPF also advocates the use of Article 4 Directions to protect the local amenity or well-being of an area, particularly where there could be a potential loss of local facilities. In all cases, this has to be based on robust evidence, and “apply to the smallest geographical area possible”.

¹⁰ Town and Country Planning (General Permitted Development etc.) (England) (Amendment) Order 2021

¹¹ PM: Build, Build, Build - PM Boris Johnson has announces the most radical reforms to our planning system since the Second World War (Prime Minister's Office, 10 Downing Street, 30/06/2020)

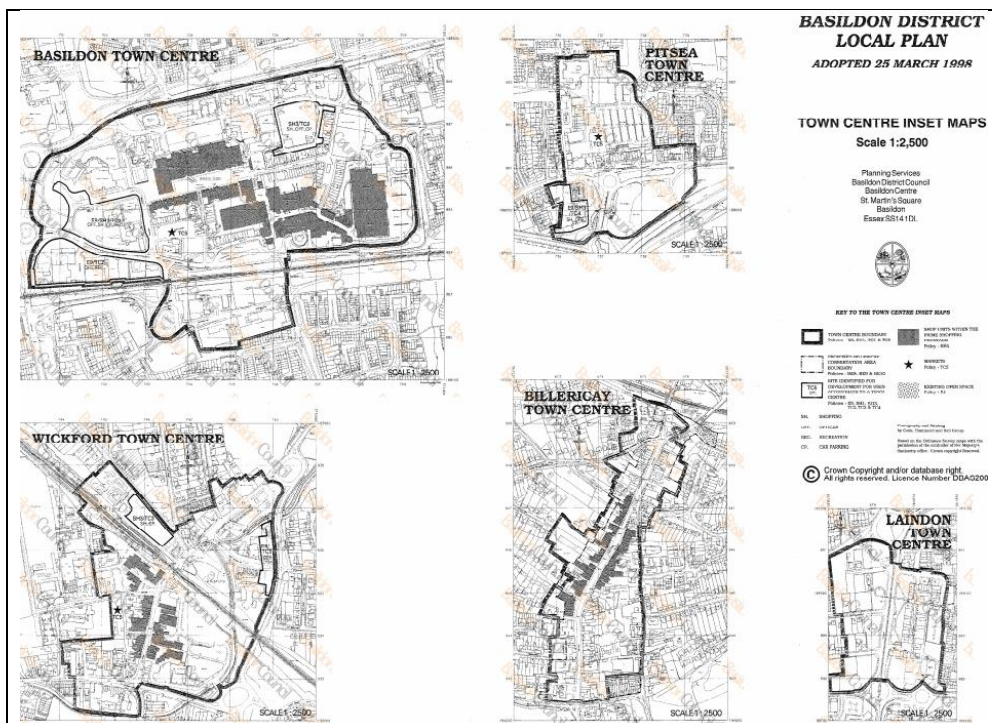
DEVELOPMENT PLAN CONTEXT

2.17 The 'Development Plan' forms the starting point for most decisions on planning applications. The development plan for the Borough is the **Basildon District Local Plan Saved Policies September 2007**. Other documents/ activity that constitute material considerations are:

- **Basildon Council – Compliance Review of the Saved 1998 Local Plan policies with the NPPF (September 2018)** – This review was conducted to identify the level of consistency the adopted policies continue to have with the NPPF, when published in July 2018
- **Emerging Local Plan** – work got underway in 2022 and is planned for conclusion in 2027.
- To note that whilst reference in the Development Plan is to 'District' the rest of this report will refer to the Council area as the 'Borough'. This is because the 'District' was formed under the Local Government Act (1972) on 1 April 1974 from the former area of the Basildon Urban District and the part of Thurrock Urban District that was within the Basildon New Town created in 1949. Basildon District was awarded 'Borough' status in 2010. The Development predates this change.

2.18 The **Basildon District local Plan Town Centre Inset Maps** outline the town centre boundaries for Basildon, Billericay, Laindon, Pitsea and Wickford as adopted in March 1998. These are shown below.

Figure 2.1: Town Centre Inset Maps



Source: Basildon District Local Plan 1998 – Town Centre Inset Maps

2.19 The main policies and provisions relevant to this study from the above documents are summarised below.

Basildon District Local Plan Saved Policies (September 2007)

2.20 The Basildon District Local Plan was approved and adopted in September 2007 and contains the extant policies for the District. The contents were originally part of the Basildon District Local Plan that was adopted in March 1998.

2.21 Given the historic nature of this development plan and updates that have since been made to the national planning policy and guidance, there are several elements of the Basildon District Local Plan Saved Policies that are now outdated and redundant.

2.22 The key policies and provisions most relevant to this study include:

- **Policy BAS SH1** – when assessing proposed retail developments in the urban areas of Basildon, Billericay and Wickford, the Council will apply a sequential test. Consideration should initially be focused on sites within the town centres. If this proves unsuccessful and there are no town centre sites that are suitable, then focus can turn to potential edge of town centre sites. If there are still no suitable solutions found, then out of town centre sites within the urban areas will be considered, subject to a list of criteria.
- **Policy BAS SH3** – town centre sites that have been identified for potential retail development are Car Park 2 (Great Oaks, Basildon), Fodderwick (Basildon), Station Avenue (Wickford) and Rear of Tudor Mansions (Pitsea).
- **Policies BAS SH4 and BAS SH5** – these policies relate to acceptable changes of Use Class within and outside of the Primary Shopping Frontage areas. With Primary (and Secondary) Shopping Frontages having been replaced with the guidance of Primary Shopping Areas and the Use Classes referred to within the policy (A1, A2 and A3) superseded by the more flexible Use Class E, these policies are now less relevant.
- **Policy BAS SH6** – outlines the criteria with which approval can be given for an existing building used for Class B1, B2 or B8 to be reallocated to retail use. The criteria cover consideration for potential harm to the vitality & viability of any town centre, loss of employment and car parking provision.
- **Policy BAS SH7** – providing there is no serious loss of residential amenity, planning permission within the built-up area will typically be granted for new local shopping centres, expansion to existing local shopping centres and individual shops.
- **Policy BAS SH8** – providing relevant criteria outlined is met, Non-Class A1 (Shops) will be permitted in local shopping centres. Again, Use Class references are outdated and have since been superseded.
- **Policy BAS TC1** – development proposals including retailing, offices, recreational or community facilities and residential (where it forms an ancillary part of a mixed use

scheme) will be encouraged, but with consideration given to policies such as BAS SH3, BAS SH4 and BAS SH5 along with criteria set out.

- **Policy BAS TC3** – the Station Road and Eastern end of Lower Southend Road sites in Wickford Town Centre have been identified as suitable for comprehensive redevelopment for uses appropriate to a town centre.
- **Policy BAS TC4** – the land to the rear of Tudor Mansions has been identified as a site within Pitsea Town Centre that is suitable for comprehensive redevelopment for uses appropriate to a town centre.
- **Policy BAS TC5** – proposals for the redevelopment of market sites will be resisted in Basildon, Pitsea and Wickford unless a suitable replacement market site is provided.
- **Policy BAS TC6** – the approval of new residential development within the town centres will normally rely on the condition that it forms part of a mixed-use scheme. Furthermore, it is unlikely that a change of use will be granted for a ground floor level, shop frontage unit to become residential.

Basildon Council – Compliance Review of the Saved 1998 Local Plan Policies with the NPPF (September 2018)

- 2.23 In September 2007 certain policies of the adopted 1998 Basildon District Local Plan were saved with the expectation that they would soon be replaced by the preparation and adoption of a new Local Plan. At the time, they were deemed to still be compatible with national and regional policy at the time.
- 2.24 In response to the publication of the July 2018 NPPF, and in the absence of a new Local Plan that had been expected to come soon after the saved policies in 2007, Basildon Council conducted a compliance review to identify the level of consistency that the adopted policies continue to have.
- 2.25 The comments associated to the policies outlined previously from the Basildon District Local Plan Saved Policies (September 2007) can be summarised as follows:
- **BAS SH1 on New Retail Development** – provides that new retail development will be concentrated within the urban areas of Basildon, Billericay and Wickford, and within those areas in the town centres. Also that in assessing proposed retail developments, the Council will apply a sequential test.
 - **BAS SH3 on Town Centre Retail Development Sites** – the policy refers to identified town centre opportunity sites for retail development.
 - **BAS SH4 and BAS SH5 on Town Centre Shopping Frontages** – refers to change of use within defined Primary Shopping Frontage (PSF) areas within the town centre outside of the PSF. This policy is no longer compliant with the latest version of the NPPF where there is no requirement to define a PSF.

- **BAS SH6 refers to Retailing on Industrial Estates** – with specific reference to change of use to retail and subject to no harm to town centres, no loss of significant employment and car parking requirements.
- **BAS SH7, on New Developments of, and Extensions to, Local Shopping Centres** provides that this would normally be granted provided there is no serious loss of residential amenity.
- **BAS SH8 allows non class A1 (shops) to be permitted in local centres** unless it detracts from the ability of the centre to meet the everyday needs of local residents and that Class A3 (food and drink) will not be permitted if it harms amenities of residents. As stated previously, the new UCO has amended and revoked a number of use classes under the 1987 Order and has replaced them with much broader use classes, hence this policy has largely been superseded.
- **BAS TC1, District Wide Town Centre Policy** – encourages development appropriate to a town centre, including retailing, offices, recreational or community facilities and residential (where it forms an ancillary part of a mixed use scheme).
- **BAS TC3, Site Allocation in Wickford Town Centre** – policy identifies sites for comprehensive redevelopment.
- **BAS TC4, Site Allocation in Pitsea Town Centre** – policy identifies sites for comprehensive redevelopment.
- **BAS TC5, Protection of Market Sites** – the policy restricts the redevelopment of market sites in Basildon, Pitsea and Wickford unless such redevelopment provides for a replacement market on a suitable site.
- **BAS TC6, Residential Development in Town Centres** – the policy allows new residential development within the town centres where it forms part of a mixed use scheme.

2.26 It is to be noted that due to the historic nature of the plan a range of the policies such as those on frontages and permitted changes in use class have been superseded by changes in NPPF as well as the overall reforms to the planning system.

2.27 At the time of writing this report, the Council is updating its Compliance Review of the Saved Policies to take account of the publication of the revised NPPF (December 2023). Following sign-off by members, this will supersede the 2018 version anticipated during the first quarter of 2024.

Emerging Local Plan

2.28 Work is underway on an emerging local plan, with preparation commencing in 2022 and an anticipated adoption coming in 2027.

2.29 A period of consultation took place between June and September 2023 to discuss topics such as housing, transportation, employment, infrastructure and environmental sustainability with the local communities.

2.30 The findings of this consultation are to be shared with Cabinet in early 2024.

OTHER MATERIAL CONSIDERATIONS

2.31 Although historic, masterplans for Basildon (2012), Pitsea (2007) and Wickford (2006) were developed to provide a medium to long-term framework to guide the development and regeneration of these town centres. In addition, a regeneration plan for Wickford Town Centre was approved in March 2013. Whilst dated, a summary of the relevant outputs of each can be found below.

Basildon Town Centre Masterplan (2012)

2.32 The Basildon Town Centre Masterplan was published in December 2012 and outlined a vision for the future that looked to 2030 and beyond. It set out the ambition that within 20 years, ‘the centre of Basildon will be a truly successful place – a town centre to be proud of’. It goes on to say that the aim is for businesses to want to locate to Basildon and for people to want to live, work and spend their leisure time in the centre.

2.33 The relevant overarching and informing principles that make up the masterplan include:

- A greater diversity and range of uses and offers available within the town centre
- Contraction of the retail provision with an emphasis on a better-quality offer
- Create a stronger evening economy through a variety and quality of shopping, leisure provision and cultural opportunities
- Build a new multi-activity centre around St Martin’s Square, including a street market, which will make it a community hub
- Creation of a more outward facing town centre
- Promote the evolution of Eastgate Centre to maintain its status as one of the town centre’s prime retail pitches alongside Town Square

Pitsea Town Centre Masterplan (2007)

2.34 The Pitsea Town Centre Masterplan was published in March 2007 and sought to bring elements such as retail, leisure, employment and transport infrastructure together in order to lay out a comprehensive roadmap for Pitsea that benefitted residents, workers and visitors.

2.35 The town centre was broken down into four key strategic areas, each with a clear vision for the future as outlined below.

-
- 2.36 To the north of the town centre, a 'Healthy Living Quarter' is proposed, providing a range of community, health and leisure uses, supported by retail and café uses as well as new town centre living opportunities
- 2.37 Along the north side of High Road an area defined as the 'Retail Heart' is put forward with a vision of a new retail offer that balances high street retailers with a specialist niche retail offer. Pitsea Market is earmarked to take up southern edge of this retail heart.
- 2.38 A vision for a 'Central Gateway' is outlined to accommodate part of Pitsea market, as well as a residential-led mixed-use development and an enhanced Broadway Tudor building.
- 2.39 Located on the High Road Retail Park, the 'Eastern Approach' section of the masterplan plans for a remodelling of the area to provide larger footprint retail units that front onto the high street and have residential units above.

Wickford Town Centre Masterplan (2006)

- 2.40 The Wickford Town Centre Masterplan was approved in February 2006, setting out a vision for the town centre alongside a development framework.
- 2.41 Whilst the market and train station are highlighted as features of the town that give hope for a prosperous future, 'the disjointed and tired urban form', 'the comprehensively poor environment' and 'the continuing erosion of the centre's functionality as a shopping destination' are raised as cause for concern.
- 2.42 In response, a framework is set out which is advised by the vision and objectives of the Masterplan, and is characterised by introducing new, mixed-use developments, creating new public space in the High Street, bringing forward opportunities for new retail, leisure, commercial and local services, releasing key development opportunities and improving access, movement and linkages within the centre as well as to and from it.
- 2.43 As part of the spatial framework of the masterplan, six key 'character' areas were identified as opportunities for promoting mixed-use development:
- High Street – enhancing the retail environment, bringing the market into the street scene and promoting urban living above shops and on the existing market site.
 - Station Gateway – encouraging the use of both station entrances and bringing forward the multi-storey car park and mixed-use development on Station Road.
 - Town Centre Riverside Living – promoting residential developments and leisure opportunities along the River Crouch.
 - Public and Health Focus – creating an integrated community service facility to the east of Market Avenue.
 - Eastern Extension – improvements for the area to the east of the town including a multi-storey residential and live-work development as well as a new housing scheme.

-
- Southern Gateway – a strengthening of the area at the southern end of the High Street with a focus on the theme of leisure and recreation.

Wickford Town Centre Regeneration (2013)

- 2.44 A regeneration strategy for Wickford Town Centre gained approval in March 2013 and was subsequently outlined within a public leaflet in which some significant upcoming changes to the town centre were set out.
- 2.45 The four key projects outlined within the Regeneration of Wickford Town Centre leaflet are:
- A new and improved market (including a change of location and the consideration of road closures)
 - New public toilets
 - High Street improvements (paving, landscaping and lighting)
 - Investment in leisure – Wickford Pool refurbishment and a new fitness suite (£2.4m of funding from Basildon Council)

SUMMARY

- 2.46 In summary, the underlying objective of national, regional and local plan policy is to maintain and enhance the vitality and viability of town centres, and to promote new sustainable development and economic growth in town centre locations 'first'.
- 2.47 This policy objective is even more critical now as town centres and high streets are facing increasing economic challenges. These include the long-term competition from out-of-centre shopping and leisure facilities and, over the last decade, the growth in online shopping, cost of living and rising inflation as well the trends and challenges that have been further accelerated by the COVID-19 pandemic.
- 2.48 It should also be pointed out that reforms to the planning system issued by the Government including updates and changes to Permitted Development Rights (PDR); the reform of the Use Classes Order (UCO); and the 2021 Planning Reform Bill have revoked a number of use classes under the previous UCO and replaced them within much broader classifications (discussed later). On this basis any policies that reflect the previous UCO classifications will need to be amended.
- 2.49 Given the current challenges that town centres are facing and the recent changes to national planning policy and guidance, it is important that local policy is current, relevant and fit for purpose. In the case of the Basildon District Local Plan, extant policies are historic and becoming less applicable. It is therefore important that the Emerging Local Plan that is underway draws on the findings of this report as evidence base for ensuring the vitality and viability of its town centres.

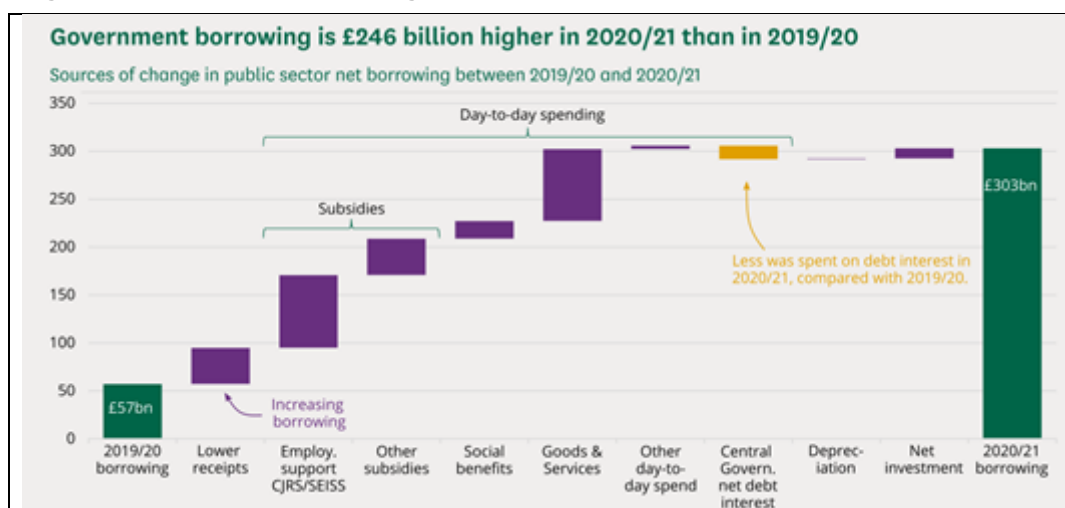
3. TOWN CENTRE TRENDS

- 3.1 This section summarises some of the key economic, consumer and property market trends that have driven the changes in the retail and leisure sectors over the last decade and how town centres can respond to these dynamic trends to remain competitive and enhance their overall vitality and viability in the future.
- 3.2 The pandemic created one of the toughest trading environments for the retail and leisure sectors and the post pandemic phase has been characterised by low growth, rising inflation and the cost of living crisis. This section details the impact of these factors on the commercial retail and leisure market.

UK ECONOMIC OUTLOOK

- 3.3 The government’s decision to close non-essential retail and leisure outlets in spring and autumn of 2020, followed by a third national lockdown from January 2021, had a significant impact on a wide range of formats: from leisure and hospitality sector to fashion retailers and department stores.
- 3.4 A weak consumer economy born out of the response to the COVID-19 pandemic caused widespread disruption to the UK’s economy. The impact of the COVID-19 pandemic in 2020 saw the UK economy experience its biggest annual decline in GDP (-9.9%) for over 300 years. Britain’s budget deficit (i.e., the gap between public spending and income from taxes) has also reached the highest levels experienced since the Second World War. Government borrowing climbed to a record £303 billion (or 14.5% of GDP) in 2020/21.

Figure 3.1: Government Borrowing: 2019/20 compared with 2020/21

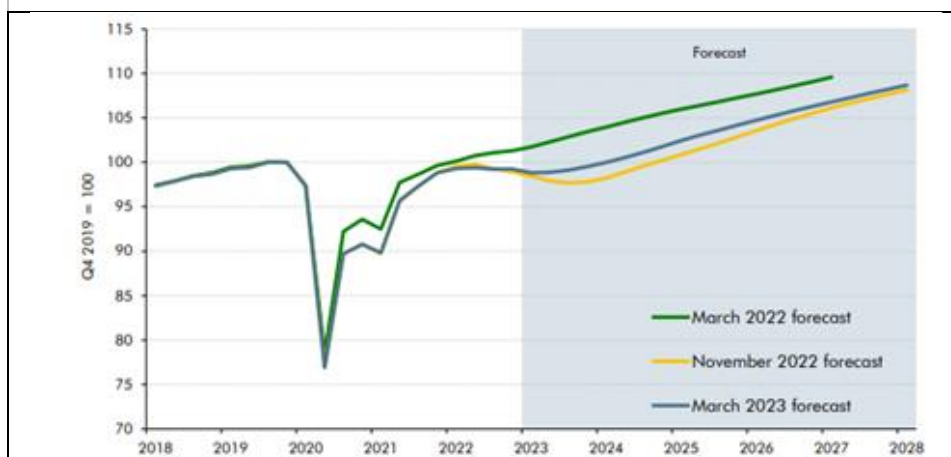


Source: House of Commons Library: Government borrowing: Peacetime record confirmed (23/04/2021)

- 3.5 The UK economy has faced significant headwinds in the form of surging inflation, high energy costs and supply chain disruptions. Even as the impact of the COVID-19 pandemic eases, the economic consequences of the Ukraine conflict continue to reverberate in impact in the

form of high energy prices which affects the economic outlook. According to the Office of Budget Responsibility (OBR)¹², the near-term economic downturn is set to be shorter and shallower; medium term output to be higher; and the budget deficit and public debt to be lower. But this reverses only part of the costs of the energy crisis, which are being felt on top of larger costs from the pandemic.

Figure 3.2: Real GDP Forecasts



Source: Office for Budget Responsibility - Economic and Fiscal Outlook (March 2023)

- 3.6 Consumer Price Inflation (CPI) peaked at a 40-year high of 11.1% in October 2022¹³ (well above the Bank of England target rate of 2%). Twelve-month CPI inflation fell from 10.5% in December 2022 to 10.1% in January 2023 but then rose to 10.4% in February 2023 before falling again to 8.7% in May 2023¹⁴. Additionally, this continued to fall from 7.9% in June to 6.7% in August 2023¹⁵.
- 3.7 Hence there are macroeconomic shifts unfolding. A ‘cost of living crisis’ has emerged, hitting the least affluent households the hardest, sparking recessionary behaviours, weaker spending and softer confidence. Real household disposable income (RHDI) per person – a measure of real living standards – is expected to fall by a cumulative 5.7% over the two financial years 2022-23 and 2023-24. This would be the largest two-year fall since records began in 1956-57¹⁶. The fall in RHDI per person reflects the rise in the price of energy and other tradeable goods of which the UK is a net importer, resulting in inflation being above nominal wage growth. The squeeze on real household incomes is anticipated to drag down consumption in 2023/2024.

¹² Office for Budget Responsibility - Economic and Fiscal Outlook (March 2023)

¹³ Office for Budget Responsibility - Economic and Fiscal Outlook (Ibid)

¹⁴ Bank of England: Monetary Policy Summary and minutes of the Monetary Policy Committee meeting ending on 22 March 2023 and : Monetary Policy Summary and minutes of the Monetary Policy Committee meeting ending on 21 June 2023

¹⁵ Bank of England: Monetary Policy Summary and minutes of the Monetary Policy Committee meeting ending on 20 September 2023

¹⁶ Office for Budget Responsibility - Economic and Fiscal Outlook (Ibid)

- 3.8 Experian Business Strategies (Experian) predict in their latest Retail Planner Briefing Note 20 (February 2023) ('RPBN 20') that "recovery over the coming years will be shaped by the after-shocks from the pandemic the extent of potential scarring to the UK's longer term economic potential and the supply chain disruption due to shutdowns and continued Brexit impacts". According to Experian spending growth over the course of 2023 is clouded by consumers' wider economic woes, namely a cost of living squeeze underpinning a decline in real personal disposable incomes and a curbing of consumer spending.
- 3.9 The implications are that this will result in a decline in real disposable incomes in 2023 and beyond over the short term to 2024. Against this backdrop the latest average GDP forecasts (August 2023) show a 0.3% growth for 2023 and a projected nominal growth of 0.7% in 2024 according to HM Treasury¹⁷ estimates.

RETAIL SPENDING

- 3.10 Spending growth over the course of 2023 is impacted by consumers' wider economic factors including the cost of living squeeze.
- 3.11 The latest Experian¹⁸ forecasts for **retail spend per head** show:
- **Convenience goods:** The impact of COVID-19 resulted in a significant +10.2% surge in spend per head in 2020 but a contraction of -1.4% in 2021. This followed negative growth of -1.4% between 1997 and 2021. The overall level of negative growth in convenience goods spending has had a significant impact on the grocery sector and on retailer business models. Experian reported a fall in convenience spend in 2023 (-2.4%), and annual (per capita) growth over the medium to long term "flatlining" at around +0.1% to 2029 and +0.2% up to 2040.
 - **Comparison goods:** the figures show year-on-year growth rates recovering from a low of 0.9% in 2012, to a high of +6.7% in 2021. This followed a contraction of -6.8 in 2020. Experian predict that (per capita) growth will settle at around +2.5% to 2029 and +3% up to 2040. The longer term growth forecast is higher than the historic long term trend (1997-2021) of +2.6% per annum.
- 3.12 These expenditure growth trends and forecasts have informed the updated assessments of retail capacity. Clearly any further dampening of growth rates over the short to medium term due to rising inflation and the cost of living crisis will have implications for the viability of existing retail businesses and the demand for new space.

¹⁷ HM Treasury Forecasts for the UK economy: a comparison of independent forecasts No. 433 (August 2023)

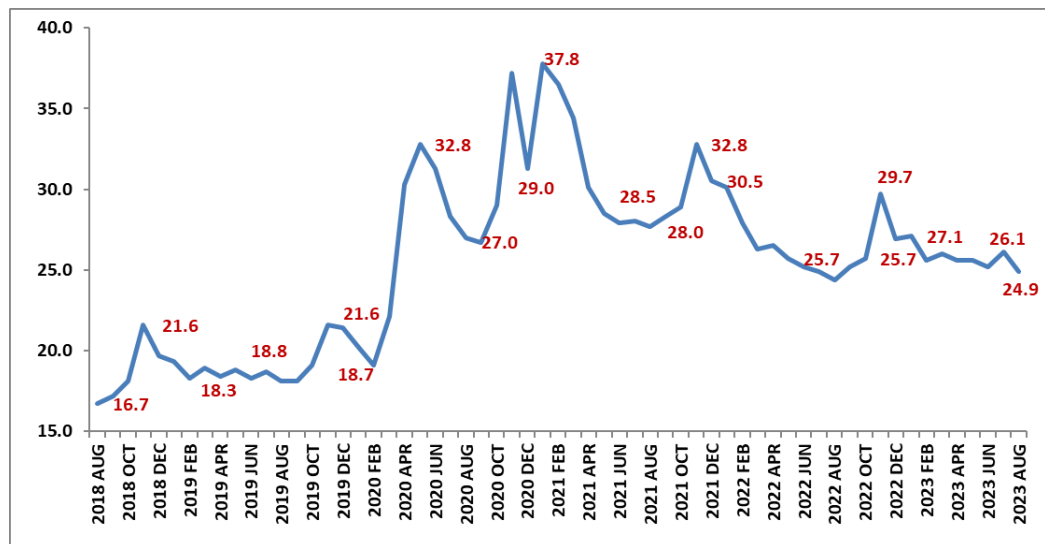
¹⁸ Source: Experian Retail Planner Briefing Note 20 (February 2023) Figures 1a and 1b.

ONLINE SHOPPING

3.13 The growth in non-store retail sales has undoubtedly had the most significant impact on consumer spend and behaviour over the last decade, and on our High Streets and traditional shops. Non-store retailing is commonly referred to as Special Forms of Trading (SFT). This comprises all non-store retail sales made via the internet, mail order, stalls and markets, door-to-door and telephone sales. On-line sales by supermarkets, department stores and catalogue companies are also included in the data collected by the Office for National Statistics (ONS).

3.14 ONS figures show that as a percentage of total sales, online retail sales accounted for up to 25.2% of sales in February 2023 compared with a peak of 37.8% in January 2021. The graph also shows the steep increase from 19.1% in February 2020 to 32.8% in November 2021. Overall, the trend suggests that online accounts for between 25% to 35% of the amount spent on retail goods.

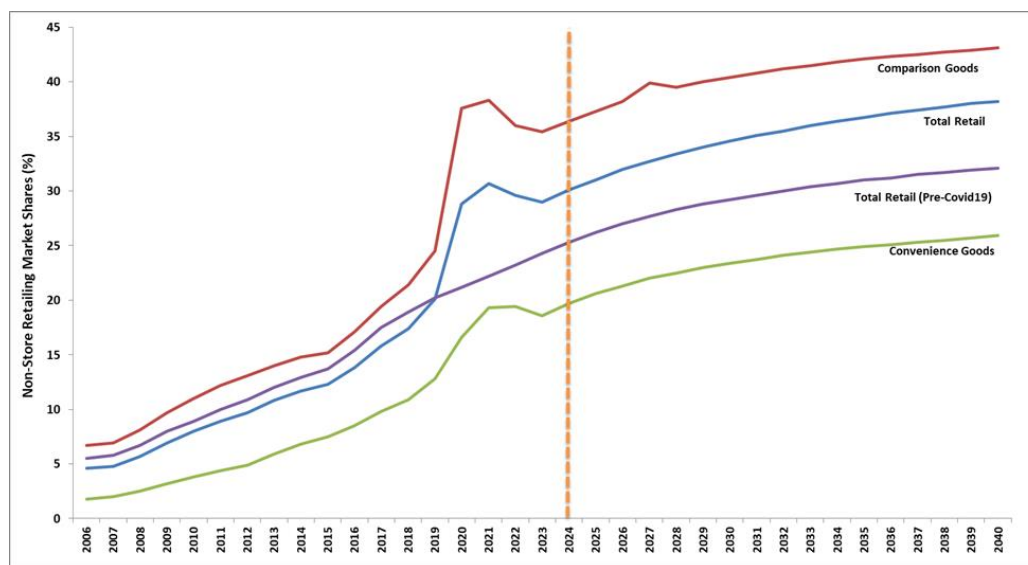
Figure 3.3: Internet Sales as a Percentage of Total Sales (%)



Source: ONS: Retail sales, Great Britain: August 2023

3.15 As the figure below from Experian shows, SFT's overall market share (as a proportion of total UK retail sales) increased from 5.4% in 2006 to 28.1% in 2020. In other words, online accounted for almost one in every three pounds spent on retail goods in 2020. Of this total non-store retail sales, Experian estimate that comparison and convenience goods retailing achieved market shares of 34.1% and 18.0% respectively in 2020.

Figure 3.4: Estimated and Projected Market Shares of Non-Store Retail Sales (SFT), 2006-2040 (Not Adjusted)



Source: Experian Retail Planner Briefing Note 20 (February 2023) Appendix 3 and Experian Retail Planner Briefing Note 17 (February 2020); Appendix 3

- 3.16 The latest Experian forecasts indicate that total SFT market shares will increase to 38.2% by 2040. Comparison and convenience goods non-store retail sales are forecast to reach 43.1% and 25.9% respectively by 2040.
- 3.17 Experian predict that the pace of e-commerce growth will moderate over the long term as internet use is now almost at capacity. ONS statistics showed in 2020 some 92%¹⁹ of all UK adults have internet access and almost all of those aged between 16-44 years. Hence, Experian expect that the growth of the internet user base will be less of a driver than it has been in the past decade. Instead, generational differences in internet use will increasingly drive growth. For example, the 'Millennials' (defined as anyone born between 1981 and 1996) and 'Generation Z' (anyone born between 1997 and 2010) generations have grown up in digital environments and use technology more intensively. These groups will account for half of the adult population by the end of the 2020s (compared to 39% in 2019) and the bulk of retail and leisure spending. Their preference for online shopping could well represent the "tipping point" for the retail industry as a whole, and this will have been further accelerated by the impact of the pandemic.
- 3.18 Whatever the forecast growth in online sales and market shares, it is clear that high streets, town centres and physical retailers will need to work even harder to retain their existing customer base and attract new customers over the short (post-pandemic), medium and long term.

¹⁹ Source: ONS: Internet users, UK: 2020 (Release date 06/04/2021)

- 3.19 In terms of forecasting the potential capacity for new physical retail floorspace, Experian estimate that approximately 25% of all SFT sales for comparison goods and 75% for convenience goods are still sourced through traditional ('bricks-and-mortar') retail space, rather than through 'virtual' stores and/or 'dot com' distribution warehouses. On this basis, Experian adjust their SFT market shares downwards for total retail to 18.6% in 2023, 19.8% by 2025, 22.3% by 2030 and 24.5% by 2040²⁰. These market shares are higher than Experian's pre-COVID-19 forecasts²¹ of 15% in 2022, increasing to 25.4% by 2040. In line with standard approaches these adjusted/recalibrated market share figures are preferred for retail capacity assessments and used in this assessment.
- 3.20 It is clear that the "*digital revolution*" and growth of online retailing has, and will continue to have, a significant impact on Britain's retailers, sales and high streets. Digital trends are constantly developing and 2023 has already been a big year for new technologies from better online gaming to Artificial Intelligence (AI)-powered tools. Some online stores have started to experiment with augmented reality (AR). The "*digital revolution*" is also impacting on how and where people choose to spend their leisure time. The adoption of digital technology in the leisure and entertainment industry is part of this wider trend. Consumers are increasingly turning to digital platforms for entertainment, including video games, streaming services, and social media. This trend has been further accelerated by the COVID-19 pandemic, as people were forced to spend more time at home and turned to digital entertainment to pass the time.
- 3.21 Streaming services are another major contributor to the growth of the digital leisure market. Platforms like Netflix, Amazon Prime Video, and Disney+ have seen a surge in subscribers in recent years, and this trend is expected to continue. Furthermore, social media is also a significant contributor to the growth of the digital leisure market. Platforms like Facebook, Instagram, and TikTok have become a major source of entertainment for many people, particularly younger generations. These platforms have also become important channels for advertising and marketing as companies seek to reach consumers where they spend their time.
- 3.22 In summary, both retailers and high streets will need to compete for shoppers and expenditure through a variety of means including creating experiences that will attract the interest and attention of potential consumers across all age and socio-economic groupings.

²⁰ Experian Retail Planner Briefing Note 20 (February 2022)

²¹ Experian Retail Planner Briefing Note 17 (February 2020)

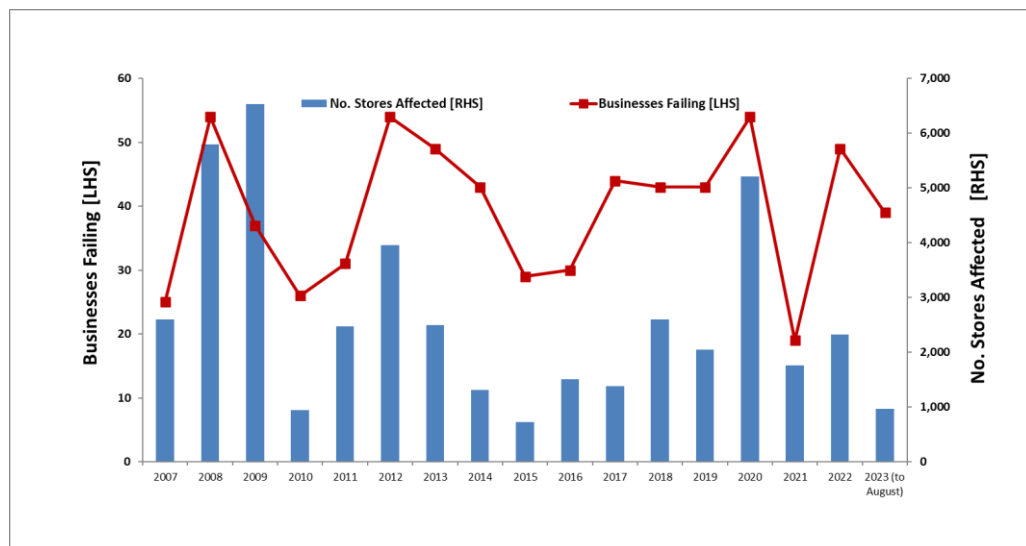
RETAILER BUSINESS MODELS AND REQUIREMENTS

- 3.23 The challenging economic conditions and growth in online sales have had a significant and permanent impact on consumer shopping and spending behaviour. Retailers have faced challenges across the supply chain, inflationary pricing, economic uncertainty and geo-political factors.
- 3.24 This has created significant challenges for traditional “bricks-and-mortar” retailing and the high street. Consequently, national multiple retailers are having to constantly review and rapidly adapt their business strategies, requirements and store formats to keep pace with the dynamic changes in the sector and consumer demand. As retailers adjust to “new normal”, a seamless experience and hybrid shopping are shaping the future of retail; the key trends that will impact the industry include:
- Hybrid or ‘Phygital’ (physical and digital) shopping – Retailers want to deliver a seamless experience across all shopping methods, including online, in-store, mobile devices, social media, and live streaming.
 - Social media sentiment monitoring is collecting and analysing information about a retailer or brand on social media. Actively engaged on social media, retailers are able to better understand data about their customers' sentiments, preferences, and attitudes toward their company and its competitors.
 - Physical retail stores and websites are becoming increasingly crucial as sources for additional advertising revenue for retailers.
 - Changes to retail formats and design – retailers are testing different formats as well as including new offerings on the click and collect method such as IKEA opening a store on Oxford Street.
 - Changes in Consumer behaviour – the growing trend in repair, recycling, reuse, and thrifting is set to grow. This is seen in the rise of the popularity of second hand shops, vintage markets, and charity shops once again. Additionally, more brands are championing sustainability, including:
 - IKEA has recently launched its buy-back and re-sale scheme, in an attempt to reduce the number of products going to landfill.
 - The George at Asda brand has joined forces with specialist wholesaler Preloved Vintage Kilo. The supermarket’s clothing brand, George, will be selling second hand clothing in 50 UK stores after a successful trial in Leeds in 2021.
 - H&M were the first fashion brand to launch a global garment collection initiative in 2013, allowing customers to hand in any unwanted clothing to a H&M store.
 - Decathlon’s Second Life initiative, where repaired products (e.g. bikes, fitness equipment, kayaks, tents) are sold.
- 3.25 These dynamic trends are best illustrated by the changes in the grocery sector over the last decade. Since 2010, the top-5 main grocery operators have been Tesco, Sainsbury’s, Asda,

Waitrose and Morrisons who have dramatically changed their business models; their focus has been on growing market share through online sales and new smaller convenience store formats (including Tesco Express, Sainsbury's Local and Little Waitrose). As a consequence, applications for large store formats have slowed to a virtual standstill over the last decade and extant permissions have not been implemented.

- 3.26 Previously outside of the so-called top-5 grocers, the 'deep discount' food operators (namely Aldi and Lidl) have significantly increased their respective market shares through new store openings. As of September 2022, Aldi overtook Morrisons to become the UK's fourth largest supermarket for the first time, as grocery inflation hit a new record of 12.4% in August 2022. Notwithstanding this the grocery and convenience sector has had buoyant sales during the pandemic, particularly in town, district and local centres as many households have been forced to work from home and only the foodstores and 'essential stores' have been open during the series of lockdowns, including local independents.
- 3.27 The non-food retail sector has also experienced a significant impact from the rise of online shopping over the last decade, which has impacted on business models and store viability. Many well-known retailers have either closed or have significantly reduced their store portfolios.
- 3.28 Although Covid pressures on the economy may have eased, the challenges facing consumers, businesses and town centres continue to intensify. The latest industry research shows that over 2,000 closed stores in 2022 due to businesses entering administration, with almost 35,000 jobs lost. This compared with 5,200 store closures in 2020, and over 109,000 job losses.

Figure 3.5: Major Retail Failures (2007 – 2023 (August))



Source: Centre for Retail Research (2023)

-
- 3.29 The pandemic has accelerated the demise of a number of high profile retailers that were already struggling due to falling sales and increasing costs/debt, including Debenhams, Oasis, Warehouse, Laura Ashley, the Arcadia Group and Cath Kidston. John Lewis also announced the closure of four department stores and four 'At Home' stores.
- 3.30 National retailers with extensive high street store portfolios are struggling to maintain market shares and remain profitable in the increasingly competitive environment. The higher costs of trading from high streets compared with online and out-of-centre retailing, also means that it is not a "level playing field". This is a further contributing factor to the sizeable number of store closures that have occurred over recent years.
- 3.31 In summary, although some retailers are better positioned to cope with the growth in online shopping and the shifts in consumer behaviour and preferences, many are struggling to position themselves quickly enough to absorb rising costs and engineer the vital transition to a more technology-focussed business model.

RISING OCCUPANCY COSTS

- 3.32 '*Bricks and mortar*' retailers are having to absorb higher than inflation increases in year-on-year occupancy costs (for example, rents, business rates, service charges, utility bills, staff costs, etc). This outpaces sales growth for many retailers, eroding profitability and resulting in more store closures.
- 3.33 As described above it is not a "level playing field" between high street and online retailing, or between high street and out-of-centre retailing. In response to the budgetary challenges from rising costs and tight margins, retailers will need to drive up efficiencies and productivity from existing floorspace to remain viable.
- 3.34 It is standard practice for retail planning assessments to make a reasonable and robust allowance for the year-on-year growth in the average sales densities of existing and new (comparison and convenience) retail floorspace for it to remain vital and viable. However, there is limited evidence detailing actual changes in the turnover and profitability of retailers over time. The latest Retail Planner Briefing Note (RPBN 20) (February 2023) provides forecasts of annual floorspace productivity growth rates based on two different scenarios: (i) the 'constant floorspace scenario', based on limited potential for new retail development, resulting in greater efficiency of existing floorspace; and (ii) the 'changing floorspace scenario', which takes account of the impact of new retail development on average retailer sales performance. The table below sets out the differences between the two scenarios.

Table 3.1: Floorspace Productivity Growth Rates (year-on-year growth %)

	2021	2022	2023	2024	2025-2029	2029-2040
CONSTANT FLOORSPACE						
Convenience Goods	-7.2%	-7.7%	-1.8%	-0.3%	0.2%	0.4%
Comparison Goods	5.2%	3.4%	-0.5%	-0.4%	2.1%	3.0%
CHANGING FLOORSPACE						
Convenience Goods	-7.2%	-7.7%	3.4%	2.8%	0.1%	0.0%
Comparison Goods	5.3%	3.4%	-0.1%	-0.4%	2.0%	2.8%

Experian Retail Planner Briefing Note 20 (February 2023); Figures 3a/3b and 4a/4b

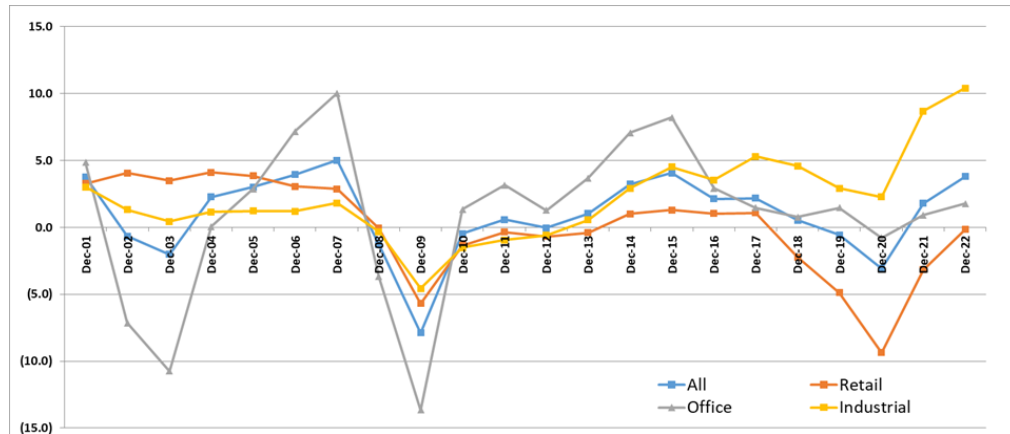
- 3.35 As Experian explain the volatility in sales densities in 2021 and 2022 have been driven by sharp swings in retail spending due to temporary business closures during the pandemic and subsequently the impact of high inflation. Sales density growth rates are expected to be weak in 2023 and 2024 given the poor near term outlook for retail sales volumes. Budgetary challenges from rising costs and tight margins will be a key factor underpinning floor space efficiencies over the coming years. These results reflect national trends and there will be marked differences between local areas.
- 3.36 On this basis, budgetary pressures mean that retailers will have to increase efficiencies from current floorspace including through redevelopment/repurposing of existing floorspace; adoption of modern technology and innovations; more effective marketing strategies; and adopting an ‘omni-channel²²’ strategy that uses internet sales to increase the sales performance of physical shops. This is against a backdrop of weak demand for retail property, high vacancy levels and a significant fall in new retail-led development in centres across the UK.
- 3.37 For these reasons we prefer to test higher ‘constant floorspace productivity’ growth rates for retail planning assessments, as they better reflect national trends and the need for existing retailers to increase their sales potential and profit margins to remain viable.
- 3.38 Outside of the top 50 it is the more secondary towns and shopping locations that potentially remain vulnerable to further reductions in their existing retail and commercial offer. This is against the backdrop of limited and falling demand for new shops and commercial space and the need for more flexibility in the use of the available space.
- 3.39 Demand for retail space in centres across the UK has fallen dramatically since 2007 and is currently at an all-time low. In turn this fall in demand is impacting on property values and rents. For example, LSH research conducted before the pandemic showed that the retail sector recorded a 4.9% year-on-year fall in rents in December 2019; fell further in December 2020 by 9.4%; by 3.2% in December 2021 and by 0.2% by December 2022²³. As shown

²² ‘Omni-Channel retailing’ refers to the integration of different methods of shopping available to consumers (e.g. via the internet, in a physical shop, or by phone).

²³ LSH Research (2023) using MSCI data

below the retail sector has performed poorly compared with the other property sectors with its origins back to the economic crisis in 2007/08. This trend has been further exacerbated by the pandemic and current cost of living crisis.

Figure 3.6: Property: Average Rental Growth (2001-2023) (%)



Source: MSCI UK Quarterly Property Index (April 2023)

3.40 One of the obvious impacts of the difficulties experienced within the retail sector is the fall in retail rental values. The larger retail groups have enjoyed a particularly strong negotiating position and lease events represent an opportunity to reduce costs and increase flexibility. Over the past year we have experienced multiple retailers seeking some or all the following lease provisions when agreeing lettings:

- An increase in rentals linked to turnover as opposed to contracted rents linked to market rental value.
- Where rent reviews are to market value a cap as to the quantum of any future increase.
- Shorter leases and regular tenant break options.
- Capped increases to service charge.
- Pandemic clauses with rent cessation provisions in case of forced closure.
- Larger incentive packages, including capital contributions, enhanced handover specifications and extended rent free periods.

3.41 Overall, many centres and shopping locations across the UK simply have too much retail floorspace stock, or they have the “wrong type” of retail floorspace that does not meet the needs of modern national retailers for larger format shop units. Some analysts indicate that as there may be as much as 30% too much physical space in the retail sector. Our recent research together with REVO²⁴ indicated that the oversupply of retail floorspace has overtaken business rates as the main challenge identified by our survey respondents. It was mentioned by 42.7%, up from 36.1% in 2022.

²⁴ LSH / REVO Survey 2023

-
- 3.42 This over-supply of retail floorspace and limited market demand is placing further pressures on the viability of existing stores and shopping centres. In turn, this makes it difficult for landlords, investors and retailers to justify additional capital expenditure.

OUT-OF-CENTRE RETAILING

- 3.43 The development and take-up of food and non-food out-of-centre space has also slowed over recent years, in line with the trends impacting on high streets and town centres. The main grocery retailers have pulled back from new larger format superstore openings in edge and out of centre locations to focus on maintaining and increasing market shares through online sales and opening smaller convenience outlets. The exception to this is the discounters, Aldi and Lidl, who continue to seek new sites in mainly edge and out-of-centre locations²⁵.
- 3.44 Vacancy levels in out-of-centre retail warehouses and parks have also increased over the last decade following the closure of major operators (such as, for example, Poundworld, Office Outlet, etc.), and a reduction in the store portfolios of other major out-of-centre retailers (such as, for example, B&Q and Homebase). There are likely to be further increases in closures, particularly in the poorly performing “first generation” and secondary shopping locations, as leases come up for renewal and more retailers go into administration. As a result, a number of out-of-centre foodstore and retail warehouse sites are being repurposed and/or redeveloped for alternative uses, including logistics and residential uses.
- 3.45 Notwithstanding this, most out-of-centre shopping locations retain their significant competitive advantages over town centres and high streets in terms of their supply of larger format modern outlets, ease of access and ability, their lower occupancy costs, extensive free parking as well as their ability to serve as last-mile delivery hubs. This remains an attractive proposition for those retailers that are still seeking space in the current market. For example, as part of its revised business model Marks & Spencer has closed a number of its traditional high street stores and “replaced” these with ‘Simply Food/Food Hall’ branded stores in out-of-centre locations.

VACANCY RATES

- 3.46 At the end of 2022, the GB national average ‘All Vacancy Rate’ (retail and leisure combined) according to the Local Data Company (LDC) stood at 13.8%. The current rate is still higher than the pre-pandemic (H2 2019) level of 12.1%, so the sector has yet to fully recover.
- 3.47 The sharpest increase in vacancy rates was seen in Shopping Centres category, rising from 14.4% at the end of 2019; 17.1% at the end of 2020; 19.1% at the end of 2021 and 18.2%

²⁵ Also refer to Volume 3 that provides a high level audit of out-of-centre floor space in the Borough.

at the end of 2022. Shopping centres saw the largest increase in long-term vacant space over 2022, rising to 6.5% from 6.1% in 2021.

- 3.48 LDC estimate that by the end of 2024 the national retail vacancy rate reaching 14.9%; leisure 10.2%; with the combined rate falling to 13.4%.

USE CLASSES ORDER & PERMITTED DEVELOPMENT RIGHTS

- 3.49 The Government issued a series of reforms to the planning system since 2020. Effectively, changes to the use classes were brought in to provide a more flexible approach to controlling commercial land uses. This saw the replacement of Use Class A1 to A5, D1 and D2 with E Class (Commercial), F1 (Learning and Non-Residential) and F2 (Local Community Uses) and the restructuring of sui generis uses (public houses, hot food takeaways, cinemas, music venues, bingo etc.).
- 3.50 The result of these changes is that what would previously be a change of use under the subsumed use classes is no longer considered development under the Planning Acts, and accordingly is no longer subject to planning control. In launching the reforms, the Government announced that the regulations will give “...greater freedom for buildings and land in our town centres to change use without planning permission and create new homes from the regeneration of vacant and redundant buildings”²⁶.
- 3.51 The impact of the changes will still require the definition of a town centre boundary and a primary shopping area, or a primary ‘commercial’ area to be the foci for E and F Classes. Also, in most instances the former use classes can be ‘translated’ into the equivalent categories within the new E and F Classes. This can assist with the interpretation of policy wording and the effective use of conditions. It is worth noting that under the previous use-class system such categories as convenience, comparison (and bulky) goods fell within the A1 use-class and there is a long established planning pedigree of reflecting these A1 retail categories effectively in planning conditions.
- 3.52 The changes have implications for primary and secondary shopping frontages, as the control of shopping and service uses is legally less enforceable in commercial areas, as a change of use between Class E does not constitute development and will therefore not require planning permission. It should be noted that the effectiveness of frontage policies was declining before the pandemic and previous changes to the UCO. However, there may still be a role to control some sui generis uses in key town centre locations, such as provision of fast food takeaways, betting shops, payday loan shops or other uses that are justified to be subject to planning control.

²⁶ Prime Minister’s Office Press Release (30/06/2020) ‘Build, Build, Build’

- 3.53 Hence beyond 2023, town centres are likely to consolidate their retail and shopping role with more emphasis on place and non-transaction uses, this could include high activity based land uses such as health or education being located in more central locations and stem previous trends of decentralisation.
- 3.54 The increase in city living and residential development in town centres is likely to be a growth area in the next 10 years and could be a positive regenerative mandate. We also expect more emphasis on residential upper floor living accompanying ground floor commercial uses.
- 3.55 The introduction of Class AA and AB in August 2020²⁷ (under the Permitted Development Changes (Amendment No. 2) (2020)), allowing new residential on detached or terrace buildings in commercial or mixed use areas could potentially lead to the loss of commercial floorspace to residential.
- 3.56 Furthermore, the Town and Country Planning (General Permitted Development etc.) (England) (Amendment) Order 2021 (Order) that came into force in April 2021 created a new class of permitted development right (Class MA) into the Town and Country Planning (General Permitted Development) Order 2015 (GPDO) authorising changes of use from Use Class E commercial uses to Use Class (C3) residential. The changes within the Order authorise a change in the permitted use of a property or land from a use falling with Use Class E to Use Class C3 residential use where the property has:
- been in Class E use for 2 years (including time in former uses i.e. A1, A2, A3, B1, D1 or D2 now within that Class); and
 - has been vacant for at least 3 continuous months.
- 3.57 These changes will replace existing retail, light industrial and office to residential rights with rights applying to all of the relatively recent Use Class E in which those uses now sit. Exercise of the right is subject to prior approval by the local planning authority and therefore would be subject to some planning control. Details must be submitted relating to flooding, transport, contamination, noise amenity, natural light, fire safety and agent of change issues. The area that can be converted is capped, with a maximum size limit of 1,500 sqm of floorspace capable of conversion using the right.

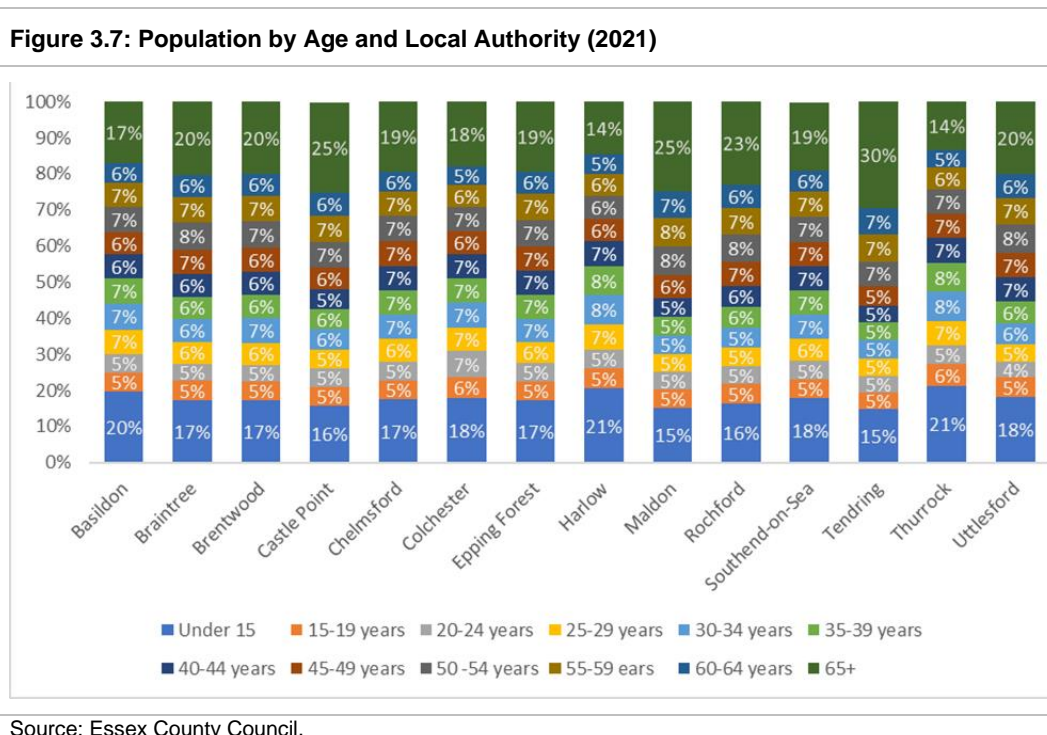
BASILDON BOROUGH IN CONTEXT

- 3.58 Basildon District covers an area of around 198 sq km (42 sq m) and is located within the Thames Gateway region, an area that has seen significant urban development and regeneration. The Borough is well-connected by road and rail. The A13 and A127 roads provide access to London and other parts of Essex.

²⁷ The Town and Country Planning (General Permitted Development) (England) (Amendment) (No. 2) Order 2020.

3.59 Basildon has the biggest economy in Essex and the Council's 'Corporate Plan 2023 – 2027' (para 5.3.5) states that from 2015 to 2019 GVA growing consistently to an estimated output of £5.9 billion. As one of the largest economies in Essex, the Borough is a significant driver of regional and national growth. The Borough has particular strengths in the Digital, Creative and ICT sector and advanced manufacturing. Key global brands and corporates have chosen the Borough as their home include Leonardo (aerospace and advanced electronics), Ford (automotive), Case New Holland (tractors and farm machinery), Konica Minolta (advanced imaging) and Leonardo and Fiserv.

3.60 The latest available data indicates that the population in the Borough (based on the 2021 Census) is 187,700 persons²⁸. The Borough has a relatively younger population. It has one of the highest proportion of under 15's and one of the lowest population over 65²⁹.



3.61 Comparatively in terms of employment those that are economically active (aged 16 – 64) the latest available data indicates this stood at 88.6% which is higher than the East of England average of 80.5% and much higher than the Great Britain (GB) average of 78.4%. Furthermore, the unemployment rate was 3% which is comparable to the East of England average (also 3%) and lower than the GB average (3.6)³⁰.

²⁸ Source: NOMIS

²⁹ Source: Essex County Council.

³⁰ Source: NOMIS (September 2023)

- 3.62 In terms of job density, the Borough has an average of 0.84 which is similar to that for the East of England and comparable to that for Great Britain at 0.85. This indicates a broadly comparable number of jobs per resident when compared to the regional and national average.
- 3.63 In terms of employment sectors, significant proportions of the workforce are in the wholesale and retail (15.7%), health and social work (15.7%) and professional, scientific and technical service sectors (10.1%).

Figure 3.8: Basildon Borough: Employee Jobs By Industry

Employee Jobs By Industry	Basildon (%)	East of England (%)	Great Britan (%)
B : Mining And Quarrying	0	0.1	0.1
C : Manufacturing	6.7	7.3	7.6
D : Electricity, Gas, Steam And Air Conditioning Supply	0	0.2	0.4
E : Water Supply; Sewerage, Waste Management And Remediation Activities	1.1	0.7	0.7
F : Construction	6.7	5.9	4.9
G : Wholesale And Retail Trade; Repair Of Motor Vehicles And Motorcycles	15.7	15.2	14.4
H : Transportation And Storage	5.1	5.5	5.1
I : Accommodation And Food Service Activities	5.6	6.9	7.5
J : Information And Communication	3.9	4.1	4.5
K : Financial And Insurance Activities	3.9	2.1	3.6
L : Real Estate Activities	1.7	1.7	1.8
M : Professional, Scientific And Technical Activities	10.1	9.2	8.9
N : Administrative And Support Service Activities	9	11.8	8.9
O : Public Administration And Defence; Compulsory Social Security	2.8	3.4	4.6
P : Education	7.9	9.5	8.8
Q : Human Health And Social Work Activities	15.7	12.2	13.7
R : Arts, Entertainment And Recreation	2	2.2	2.3
S : Other Service Activities	1.7	1.8	1.9

Source: NOMIS (September 2023)

- 3.64 According to NOMIS, there were 7,660 enterprises in the Borough. Of these 87.8% were micro businesses with less than 10 employees. One of the contributing factors is the high rate of self-employment at 9.5% compared to the GB average of 9.3% though lower than the East of England average of 9.8%.
- 3.65 The average gross weekly pay in the Borough area was £568.70, which is lower than the East of England average of 632.40 and the GB average of £642. In broad terms the Borough's economy is typified by high rates of employment, but lower than average wages that potentially has an impact on the level of local spend.
- 3.66 Basildon Borough Council has also recently secured the following regeneration funding:
- **UK Shared Prosperity Fund (UKSPF)** – the Borough has set aside £93,750 revenue explore the potential of three Business Improvement Districts in Billericay, Wickford and Basildon (with the latter possibly also exploring links to Pitsea and Laindon, which are unlikely to be able to sustain a BID on their own, because of the lack of commercial

tenants in the area) and £70,000 capital budget (greening) for town centre initiatives for the 3 years (2022-2025).

- **Cultural Development Fund** - Basildon Council has been awarded £4.4m. Basildon's share of the money is intended to turn empty properties in the town centre into a creative facility for screen and immersive digital industries. The capital award will be used to turn some disused council owned properties such as the old Robin Cinema/Drop Zone and British Heart Foundation unit in Basildon town centre into a Centre for Screen and Digital Arts.

SUMMARY

- 3.67 Our towns, traditional high streets and shopping centres have been challenged for more than a decade by falling market demand, rising occupancy costs and increasing competition from online and out-of-centre shopping. These trends have been further accelerated and compounded by the COVID-19 pandemic; and are resulting in an increase in vacant shop units, often in primary shopping areas, as retailers and occupiers either choose to downsize and/or close stores in some locations (e.g., Marks & Spencer, John Lewis), or they are forced out of business altogether due to failing business models and unmanageable debts (e.g., the Arcadia Group).
- 3.68 Today, many of our traditional towns and shopping centres simply have too much retail space. The critical challenge over the short, medium and long term will be how to retain existing businesses, fill/replace the voids and attract new investment. The danger is that an increase in long-term vacancies in centres will lead to a 'spiral of decline', which will further engender feelings of neglect and lack of investment confidence in town centres, and "push" more people to shop online.
- 3.69 Residential provision in centres is already being encouraged, including by previous national planning changes (such as office to residential conversions through prior approval, and permitted development for two flats above a shop), and through emerging local development plan policy. In those cases where retail vacancies are long-term and more often than not concentrated in secondary shopping streets/pitches, it will be necessary to plan for alternative uses and/or consider options for redevelopment. As a result of the increasing drive towards more flexible planning through changes to the Use Classes Order and Permitted Development Rights, there will inevitably be more mixed-uses within centres particularly residential, and this should be encouraged and planned for through enabling planning policies.
- 3.70 It will be important to maximise intergenerational residential provision in the most sustainable locations, particularly in centres, as part of a balanced mix of uses. Therefore, consideration needs to be given to planning policies and allocations enabling the growth of other uses,

such as education, leisure and recreation, within centres, which, along with residential, are particularly positive in terms of enhancing the vitality of centres.

4. CATCHMENT, COMPETITION & MARKET SHARES

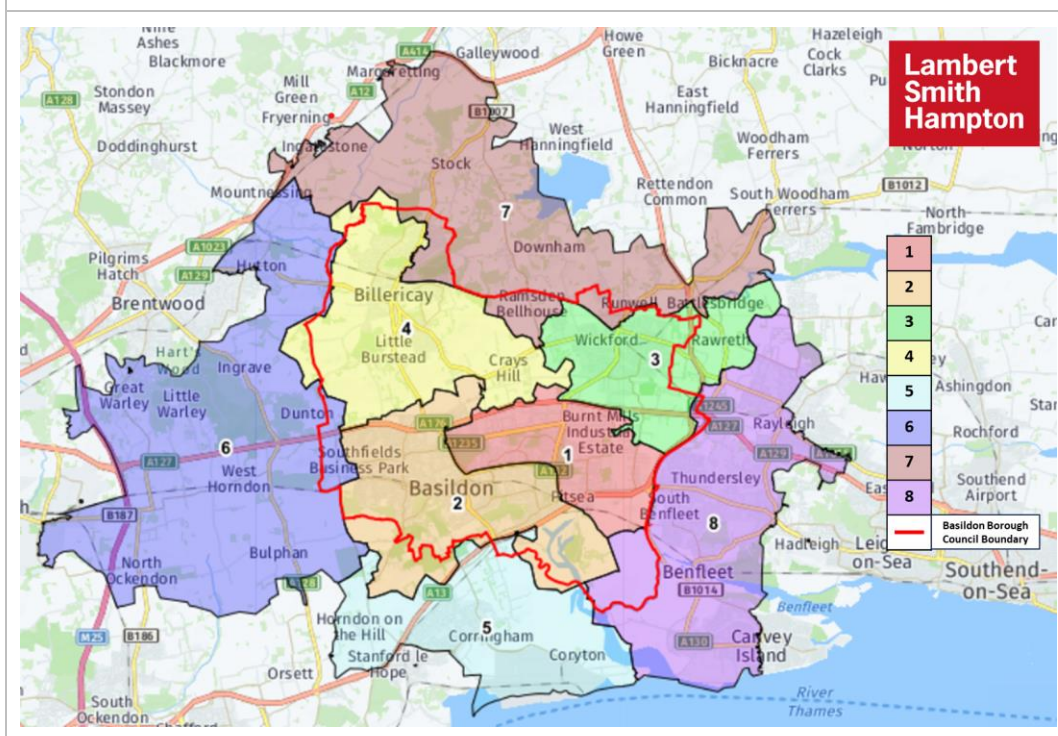
4.1 This section first describes the Catchment ('Study') Area that has been defined and adopted as the framework for this study. It then sets out the headline results of the telephone interview survey, to identify where households normally shop for diverse types of convenience ('food') and comparison ('non-food') goods.

CATCHMENT (STUDY) AREA DEFINITION

4.2 The definition of an appropriate Catchment Area is an important starting point for retail and town centre assessments. It provides the framework for the household telephone interview survey and the retail capacity analysis.

4.3 The broad geography of the Catchment Area and composing zones has been informed by the Council's previous study. The outputs from these have been combined to form a new catchment area. In this case, the Catchment Area is based on "Postcode Sector Geography". It covers the entirety of the Basildon Borough Council area in full, as well as extending into neighbouring authorities. The figure below shows the full extent of the Catchment Area and Zones (also refer to **Volume 2; Appendix 1**).

Figure 4.1: Catchment Area for Study



4.4 NEMS Market Research (NEMS) was commissioned to carry out some 808 household telephone interviews between March and April 2023. The methodology and full 'weighted'

survey results are set out in **Volume 4**³¹. Responses were weighted by the population in each zone to ensure that the results in more sparsely or heavily populated zones were not under or over represented in terms of the market share assessment.

Table 4.1: Study Zones and Postal Sectors

Zone	Postal Sectors
1	SS13 1, SS13 2, SS13 3, SS14 2, SS14 3
2	SS14 1, SS15 4, SS15 5, SS15 6, SS16 5, SS16 6, SS16 4
3	SS12 0, SS12 9, SS11 8
4	CM12 0, CM12 9, CM11 2
5	SS17 7, SS17 8, SS17 9
6	RM14 3, CM13 1, CM13 3
7	CM11 1, CM4 9, SS11 7
8	SS6 9, SS7 4, SS7 5, SS8 0, SS8 9, SS7 1, SS7 3, SS6 7

4.5 The zone-by-zone approach detailed at **Volume 2, Appendix 2-5** for convenience goods and **Appendix 6-9** for comparison goods enables more detailed analysis of shopping patterns, market shares and expenditure flows both within and outside the Study Area (Zones 1-8). The key findings are used to inform the baseline market share analysis and the centre/store turnover estimates that underpin both the quantitative and qualitative needs ('gap') assessment, carried out in compliance with good practice.

BASILDON BOROUGH CENTRES AND COMPETITION PROFILE

4.6 **Section 6 (and Volume 3)** provide more detailed health checks for main town centres of Basildon, Billericay, Laindon, Pitsea and Laindon.

4.7 By way of overview the table below shows the scale of the retail, leisure and service provision in the main centres (measured by outlets and floorspace) based on the information set out in the *Experian Goad Category Reports*³² and LSH research.

³¹ NEMS ensure the sample profile is representative of the profile of the person responsible for most of the household's shopping. In order to correct any small differences between the sample profile and population profile. The data was weighted by NEMS as explained in their appended method statement.

³² The floorspace figures set out in the Experian Goad Reports are derived from Goad Plans. They show the 'footprint' floorspace and the site area without the building lines. Although they do not provide a definitive report of gross or net floorspace in centres, they do provide a useful means of comparison between centres, as all outlets are measured in a consistent manner.

Table 4.2: Basildon Borough: Town Centres

	Total Floorspace (sqm)	% of Total	Total Outlets	% of Total
Basildon	115,255	55%	302	42%
Billericay	28,001	13%	174	24%
Pitsea	36,613	17%	70	10%
Wickford	29,496	14%	170	24%
Totals / Averages	209,365	100%	716	100%
Laindon	0	-	0	-

Source: Experian Goad Category Reports

4.8 The following provides an overview of the main centres (also see **Sections 2 and 6**):

- Basildon:** Basildon was officially declared to be one of the 'new towns' built by the government to rehouse Londoners whose homes were destroyed in the Blitz in 1949. It is conveniently located and the two main roads from London to Southend, the A13 and A127, pass to the south and north of the town respectively. Both are important commuter trunk roads, allowing easy access to the M25 and the rest of the motorway network. Locally, the A13 gives access to Pitsea and Vange; the A127 gives access to the town centre and Laindon.

The central area is surrounded by a dual carriageway ring road and most streets within are pedestrianised. The Town Square is a wide open-air precinct in the centre of town and is anchored by Marks & Spencer, BHS, Boots and Primark.

Basildon has two managed shopping centres within the centre: The Eastgate Shopping Centre and the Westgate Shopping Park. In April 2023, Galliard Homes and DVS Ground Rent purchased the Eastgate Shopping Centre from InfraRed UK for an undisclosed fee after the firm entered administration in November 2022. The Westgate Shopping Park is located on the western edge of Basildon town centre, just within the western ring road. Westgate comprises amongst others, Dreams, easyGym, Hobbycraft and JD Sports.

There has been regeneration progress with major projects completed or taking a step forward. For instance, South Essex College's new Centre for Digital Technologies was completed in September 2020 and offers state-of-the-art facilities specially equipped for the IT and digital industries. East Square is set to provide a new leisure space including a 10 screen multi-cinema (once a new operator is identified) and restaurants in the town centre.

- Billericay:** Is situated just 19 km (12 miles) from the M25 Motorway and 24km (15 miles) from the Essex coast. It is a thriving commuter town, 30 minutes by rail from London

Liverpool Street. It is separated by countryside and farm land from Basildon to the south, Brentwood to the west and Chelmsford to the north. Retail and leisure provision is located along the linear High Street with multiple retailers including Waitrose, Boots, Costa Coffee, ASK Italian, Prezzo and Giggling Squid. The centre also underpinned by a range of independent retail and service provision.

- **Laindon:** Is located 3.2 km (2 miles) to the west of Basildon town centre; Pitsea 5.6km (3.5 miles). Laindon is highly accessible via the High Road and the B148 (West Mayne) and Laindon Train Station (served by the operator c2c). The centre is undergoing transformation and the majority is under development. Current provision is in the form of Lidl Superstore and ancillary retail close to the train station.
- **Pitsea:** Is located 3.1 km (1.9 miles) to the south-east of Basildon town centre. Local convenience and comparison provision is centred around the High Road and Northlands Pavement where there is a concentration of the street market, larger format stores such as The Range, Aldi and Boots. The centre highly accessible served by the Pitsea railway station on the c2c line from London to Southend. The A13 also which connects it to London to Southend and has a direct link to the M25. To the east is the A130 to Canvey Island or Chelmsford, and also links to the A12 to London or East Anglia. The centre is set to benefit from the opening of a new community diagnostic centre (CDC) in 2024. The Pitsea Diagnostic Centre, which will be located at The Place in the town centre, will provide a range of tests, such as CT and MRI scans, to about 250,000 people. The project is a joint effort between Basildon Council, Essex County Council and the Mid and South Essex NHS Trust.
- **Wickford:** Located in the north east of the borough serving its local catchment and those within the Borough boundary but also residents in the north who are living in Chelmsford Borough. In 2006, a Masterplan was produced for the regeneration of the town centre which set out the approach to revive the High Street, provide a new street market, health centre, leisure centre and library and create new commercial, residential and retail space.

4.9 The following provides a brief profile of the main competing centres and shopping/leisure locations outside Basildon Borough. The main location by distance is Chelmsford and Brentwood. In terms of out-of-town competition, key locations due to scale and provision are at Lakeside (Thurrock)³³ and Bluewater Shopping Centre.

³³ Includes Shopping Centre, West Thurrock Retail Park; Lakeside Retail Park; Thurrock Shopping Park

-
- **Chelmsford:** Chelmsford is some 24km; 15 miles (25 minutes' drive) north from Basildon. It is situated close to the A12 dual carriageway, which links Essex to the M25 and Greater London; to the north, it also leads further afield to Colchester and Ipswich. The retail profile of the town centre is characterized by a mix of shopping centres, high street brands and independent shops. High Chelmer Shopping Centre and Bond Street offer a mix of shops, F&B offer and entertainment facilities. Bond Street comprises an open air precinct leading to an Everyman cinema and a dining quarter overlooking the River Chelmer. John Lewis anchors the scheme, with Tag Heuer and White Stuff trading alongside. High Chelmer Shopping Centre is positioned opposite Bond Street and is anchored by a large Primark store with other key tenants including Boots, Next, New Look, Deichmann Shoes, Clarks and River Island. A restaurant quarter, situated on Exchange Way, includes Turtle Bay and Cote Brasserie. The Meadows is located at the southern end of Chelmsford's prime pitch, with an entrance from prime High Street. A number of food & beverage operators, such as Wildwood and Costa, are sited at the rear of the scheme at Backnang Square, along the waterfront, with Preto and Burger King at the entrance on High Street. At the of end 2022 prime Zone A rents in Chelmsford were around £1,292 per sqm (£120 per sq ft). Chelmsford also hosts markets at various locations, such as the High Street and the Bellmead area. These markets sell fresh produce, arts and crafts, clothing, and other items. Chelmsford's indoor market dates back to the 11th century.
 - **Southend:** Southend is a coastal city that lies 17.7km; 11 miles east of Basildon town centre. Southend has a broad retail and leisure offer that stretches from Southend Victoria station down to Southend Pier. National multiples can be found along High Street including JD Sports, Primark, Waterstones and Superdrug. Victoria Shopping Centre is located to the north of the centre where retailers such as Next, Deichmann and Poundland can be found. The Royals Shopping Centre which opened in 1988 houses operators such as Pandora, TK Maxx and Boots. Southend City BID has delivered a range of initiatives over the last decade including Southend Cocktail Week to boost the evening and night-time economy, family trails to mark events and celebrations such as Halloween, Christmas and The Queen's Platinum Jubilee and the installation of over 150 hanging baskets throughout the city centre. Southend was allocated £19.9m from the Levelling Up Fund in 2021 to support local facilities and boost the tourism economy.
 - **Brentwood:** Brentwood provides the main retail destination in Brentwood Borough. It is located some 16.9km; 10.5 miles (21 minutes) from Basildon town centre. The town centre comprises of a reasonable number of convenience and comparison retail units and a mix of both multiple and independent traders. Retail is clustered around the high

street and within the Bay Tree Centre which is situated in the centre of the town and is anchored by WH Smith, Waterstones and Sports Direct. Restaurants, cafes and bars are located to the west of the high street – dominated by national F&B operators like Giggling Squid, Zizzi, Slug & Lettuce, Costa and Starbucks. The Brentwood Connected Business Improvement District (BID) came into effect on 1 October 2023 and is made up of businesses from Brentwood, Shenfield and Ingatestone. It will be the first UK BID to contain three high streets, with plans for £2m to be spent over the next five years to make key improvements to the area. At the end of 2022 prime Zone A rents in Brentwood were around £624 per sqm (£58 per sq ft).

- **Lakeside:** There is a significant amount of retail floorspace in out-of-centre retail parks and solus locations just outside of Grays in Thurrock Borough. This provision is located some 15.9km; 9.9 miles (13 minutes) from Basildon town centre. Floorspace in the retail parks is dedicated to retailing of bulky comparison goods alongside trade counters and industrial uses. Lakeside also has a substantial commercial provision in the form of a Vue Cinema, Nickelodeon Adventure, Boom Battle Bar, Puttshack and Flip Out. The Lakeside Retail Parks are part of the largest retail cluster in the country comprising:
 - The Lakeside Shopping Centre With over 250 shops, restaurants and leisure attractions, including top brands like Apple, Zara, Stradivarius, Pull&Bear, Calvin Klein, BOSS, Puttshack, Hollywood Bowl, and H Beauty.
 - West Thurrock Retail Park (Furniture Village, Carpetright, AHF, NCF, PureGym, Domino's, American Golf and Starbucks).
 - Lakeside Retail Park (Next Home, Currys PC World, B&M, Homesense, Harveys, Dreams, Mamas & Papas, Oak Furniture Land, Next, Sofology, ScS Furniture, Tapi Carpets, The Range, Wren, Natuzzi, Card Factory, Smyths Toys and Argos),
 - Thurrock Shopping Park (M&S Outlet, TK Maxx, Asda Living, Boots, Dunelm, Decathlon, Home Bargains, The Food Warehouse, Pets at Home and Nike).
- **Bluewater Shopping Centre:** Some 34.8km; 21.6 miles (28 minutes) from Basildon town centre. Like Lakeside, it is also defined as Regional Shopping Centre³⁴ providing specialist regional comparison shopping. Bluewater has around 300 stores, over 50 bars, restaurants and cafes along with 13,000 free car parking spaces. It is anchored by John Lewis, Marks & Spencer, Primark and House of Fraser. The centre has also attracted a large number of quality and international retailers. As such, it provides an attractive destination for occasional, major comparison shopping trips from Basildon

³⁴ Dartford Borough Council 2011 Core Strategy

residents. At the of end 2022 prime Zone A rents in Bluewater stood at around £3,014 per sqm (£280 per sq ft).

MARKET SHARE ANALYSIS

- 4.10 The survey-derived market share analysis is detailed in **Volume 2** (see **Appendix 3** for convenience goods and **Appendix 7** for comparison goods)³⁵.

Convenience Goods Market Shares

- 4.11 Convenience goods retailing is generally defined as comprising everyday essential items (including food, drinks, newspapers/magazines and confectionery), as well as an element of non-durable housing goods (such as washing up liquid, kitchen roll, bin bags, etc.).
- 4.12 The overall market share analysis (%) for all centres and stores are detailed in Table 1 (**Appendix 3**). These market shares have been derived from the assessment of the ('primary') responses as to where people normally shop for their more infrequent main ('bulk') food purchases, and for their more frequent day-to-day ('top up') convenience and grocery purchases.
- 4.13 Furthermore, in order to prevent food shopping patterns being 'skewed' by larger superstores and foodstores in the Catchment Area, the survey also asked respondents where else they normally shop (if anywhere) for their 'main' and 'top up' purchases in addition to the first store identified (i.e., the 'secondary' responses). The market shares for these 'secondary' shopping purchases are set out in Table 3 ('other' main food shopping) and Table 5 ('other' top up food purchases') in **Appendix 3**.
- 4.14 The 'primary' and 'secondary' responses for the different types of food shopping have then been merged through the application of a weighting based on judgements as to the proportion of household expenditure normally accounted for by each type of convenience goods shopping. In this case we have applied a reasonable and robust weighting of 60% for main 'bulk' shopping; 15% for secondary main 'bulk' shopping; 15% for primary 'top-up' shopping; and 10% for secondary 'top-up' shopping.
- 4.15 The summary of market shares for town and out-of-centre locations is detailed in the table below:

³⁵ Please note that the market share analysis at this stage of the assessment includes expenditure on 'Special Forms of Trading' (SFT), which comprises sales via the internet, mail order, stalls and markets, door to door and telephone sales

Table 4.3: Convenience Goods: Town and Out-of-Centre Market Shares: Retention (%)

BASILDON BOROUGH COUNCIL AREA	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	STUDY AREA
TOWN CENTRE STORES / LOCATIONS									
Basildon Town Centre									
Eastgate Shopping Centre - Asda	14.3%	16.7%	0.9%	1.9%	4.8%	0.2%	1.4%	1.4%	6.3%
Iceland - Market Pavement	1.2%	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%
B&M - Town Square	0.0%	0.8%	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	0.2%
All Other Town Centre Floorspace	1.5%	0.0%	0.0%	0.5%	0.0%	0.0%	0.0%	0.4%	0.3%
Sub-total	17.0%	19.9%	0.9%	2.4%	5.0%	0.2%	1.4%	1.9%	7.5%
Billericay Town Centre									
Iceland	0.0%	0.3%	0.0%	3.4%	0.0%	0.4%	0.5%	0.0%	0.5%
Waitrose - High Street	0.0%	0.1%	0.3%	19.4%	0.0%	1.8%	11.0%	0.0%	3.1%
Poundland	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%
All Other Town Centre Floorspace	0.0%	0.0%	0.0%	0.6%	0.0%	0.0%	0.2%	0.0%	0.1%
Sub-total	0.0%	0.4%	0.3%	23.8%	0.0%	2.2%	11.7%	0.0%	3.7%
Laindon Town Centre									
Lidl - Main Road	1.5%	8.7%	0.0%	2.1%	0.7%	0.4%	1.1%	0.3%	2.5%
Sub-total	1.5%	8.7%	0.0%	2.1%	0.7%	0.4%	1.1%	0.3%	2.5%
Pitsea Town Centre									
Aldi-Northlands Pavement	12.9%	2.9%	1.5%	2.2%	5.4%	0.0%	0.5%	0.3%	3.0%
Farmfoods-Old Market Retail Park-High Road	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%	0.3%
Lidl-Old Market Retail Park-High Road	4.2%	4.2%	0.5%	0.6%	3.4%	0.2%	0.0%	0.3%	1.8%
Poundland-Old Market Retail Park-High Road	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All Other Town Centre Floorspace	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Sub-total	19.1%	7.1%	1.9%	2.8%	8.8%	0.2%	0.5%	1.4%	5.2%
Wickford Town Centre									
Aldi-The Broadway	0.0%	0.3%	16.7%	0.5%	0.0%	0.0%	10.8%	0.3%	2.5%
Iceland-High Street	0.0%	0.0%	5.4%	0.2%	0.0%	0.0%	4.5%	0.0%	0.8%
All Other Town Centre Floorspace	0.0%	0.4%	1.1%	0.2%	0.0%	0.0%	0.6%	0.0%	0.2%
Sub-total	0.0%	0.6%	23.3%	0.8%	0.0%	0.0%	15.9%	0.3%	3.5%
Sub-total: Town Centre Stores / Centres 37.6% 36.8% 26.4% 32.0% 14.5% 2.9% 30.5% 3.9% 22.4%									
OUT OF TOWN STORES / LOCATIONS									
Basildon									
Pipps Hill Retail Park - Asda	2.1%	11.9%	4.2%	11.4%	0.7%	2.5%	2.0%	3.6%	5.7%
Mayflower Retail Park-Tesco Extra	4.4%	5.2%	24.0%	10.9%	0.0%	2.1%	9.7%	2.2%	6.3%
Mayflower Retail Park-M&S Foodhall	1.4%	0.4%	2.8%	0.3%	0.9%	0.7%	1.2%	0.0%	0.7%
Mayflower Retail Park-Home Bargains	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Mayflower Retail Park-Lidl	1.3%	0.7%	0.9%	0.3%	0.0%	0.0%	2.3%	0.0%	0.6%
Cricketers Retail Park- Sainsbury's Superstore	10.9%	1.6%	11.3%	5.9%	0.9%	0.4%	6.2%	0.8%	3.9%
All Other Out-of-Centre Floorspace	2.8%	1.5%	0.0%	0.0%	0.0%	0.0%	0.4%	0.3%	0.7%
Sub-total	22.9%	21.5%	43.2%	28.8%	2.5%	5.7%	21.7%	6.8%	18.0%
Billericay									
All Out-of-Centre Floorspace	0.0%	0.6%	0.3%	12.6%	0.0%	0.0%	7.4%	0.3%	2.1%
Sub-total	0.0%	0.6%	0.3%	12.6%	0.0%	0.0%	7.4%	0.3%	2.1%
Laindon									
Tesco Superstore, Mandeville Way	0.9%	14.1%	0.0%	3.4%	4.2%	6.6%	0.8%	0.0%	4.4%
All Other Out-of-Centre Floorspace	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sub-total	0.9%	14.3%	0.0%	3.4%	4.2%	6.6%	0.8%	0.0%	4.4%
Pitsea									
Tesco Extra	19.3%	8.8%	2.8%	0.8%	19.5%	0.0%	0.0%	9.1%	8.2%
All Other Out-of-Centre Floorspace	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
Sub-total	20.8%	8.8%	2.8%	0.8%	19.5%	0.0%	0.0%	9.1%	8.3%
Wickford									
All Out-of-Centre Floorspace	0.0%	0.2%	11.4%	0.0%	0.0%	0.0%	1.4%	0.0%	1.1%
Sub-total	0.0%	0.2%	11.4%	0.0%	0.0%	0.0%	1.4%	0.0%	1.1%
Sub-total: All Out of Town Centre Stores / Centres 44.6% 45.5% 57.7% 45.6% 26.2% 12.3% 31.3% 16.2% 34.0%									
BASILDON BOROUGH COUNCIL AREA 82.2% 82.2% 84.0% 77.5% 40.7% 15.2% 61.9% 20.1% 56.4%									

Source: Appendix 3; Volume 2. Note: % figures may not sum due to rounding.

4.16 The main headlines from the table are summarised below.

- All the convenience goods floorspace within the Borough area attains a market share of 56.4% from across the Study Area (Zones 1-8) which is an average level of retention.
- Of the 56.4% market share retention, over half (34%) is attained by the out-of-centre category. Of this total, the out-of-centre locations in Basildon attaining the highest at 18% market share followed by the provision in Pitsea (8.3%). The provision in Basildon is dominated by the following stores namely: Tesco Extra, Pitsea (8.3%), Mayflower Retail Park – Tesco Extra (6.3%); Pipp's Hill Retail Park – Asda (5.7%), Tesco Superstore, Mandeville Way (4.4%) and Cricketers Retail Park – Sainsbury's Superstore (3.9%) that cumulatively attain a market share of 28.4%.
- Comparatively, the town centres collectively attain a lower market share retention of 22.4%. Basildon attains a market share of 7.5% dominated by the Asda (Eastgate Shopping Centre) with a retention level of 6.3%; Pitsea 5.2% (dominated by the Aldi at 3%); Billericay 3.7% (of which the Waitrose on the High Street attains a 3.1% market share) and Wickford at 3.5% (the Aldi, The Broadway dominating this with 2.5% market share). Laindon attains the lowest market share which comprises principally of the Lidl, Main Road at 2.5%.

4.17 The table below shows the market shares of centres and stores located outside the Basildon Borough area. This broadly represents a proxy for the 'leakage' of shoppers and spend. However, we advise that care should be applied in interpreting these market shares and 'leakage' in particular. This is because they are dependent on how widely drawn the catchment area is, and also reflect the fact that some of the stores located in neighbouring authorities will be more convenient and easily accessible to residents rather than necessarily reflecting any under-provision or latent need for new convenience floorspace.

OTHER CENTRES/STORES OUTSIDE BBC AREA										
Benfleet	1.4%	0.8%	1.8%	0.4%	1.0%	0.3%	0.0%	25.3%	7.0%	
Brentwood	0.0%	0.6%	0.0%	0.0%	0.0%	28.9%	2.1%	0.0%	2.5%	
Canvey Island	2.0%	1.1%	1.1%	0.2%	0.8%	0.0%	0.2%	14.5%	4.3%	
Chelmsford	0.3%	0.9%	1.6%	5.0%	0.0%	3.5%	7.8%	0.0%	1.7%	
Grays	1.4%	0.0%	0.0%	0.8%	0.6%	1.0%	0.4%	0.1%	0.4%	
Hornchurch	0.0%	0.9%	0.0%	0.4%	0.0%	4.1%	0.6%	0.0%	0.6%	
Leigh-on-Sea	0.0%	0.6%	0.0%	0.0%	0.0%	0.0%	0.2%	1.7%	0.6%	
Rayleigh	0.0%	0.3%	3.4%	0.0%	0.0%	0.2%	0.7%	10.6%	3.1%	
Romford	0.0%	0.0%	0.0%	0.0%	0.0%	3.8%	0.3%	0.0%	0.3%	
Lakeside (Includes Shopping Centre, West Thurrock Retail Park; Lakeside Retail Park; Thurrock Shopping Park)	0.0%	0.9%	0.0%	0.0%	0.0%	0.8%	0.0%	0.5%	0.4%	
Southend-on-Sea	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%	0.4%	
ALL OTHER CENTRES / STORES:	2.4%	1.9%	0.6%	1.5%	45.9%	30.8%	9.3%	15.5%	11.2%	
Sub-Total All other Centres / stores	7.5%	7.9%	8.6%	8.3%	48.3%	73.3%	21.6%	69.8%	32.6%	
SPECIAL FORMS OF TRADING/ INTERNET SHOPPING:	10.3%	9.9%	7.4%	14.2%	11.0%	11.5%	16.6%	10.1%	10.9%	

Source: **Appendix 3; Volume 2**. Note: % figures may not sum due to rounding.

4.18 The table shows:

- Collectively, 32.6% of spending from the Study Area is going to centres/stores outside the area.
- The “leakage” of 32.6% from the wider Study Area is reasonable in our view given the increased competition from other neighbouring centres and foodstores in the outer zones. Of these “other” food shopping locations, Benfleet (7%) dominates achieving the highest market share especially from the closest Zone 8 of some 32%; followed by Canvey Island of some 4.3%.
- **Special Forms of Trading (SFT)** is achieving a low market share of 10.9% in the widely defined Study Area (Zones 1-8). This is below the Experian national average forecast of 18.6% in 2023.

Comparison Goods – Market Share Analysis

4.19 Comparison goods³⁶ are generally classified as items purchased less frequently and include clothing, footwear, household and recreational goods. For the following main categories of non-food expenditure, each respondent was asked where they did most of their household’s shopping, and “where else” they shopped.

Table 4.5: Main Categories of Comparison Goods Expenditure

Household Survey Question:	Where do households normally shop for:	See Appendix 7
Q11	Clothing and footwear (fashion) items	Table 2
Q12	Recording media (e.g., records, CDs, DVDs, etc.)	Table 3
Q13	Domestic Electrical	Table 4
Q14	Audio-visual, photographic and computer items	Table 5
Q15	Books, Stationery and Drawing Materials	Table 6
Q16	Pet-related products, hobby items, sportswear, camping, cycling and musical instruments	Table 7
Q17	Furniture, carpets, other floor coverings and household textiles	Table 8
Q18	DIY goods, decorating supplies & garden products	Table 9
Q19	Personal care products & goods	Table 10
Q20	Medical goods	Table 11
Q21	All other goods – including jewellery, watches, glassware, tableware etc.	Table 12

4.20 Table 1 (**Appendix 7**) sets out the total combined market shares for all comparison goods expenditure allocated to the main centres and stores. The market share analysis (%) takes account of the distribution and weight of spend (£) by households on the different comparison goods categories. This ensures that that the resultant shares are not ‘skewed’ by any

³⁶ Please note that comparison goods and non-food shopping have the same meanings.

particular comparison goods expenditure category. This is a standard approach for retail assessments. As for the analysis of convenience goods, the market shares at this stage of the analysis include expenditure on SFT.

4.21 The summary of market shares for town and out-of-centre locations for comparison goods locations in the Basildon Borough area is shown below:

BASILDON BOROUGH COUNCIL AREA	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	STUDY AREA
TOWN CENTRE STORES / LOCATIONS									
Basildon Town Centre	16.2%	21.8%	2.7%	2.8%	7.3%	1.4%	2.4%	5.1%	8.8%
Billericay Town Centre	0.0%	0.1%	0.0%	12.7%	0.0%	0.4%	5.9%	0.0%	1.9%
Laindon Town Centre	0.3%	0.5%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.2%
Pitsea Town Centre	6.2%	1.5%	0.8%	0.4%	2.5%	0.0%	0.2%	0.9%	1.5%
Wickford Town Centre	0.0%	0.5%	16.7%	0.2%	0.0%	0.0%	8.7%	0.1%	2.4%
SUB-TOTAL: TOWN CENTRE	22.8%	24.5%	20.2%	16.1%	10.1%	1.8%	17.2%	6.1%	14.7%
OUT OF TOWN STORES / LOCATIONS									
Basildon									
Pipps Hill Retail Park	14.6%	12.1%	10.7%	16.3%	4.9%	3.8%	11.4%	3.6%	9.2%
Mayflower Retail Park	3.7%	3.6%	10.5%	7.1%	3.1%	0.8%	6.3%	2.2%	4.2%
Cricketers Retail Park	4.0%	1.6%	2.1%	1.2%	0.1%	0.0%	0.5%	0.2%	1.2%
Yardley Business Park	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
All Other Out-of-Centre Floorspace	1.4%	0.9%	0.8%	0.0%	3.9%	0.1%	0.1%	0.2%	0.7%
Sub-total	23.6%	18.3%	24.1%	24.5%	12.2%	4.7%	18.3%	6.2%	15.4%
Billericay									
Whitesbridge Farm Industrial Estate, Crays Hill	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%
All Other Out-of-Centre Floorspace	0.0%	0.1%	0.2%	0.7%	0.2%	0.0%	0.2%	0.0%	0.2%
Sub-total	0.2%	0.1%	0.2%	0.7%	0.2%	0.0%	0.4%	0.0%	0.2%
Laindon									
Westmayne Industrial Park, Bramston Way	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All Other Out-of-Centre Floorspace	0.3%	1.6%	0.0%	0.4%	0.5%	1.3%	0.1%	0.0%	0.5%
Sub-total	0.4%	1.6%	0.0%	0.4%	0.5%	1.3%	0.1%	0.0%	0.6%
Pitsea									
Bluehouse Farm Retail Centre, London Road	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
All Other Out-of-Centre Floorspace	7.0%	2.3%	0.2%	0.1%	4.6%	0.0%	0.0%	2.1%	2.1%
Sub-total	7.1%	2.3%	0.2%	0.1%	4.7%	0.0%	0.0%	2.1%	2.1%
Wickford									
All Out-of-Centre Floorspace	0.0%	0.0%	0.3%	0.3%	0.0%	0.0%	0.2%	0.0%	0.1%
Sub-total	0.0%	0.0%	0.3%	0.3%	0.0%	0.0%	0.2%	0.0%	0.1%
SUB-TOTAL: OUT-OF-TOWN CENTRE	31.3%	22.3%	24.8%	26.0%	17.5%	6.0%	19.0%	8.4%	18.3%
BASILDON BOROUGH COUNCIL AREA	54.1%	46.7%	44.9%	42.2%	27.6%	7.8%	36.2%	14.4%	33.1%

Source: **Appendix 7; Volume 2**. Note: % figures may not sum due to rounding.

4.22 The market shares are set out in the table and the main headlines are described below:

- Comparison goods floorspace within Basildon Borough attains a market share of 33.1% from across the Study Area (Zones 1-8) which is a low level of retention.

- Of the overall 33.1% market share retention, the town centres achieve just below half the level of retention at 14.7%. The highest level being attained by Basildon at 8.8%; followed by Wickford at 2.4%.
- In comparison the out-of-centre category has a higher level of retention of 18.3%. Principally this is led by the provision in Basildon (15.4%) particularly Pipp's Hill Retail Park (9.2%) and Mayflower Retail Park (4.2%).

4.23 The table below shows 'leakage' of comparison goods expenditure to other competing centres and stores located outside of the Basildon Borough area. The main headlines are:

- There is 25.4% 'leakage' of comparison goods expenditure to other competing centres. The principal competing location is the critical mass of provision at Lakeside attaining a market share of 8.7%; followed to a lesser extent by Rayleigh (3.3%) and Chelmsford (2.5%).
- **Special Forms of Trading (SFT)** is achieving a market share of 41.5% from across the Study Area (Zones 1-8). These market shares are higher than the 2023 forecast national average figure for SFT of 35.4%³⁷.

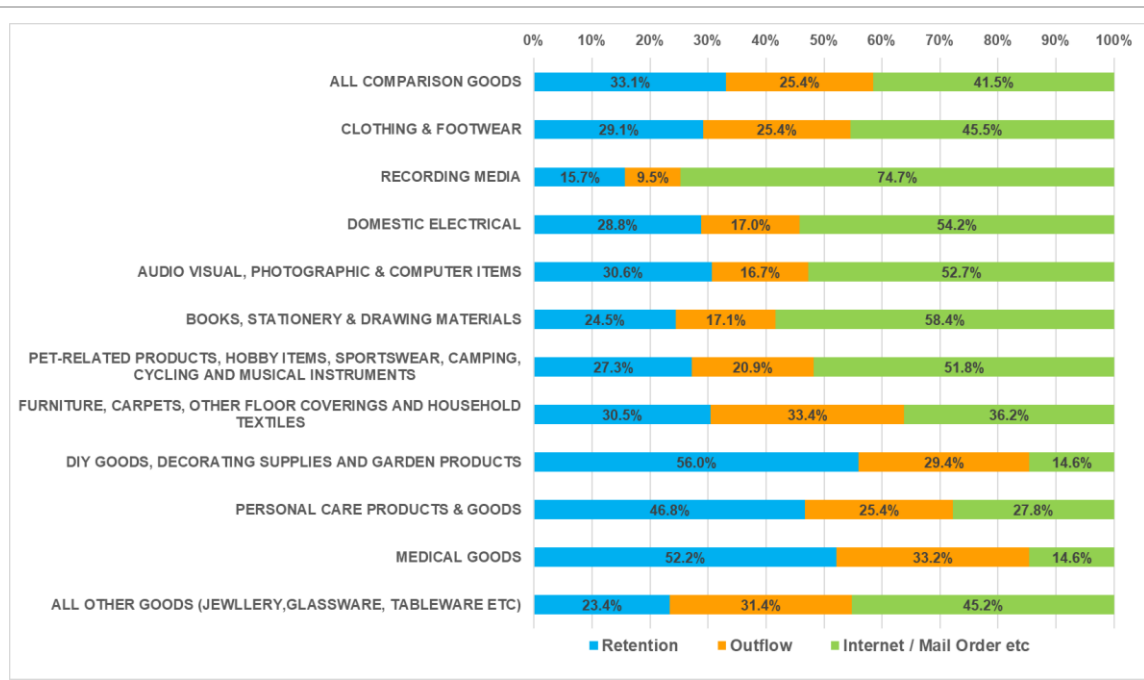
OTHER CENTRES/STORES OUTSIDE BBC AREA										
Benfleet	0.0%	0.1%	0.1%	0.0%	0.0%	0.3%	0.0%	1.4%	0.4%	
Brentwood	0.0%	0.3%	0.0%	0.6%	0.1%	13.5%	1.2%	0.2%	1.3%	
Bluewater	0.0%	0.0%	0.1%	1.4%	1.1%	1.3%	1.0%	0.4%	0.5%	
Canvey Island	0.2%	0.3%	0.0%	0.0%	0.3%	0.0%	0.0%	4.1%	1.2%	
Chelmsford	0.4%	0.2%	2.4%	6.6%	0.4%	4.8%	8.1%	1.4%	2.5%	
Grays	0.0%	0.3%	0.0%	0.1%	0.5%	0.3%	0.0%	0.0%	0.1%	
Lakeside (Includes Shopping Centre, West Thurrock Retail Park; Lakeside Retail Park; Thurrock Shopping Park)	5.2%	7.2%	6.2%	4.8%	23.0%	16.1%	5.1%	8.5%	8.7%	
London	0.2%	0.4%	0.7%	0.3%	0.3%	0.6%	1.2%	0.0%	0.4%	
Rayleigh	0.4%	0.5%	4.3%	0.4%	0.4%	0.3%	0.9%	10.0%	3.3%	
Romford	0.0%	0.2%	0.0%	1.2%	0.4%	7.1%	0.3%	0.5%	0.9%	
Southend-on-Sea	0.3%	0.1%	0.3%	0.1%	0.6%	0.2%	0.2%	4.2%	1.3%	
Stratford	0.0%	0.0%	0.2%	0.0%	0.0%	0.1%	0.5%	0.0%	0.1%	
ALL OTHER CENTRES / STORES	2.9%	1.2%	1.5%	1.4%	14.9%	14.2%	4.3%	5.1%	4.7%	
Sub-Total All other Centres / stores	9.6%	10.9%	15.8%	16.7%	42.2%	58.8%	22.9%	35.9%	25.4%	
SPECIAL FORMS OF TRADING/ INTERNET SHOPPING	36.3%	42.4%	39.3%	41.1%	30.2%	33.4%	40.9%	49.7%	41.5%	

Source: **Appendix 7; Volume 2.** Note: % figures may not sum due to rounding.

4.24 The figure below shows the market share ('retention') of different categories of comparison goods achieved by centres/stores in the Basildon Borough from within the Study Area (Zones 1-8).

³⁷ Experian Retail Planner Briefing Note 19 (January 2022). See Section 3 for a more detailed commentary

Figure 4.2: Comparison Goods Market Shares: Study Area (Zones 1-8)



Source: **Appendix 7; Volume 2.** Note: % figures may not sum due to rounding.

4.25 The above figure shows that across the Study area (Zones 1-8), online shopping accounts for 41.5% of market share and that this category is highest amongst the following expenditure categories:

- Recording Media – 74.7%
- Books & Stationery – 58.4%
- Domestic Electrical – 54.2%
- Audio Visual – 52.7%
- Pet related products et al – 51.8%
- Clothing & Footwear 45.5%

4.26 In terms of the overall level of retention of 33.1%, the highest is amongst the categories of:

- DIY Goods – 56%.
- Medical Goods – 52.2%
- Personal Care Products & Goods – 46.8%

4.27 Outflow accounts for 25.4% of market share for all comparison goods. The highest is in the categories of:

- Furniture, Carpets et al – 33.4%
- Medical Goods; 33.2%
- Other Comparison Goods (Jewellery, Glassware, Tableware) – 31.4%
- DIY Goods – 29.4%

4.28 The above shows that for personal goods there is a tendency to shop more locally but for other comparison goods types the consumer is more fluid in terms of where the product is sourced online or elsewhere beyond the Borough as it may be more convenient and easily accessible.

SUMMARY

4.29 In summary the market share headlines for **convenience goods** retailing are:

- SFT has a 10.9% market share in the Study Area (Zones 1-8), which is below the national average forecast by Experian Business Strategies of 18.6% in 2023.
- The 'retention level' of 56.4% by floorspace in the Basildon Borough area represents an average level of retention.
- The town centres collectively attain a low market share retention of 22.4%. This is dominated by Basildon town centre (7.5%) and Pitsea (5.2%) followed by Billericay (3.7%) and Wickford (3.5%). Laindon has the lowest level of retention at 2.5%.
- The out-of-centre category dominates the retention level with an overall retention of 34%. The highest market share being attained by the Tesco Extra (Pitsea) at 8.2% followed by Tesco Extra (Mayflower Retail Park, Basildon) at 6.3%. The Asda at Pipp's Hill Retail Park, Basildon attains 5.7%; Tesco Superstore, Mandeville Way, Laindon some 4.4% and the Sainsbury's Superstore (Cricketers Retail Park, Basildon) 3.9%.
- There is leakage of some 32.6% primarily to Benfleet (7%), Canvey Island (4.3%), Rayleigh (3.1%) and Brentwood (2.5%) as the main competing locations outside of the Borough.

4.30 For **comparison goods** the key headlines are:

- SFT's market share in the Study Area of 41.5% is higher than Experian national average of 35.4% for 2023.
- Centres and stores in the Borough are achieving an overall retention level of 33.1%. Of this total, a higher level of retention is attained by the out-of-centre category at 18.3% followed by the town centres at 14.7%.
- For the collective town centre market share of 14.7%, the town centre with the highest level of highest of retention is Basildon with a dominating market share of 8.8% followed by Wickford at 2.4%, Billericay at 1.9%, Pitsea at 1.5% and Laindon at a marginal 0.2%.
- In relation to the out-of-centre floorspace market share of 18.3%, this is dominated by the provision in Basildon (15.4%) of which Pipp's Hill Retail Park (9.2%) and Mayflower Retail Park (4.2%) attain a collective majority market share of 13.5%.
- Leakage of some 25.4% is to the provision at Lakeside (8.7%) followed by Rayleigh (3.3%) and Canvey Island (4.3%) as the main competing locations outside of the Borough.

5. CENTRE HEALTH CHECKS: APPROACH & KPIS

5.1 **Section 6** sets out the key findings of the health checks for the Boroughs main centres of Basildon, Billericay, Laindon, Pitsea and Wickford. These health check assessments have been informed, where possible, by the following Key Performance Indicators (KPIs) outlined in the National Planning Practice Guidance (NPPG)³⁸:

- | | |
|--|---|
| • the diversity of uses; | • accessibility; |
| • proportion of vacant street level property; | • perception of safety and occurrence of crime; |
| • commercial yields on non-domestic property; | • state of town centre environmental quality; |
| • customers' experience and behaviour; | • balance between independents and multiples; |
| • retailer representation and intentions to change representation; | • any evidence of barriers to new businesses opening and existing business expanding; |
| • commercial rents; | • opening hours/availability/extent to which there is an evening and night time economy offer ³⁹ . |
| • pedestrian flows; | |

5.2 These KPIs help to identify the critical **S**trengths and **W**eaknesses of each centre from a retail and leisure perspective; the **O**pportunities for new sustainable development and growth; and any current and potential future **T**hreats to their overall vitality and viability ('SWOT' assessment).

5.3 The health check and SWOT assessments draw on a number of industry standard published datasets (e.g. Experian Goad, PROMIS, etc.), primary market research (including the findings of the household telephone interview survey), and LSH's own market intelligence. This will help understand the current vitality and viability of the Council's main town centres, how their health has changed over time, and their prospects over the short, medium and longer term. Our approach and some of the key performance indicators assessed are briefly described below.

DIVERSITY OF USES

5.4 The health check assessments have been principally informed by the latest available Experian Goad Category reports and site visits for Basildon, Billericay, Laindon, Pitsea and Wickford. These assessments set out the number and proportion of units and floorspace⁴⁰ by different uses (i.e. convenience, comparison, leisure and service uses). Experian Goad define 'services' into three sub-categories:

³⁸ Paragraph 006. Reference ID: 2b-006-20190722

³⁹ The "evening" economy generally relates to all leisure activities that are open until around 11pm. The "night-time" economy is generally defined as businesses and activities with late night licences that are open beyond 11pm, particularly at the weekend.

⁴⁰ The floorspace figures set out in the Experian Goad Reports are derived from Goad Plans that show the 'footprint' floorspace and the site area without the building lines. Although they do not provide a definitive report of gross or net floorspace in centres, they do provide a useful means of comparison between centres, as all outlets are measured in a consistent manner.

-
- **retail services**⁴¹ - including hairdressers, beauty salons, travel agents, launderettes, opticians, etc.;
 - **leisure services**⁴² - including cafés and restaurants, betting shops and fast food/ takeaway outlets; and
 - **financial and professional services**⁴³ - including banks, estate agents, etc..

5.5 Each centre is audited by Experian on an annual or two year cycle depending on the size of the centre. The outlet and floorspace data in each report is drawn from the town centre boundaries as defined by Experian based on the Goad Plans for each centre. The Goad Plan boundaries are not necessarily the same as the town centre boundaries defined by the Council on its Policies Maps. As a result, the number of units and floorspace set out in our analysis may not relate directly to the Council's own boundaries and centre audits.

5.6 The Experian Goad reports also provide a useful 'gap' analysis tool to help identify retail types and categories that are under or over represented in centres, benchmarked against the UK averages for all circa 2,500+ centres and shopping locations covered by Experian Goad.

VACANCY LEVELS

5.7 The number and scale of vacancies in a centre, and the length of time properties have been vacant, represents one of the critical KPIs used to assess a centre's overall vitality and viability. For example, high vacancy levels, or a concentration of vacancies in certain areas/streets, could indicate underlying weaknesses in terms of occupier demand, and/or the fact that vacant units are not 'fit-for-purpose' to meet the needs of modern businesses (for example, there may be too small and/or have a poor layout/configuration). Notwithstanding this, vacancies can arise in even the strongest centres due to the natural 'churn' in businesses opening and closing at any point in time. This KPI must therefore be used and interpreted with caution. Where possible we have assessed the changes in vacancy levels (outlets and floorspace) over time for the four main centres based on the findings of previous evidence-based studies.

MULTIPLE AND INDEPENDENT OUTLETS

5.8 The Experian Goad reports also provide analysis of the representation of multiples and independents in centres. A multiple is defined by Experian as being part of a network of nine or more outlets. It is widely accepted that a good presence and mix of multiples in a centre,

⁴¹ Since the reform of the Use Classes Order (1 September 2020) all retail services are defined as Class E (previously Class A1). This is apart from shops not more than 280sqm "*most selling essential goods ... and at least 1km from another similar shop*", which are now covered by the new Class F2 (local community uses).

⁴² Cafés and restaurants are now classified as Class E (previously Class A3); betting shops are 'sui generis'; and fast food/ takeaway outlets are 'sui generis' (previously Class A5).

⁴³ Financial and professional services are now classified as Class E (previously Class A2).

alongside a strong and diverse independent offer, helps to increase the overall attraction, diversity and performance of centres. For many centres multiples are the key anchors to their shopping and leisure offer, helping to draw visitors from wider catchments and generate more frequent shopping trips and footfall, to the benefit of other shops, businesses and facilities in terms of linked trips and expenditure, and longer dwell times.

STREET & COVERED MARKETS

- 5.9 The presence of high quality, well managed and diverse street/indoor markets and foodhalls in centres can have a significant positive impact on their overall vitality and viability. This is recognised by the NPPF (paragraph 90c), which states that existing markets should be retained and enhanced and, where appropriate, new ones should be created, ensuring that markets remain attractive and competitive. It is widely accepted that successful markets in the right locations can help increase trips to centres from a wider catchment, attract a more diverse customer profile, generate benefits for the wider daytime and evening economy, and act as "seedbeds" and "incubator space" for the growth of new businesses.

MARKET DEMAND & REQUIREMENTS

- 5.10 Evidence of market demand from retail and leisure operators for representation in a town centre can provide a further indication of the overall health and attraction of centre, and investor confidence. In this case evidence was drawn from standard published sources (including the Requirements List) and, where possible, supplemented by LSH's own market intelligence. However, it should be noted that the published information is not definitive, as many retailers and leisure operators prefer not to make their requirements public, as it can potentially undermine their current and future negotiating position with potential landlords. Furthermore, market demand is often opportunity-driven, and often responds to the availability and marketing of new development sites and regeneration opportunities.

PRIME ZONE A RENTS & COMMERCIAL YIELDS

- 5.11 The level of rent, that businesses are prepared to pay for retail space, and the commercial yields achieved, provide a further indication of the relative strength of the centre and its prime retail pitch. However, it should be noted that Prime Zone A rents and yields are not available for all centres, particularly smaller centres where there is more limited evidence on transactions. Therefore, an assessment of Prime Zone A rents and yields is only provided where there has been significant market activity. Evidence of average commercial yield levels for centres is inherently more difficult to source, as it depends on the level and volume of transactions in any one year. In general terms though, where reported yields are low, this usually represents a particularly strong performing investment. Conversely, where the yield value is high, this generally reflects poorer performing investments.

CUSTOMER VIEWS AND BEHAVIOUR

- 5.12 Our assessment of customers' views and behaviours draws on the Telephone Interview Survey of 706 households conducted by NEMS Market Research (NEMS) across the 8 study zones between March and April 2023. The detailed tabulations are set out in **Volume 4** to this study and the survey-derived market shares are summarised in **Section 4** of this report.
- 5.13 Apart from helping to identify shopping and leisure patterns across the defined catchment area and zones, the household survey also asked specific questions on what respondents 'liked' about the Borough's main centres, and what improvements (if any) could persuade them to visit the centres more often than at present.
- 5.14 The findings of the market research surveys provide further critical evidence to help inform the town centre healthchecks.

TOWN CENTRE ENVIRONMENTAL QUALITY

- 5.15 Assessment of a town's overall environmental quality represents a further KPI to help assess overall attraction, vitality and viability. An assessment of environmental quality (including, for example, cleanliness and attractiveness, security, treatment of buildings and open/green spaces) was carried out as part of our site visits and further informed by the findings of the household survey and stakeholder engagement, along with other available reports and evidence.

ACCESSIBILITY

- 5.16 The accessibility of a centre is measured by the ease and convenience of access by different modes of travel to and across the centre; including dedicated access for pedestrians, cyclists and disabled people. This assessment was informed by the survey evidence, along with information provided by the local planning authority, and observations undertaken as part of the centre audits and site visits.

PERCEPTION OF SAFETY AND OCCURRENCE OF CRIME

- 5.17 The statistics detailing crime rates for specific regions, urban areas and postcodes is based on data sourced from UKcrimestats.com. This source aggregates open police force data on crime trends for England, Wales, and Northern Ireland. It provides, in our view, the most complete catalogue of crime and safety information available. This is supplemented by the feedback from the household survey, stakeholder engagement and other research to help inform current perceptions of safety and crime for the main town centres.

OUT OF CENTRE PROVISION

- 5.18 The existing and planned out of centre retail and leisure floorspace in the Council area and neighbouring local authority areas was determined using a number of published sources,

evidence provided by the local authority (where available), and the findings of the market research surveys and town centre audits.

NEW INVESTMENT & POTENTIAL DEVELOPMENT

- 5.19 The Council provided evidence of all existing, committed and planned retail/leisure investment and development in the main centres. All new retail and leisure floorspace identified by this study covers commitments and permissions (normally over 500 sqm gross).
- 5.20 In summary, health checks are important planning 'tools' for appraising and monitoring changes in the overall attraction and performance of town centres and informing the preparation of robust strategies and plans. The assessments of Key Performance Indicators (KPIs) carried out for this study are informed by the NPPG and are based on different data sources and market intelligence, including published research, site visits and the household telephone interview surveys. Taken together these KPIs enable a robust assessment of each centre's SWOTs (Strengths, Weaknesses, Opportunities and Threats), and will help to identify any significant "gaps" in provision.

6. HEALTHCHECK SUMMARIES

- 6.1 This section sets out the summary findings of the town centre health checks for Basildon, Billericay, Laindon, Pitsea and Wickford and a high-level audit of the key out-of-town retail and leisure locations (including Pipp's Hill Retail Park, Festival Leisure Park, St. Hilary's Retail Park and Mayflower Retail Park) areas. The health checks and audits are detailed in **Volume 3**.

TOWN CENTRE HEALTH CHECKS - SUMMARY

- 6.2 As described in the previous section and in **Volume 3**, the health checks are based on the Key Performance Indicators (KPIs) set out in the PPG. The assessments are informed by different data sources and market intelligence, including published research, site visits, the Council's monitoring data, and market research surveys. Taken together these KPIs enable a robust assessment of each centre's SWOTs (Strengths, Weaknesses, Opportunities and Threats), and help to identify any significant "gaps" in provision.
- 6.3 By way of overview the table below shows the scale of the retail, leisure and service provision in the main town centres based on surveys of commercial outlets and our own site visits.

Table 6.1: Main Centres: Number of Outlets

No. of Outlets	Basildon	Billericay	Laindon	Pitsea	Wickford
Comparison Retail	93	41	0	14	47
Convenience Retail	24	15	1	10	16
Retail Services	35	35	2	14	31
Leisure Services	47	49	0	24	46
Financial & Business Service	27	21	0	3	11
Vacant	76	13	0	5	19
Total	302	174	3	70	170

Source: Experian Goad / LSH Research

- 6.4 In terms of floorspace, whilst there is no data available for Laindon, the data for the remaining centres reinforces that Basildon is by far the largest and dominant centre in the Borough. Billericay and Wickford have a similar number of outlets and a similar quantum of floorspace. Whilst Pitsea has a relatively small number of outlets, given the provision of retail park type space comprising the centre, the floorspace that is taken up by these outlets surpasses both Billericay and Wickford.

Table 6.2: Main Centres: Floorspace (sqm)

Floorspace (sqm gross)	Basildon	Billericay	Pitsea	Wickford
Comparison Retail	36,186	5,416	12,189	8,881
Convenience Retail	14,827	5,137	15,803	2,917
Retail Services	5,491	3,586	1,319	2,397
Leisure Services	17,605	9,142	5,509	7,098
Financial & Business Service	6,327	2,861	530	1,607
Vacant	34,820	1,858	1,263	6,596
Total	115,255	28,001	36,613	29,496

Source: Experian Goad / LSH Research

- 6.5 The Borough's main centres are distinct from each other in terms of their physical characteristics, catchments, and market position, which is described in detail in the health check assessments in **Volume 3**. The following tables and commentary summarise the main SWOTs (Strengths, Weaknesses, Opportunities and Threats) for each centre. The findings help to identify their relative performance in the Borough's network and hierarchy of centres, and any significant "gaps" in provision.

BASILDON SWOT

- 6.6 Basildon Town Centre is the largest centre within the borough and as such provides a focal point of retail, leisure and services for the area.
- 6.7 Whilst the presence of many national multiples has allowed for the recovery of footfall levels post-pandemic, the number of vacancies within the centre is of concern. The recent closure of Wilko only adds to this issue, with 1 in 4 units vacant as of June 2023.
- 6.8 With the rate of vacancies, and the spread of these vacant units across the centre, Basildon Town Centre lacks a sense of cohesion and focus. There is room to consolidate the offer given that the 30%+ of vacant floorspace is unlikely to be fully occupied by a retail and leisure offer.
- 6.9 The centre lacks greenery and vibrancy. The provision of green space would likely encourage more visitors whilst also improving dwell times further.
- 6.10 The centre can conveniently be accessed by car, with a strong local road network and ample parking provision. Pedestrian access around the centre is good, however access to and from the centre is more challenging. This lack of pedestrian access in and out of the centre links to the insular, inward-looking nature of the centre's layout.

- 6.11 Investment into the area through the Government's Cultural Investment Fund provides an opportunity that if capitalised upon, could bring a vibrancy and energy to the centre that it currently lacks. In addition to this, the transport connections that Basildon has to London could allow the area to benefit from being a more affordable place for people to live whilst still being within 40 minutes travel time of the capital.
- 6.12 Basildon Town Centre like other centres is facing its challenges dominated by an extensive floorspace footprint that in the long term is likely to be consolidated by other types of uses. Opportunities available such as the funding support on the digital and creative sector if capitalised upon will lead to a more diversified economy and ensure a vital and viable future for the centre.
- 6.13 Overall, the Strengths, Weaknesses, Opportunities, Threats (SWOT) can be summarised as follows:

Strengths
<ul style="list-style-type: none">• Good provision of national multiples with big brands providing a draw to the centre• The town centre has a relatively strong comparison retail offer which is slightly above the UK average.• The market has a diverse and varied offer with the permanent market units/ stalls allowing for a uniform and well-kept look.• There is good parking provision across the centre.• Footfall levels have bounced back to pre-pandemic levels as opposed to having a lasting negative impact.• Recent dwell times have surpassed levels recorded in 2019 (pre-pandemic).• The core of the centre is largely vehicle free and pedestrianised, making it safe for visitors to move around on foot.• Train station and bus station provide good transport links to and from the centre.

Weaknesses

- There is a surplus of retail space which is leading to clusters of vacant units and neglected areas of the centre.
- Leisure service provision is below the national average.
- There is a lack of greenery and colour to bring the area which would make it a welcoming place that people would enjoy spending time in.
- The town centre's environmental quality is hard and stark in parts and missing landscaping or other forms of softening which impacts the perception of the centre.
- Customers are not particularly positive about what the centre has to offer and what they enjoy about visiting.
- The evening economy is weak relative to its size with most places closing early.
- The centre is very inward looking and insular and therefore lacks the ability to naturally draw people in from places such as the train station.
- Limited EV charging points.

Opportunities

- To contract/refine the retail areas to make it easier for visitors to navigate the offer and to strengthen the areas that do have retail and leisure.
- Potential demand for space from national multiples.
- To capitalise on the regular and quick rail connections to London to attract a broader demographic.
- Focus on improving perceptions of safety and security and encourage promotion of an evening economy.
- With more shops opening until later and improved security/ safety, the customer survey indicates some appetite for evening visits to the centre.
- Securing £4m in funding to support the digital and creative sector in Basildon providing opportunities for diversification of the local economy.

Threats

- Further closure of outlets.
- Rising vacancy rates.
- Competition from out-of-centre retail parks that have big brands attracting shoppers, such as the new St Hilary's Retail Park.
- The growth in online shopping and its impact on brick-and-mortar retail outlets.
- The longer-term impacts of the pandemic are still yet to be determined.
- High / increasing business operating costs.

BILLERICAY SWOT

- 6.14 Billericay Town Centre is a strong, functioning centre that offers a good range of retail, leisure and services.
- 6.15 Its low vacancy rate is a good indication that businesses are thriving in the area, and with footfall improving post-pandemic, the centre is in a strong position to evolve and strengthen.
- 6.16 Billericay High Street Conservation Area ensures that the architectural and historic importance of the town centre is preserved, securing Billericay's image as an attractive, characterful location that people enjoy spending time.
- 6.17 Overall, Billericay is a vital and viable town centre that not only meets the day-to-day needs of its local catchment, but also has an attraction through its evening economy and leisure provision that will draw visitors from beyond the immediate catchment.
- 6.18 Overall, the Strengths, Weaknesses, Opportunities, Threats (SWOT) can be summarised as follows:

Strengths

- Low vacancy rate with no concentration of vacancies in one or more areas of the centre.
- Strong financial and business service provision comparative to the UK average.
- The food and beverage offer is strong with a quality, varied offer of restaurants and bars.
- Strong independent offer which adds to the uniqueness of the town centre.
- Footfall levels have surpassed pre-pandemic figures.
- Train station is accessible with links to and from London.
- There is a lively evening and night-time offer with a range of venues opening late.
- Good parking provision including on street parking along the High Street.
- Low crime rate relative to the size of the town as well as when factoring in the evening economy present.
- Historic and characterful features such as buildings and trees make up the Billericay High Street Conservation Area which will continue to be preserved and enhanced.

Weaknesses

- A lack of greenery and public areas with seating for people to spend time and enjoy.
- Heavy flow of traffic along High Street has a negative impact on shopping environment including poor air quality.
- No cycle paths.
- Dwell times have dropped post-pandemic – visitors are spending less time in the centre on average.
- Vacancy rates have risen in recent years.

Opportunities

- Demand from multiple retailers.
- Urban greening should be encouraged.
- Provision of bike racks / cycle ways.
- Opportunity to improve the street scene, perhaps making it safer, calmer and more attractive for pedestrians.

Threats

- The growth in online shopping and its impact on brick-and-mortar retail outlets.
- The longer-term impacts of the pandemic are still yet to be determined.
- High / increasing business operating costs.

LAINDON SWOT

6.19 Laindon has a very limited town centre offer. Whilst there is hope that the Laindon Place development will stimulate the area and lead to a more legitimate centre, at present it lacks the key elements that comprise a town centre. The current provision in the core of the centre comprises a Lidl and a library. It is clear that much more is needed to meet the needs of the local catchment.

6.20 Overall, the Strengths, Weaknesses, Opportunities, Threats (SWOT) can be summarised as follows:

Strengths

- Lidl creates a focal point for the town that will draw visitors in from a wider catchment.
- Footfall has grown significantly when comparing 2018 to 2020 with 2021 to 2023.

Weaknesses

- At present extremely limited provision of retail and service within the defined core of the centre dominated by a Lidl and a pharmacy. Beyond the core, opposite the rail way station, there is a small collection of independent outlets catering for F&B and small convenience provision.
- Limited provision results in residents shopping and socialising across other centres.
- Despite the growth in footfall levels, actual numbers are still very low.
- Town centre signage is not clear and seems to direct people towards the train station as opposed to the area defined as the town centre.
- The dual carriageway and central reservation with a fence make it challenging for pedestrians to cross the High Road.

Opportunities

- For the Laindon Place development to become a true hub for the centre. This is anticipated to deliver retail, leisure, office space and community services for the local community.

Threats

- Laindon Place is not delivered.
- Competition from the new Lidl store on St Hilary retail park. Shoppers travelling from a distance to the Laindon Lidl may now find it more convenient to travel to the St Hilary retail park store, whilst also being attracted by the neighbouring offer on Pippis Hill Retail Park.
- Nearby town centres such as Basildon and Pitsea have much stronger retail, leisure and service provision. The Laindon Place development will not change that immediately, and so it will still be challenging to draw visitors from beyond the immediate catchment.
- The growth in online shopping and its impact on brick-and-mortar retail outlets.
- The longer-term impacts of the pandemic are still yet to be determined.
- High / increasing business operating costs.

PITSEA SWOT

- 6.21 Pitsea Town Centre is dominated by large format retail units in its centre with the High Road Retail Park and a Lidl supermarket beyond the core of the centre. As such, it has a strong convenience and comparison offer that will meet the relevant needs of its immediate and broader catchment.
- 6.22 The market provides a complementary retail and leisure offer that sits alongside the national multiple brands that dominate the permanent retail units in the centre. The market is popular and allows for a diverse range of local / smaller businesses to thrive.
- 6.23 The decrease in footfall levels in recent times is of some concern and should be monitored going forward.
- 6.24 Improvements could be made to the environmental quality of the town centre through greenery and street furniture to make Pitsea a more appealing centre to spend time and enjoy.
- 6.25 Overall, the Strengths, Weaknesses, Opportunities, Treats (SWOT) can be summarised as follows:

Strengths

- Low vacancy rate with no concentration or cluster of vacancies
- Good retail provision across two adjacent retail park type floorspace provision.
- Presence of national multiples and big brands that will attract visitors from beyond the immediate catchment
- Pitsea Market attracts visitors and enhances the sense of community
- Parking provision is good across both retail parks
- There is good signposting across the centre to help visitors navigating their way around.

Weaknesses

- The food and beverage offer is heavily dominated by fast-food and takeaways.
- Footfall has decreased by 13% between 2019 and 2022 suggesting that the impacts of the pandemic may be long-lasting.
- Heavy traffic along High Road causing congestion and pollution, as well as making it more dangerous for pedestrians trying to navigate from north to south.
- The train station is not easily accessible from the town centre, particularly by foot
- There is a lack of green spaces and welcoming public areas with seating for people to spend time.
- The area tucked away between The Range and Pembroke House is unkept and neglected. The Pitsea Leisure Centre and Pitsea Library buildings could do with some general maintenance whilst temporarily fencing and overgrown hedges and bushes is unwelcoming.

Opportunities

- More greenery and public spaces to sit and enjoy, particularly near to the market where people may want to eat and drink in a pleasant environment
- Improvements to Pitsea Leisure Centre and Pitsea Library buildings as well as the area surrounding so that it becomes an integral component of the town centre offer as opposed to a forgotten place hidden away.
- The opening of the Pitsea Diagnostic Centre (to be located at The Place in the town centre) will provide additional footfall that can be capitalised and aiding to the vitality and viability of the centre.
- Productive Use / development of the land to the rear of Tudor Manors as highlighted within the Basildon District Local Plan Saved Policies (2007)

Threats

- Tesco and B&M are located outside of but nearby to the centre and in combination provide a strong convenience and comparison offer. Having said this, Pitsea town centre competes well with this based on its own retail provision
- The growth in online shopping and its impact on brick-and-mortar retail outlets
- The longer-term impacts of the pandemic are still yet to be determined
- High / increasing business operating costs

WICKFORD SWOT

- 6.26 Wickford Town Centre is a functioning centre that benefits from its rail links and nearby road networks.
- 6.27 The mix of uses within the centre is broadly in line with the UK average, and as such allows it to meet its catchment's wide range of needs.
- 6.28 The rate of vacant floorspace creates some cause for concern. Whilst footfall levels are up post-pandemic, dwell times have fallen. To encourage visitors to spend more time in the centre, improvements could be made to the environmental quality of the area – '*Wickford in Bloom*' has gone some way to address this, but more can be done.
- 6.29 Overall, the Strengths, Weaknesses, Opportunities, Threats (SWOT) can be summarised as follows:

Strengths

- Good car parking provision across the centre.
- Footfall levels have bounced back since the pandemic and were 11% higher in 2022 than 2019.
- The train station is accessible within the centre and provides links to and from London.
- Decrease in crime incidences in recent years.
- Aldi's re-development of their store and re-opening in December 2023 indicates a desire for investment in the area and will strengthen the convenience offer.

Weaknesses

- The food and beverage offer is dominated by fast food and takeaway outlets.
- There is a large proportion of the total floorspace in the centre that is vacant (22%).
- Vacancy rates have risen in recent years.
- There is a limited provision of places and areas to sit and enjoy.
- Beyond hanging baskets there is a lack of greenery and green spaces.
- Low provision of EV charging points.
- No cycle paths.
- Dwell times have dropped post-pandemic – visitors are spending less time in the centre on average.

Opportunities

- Retail and commercial leisure interest for representation.
- Public realm and greening improvements.
- to improve the street scene, perhaps making it safer and more attractive for pedestrians.
- Improvements / upgrades to the public realm.

Threats

- The growth in online shopping and its impact on brick-and-mortar retail outlets
- The longer-term impacts of the pandemic are still yet to be determined
- High/ increasing business operating costs

7. RETAIL CAPACITY ASSESSMENT

7.1 This section sets out the results of the economic retail capacity ('need') assessment for new retail (comparison and convenience goods under former use class A1) floorspace in the Borough and its main centres. The capacity forecasts cover a period, from 2023 (the "base year") and aligned with the NPPF and PPG the forecasts also take account of the lifetime of the plan (i.e. to 2042). The detailed economic capacity tabulations are set out in **Volume 2**. These forecasts update and supersede the findings of each of the Council's previous evidence-based studies.

THE CREAT^e MODEL

7.2 The CREAT^e economic model has been specifically designed, developed and tested by the LSH team over more than 25 years to assess the capacity for and impact of new retail (convenience and comparison goods) floorspace development. The evidence-based model has helped to inform and guide plan-making and decision-taking at the local, sub-regional and regional level. In brief, the CREATe (Excel-based) model adopts a transparent 'step-by-step' approach in which all the key assumptions and forecasts can be easily tested. The model is underpinned by the findings of the household survey, which provides a robust understanding of shopping patterns, market shares and the trading/turnover performance of existing centres, shops and stores.

7.3 At the outset it has necessarily been assumed for the purpose of the capacity assessment that the local retail market is in 'equilibrium' at the base year. In other words, all existing centres/stores are broadly assumed to be trading in line with expected average ('benchmark') turnover levels. This is a reasonable approach in this case as it reflects the impact of the economic downturn and the significant growth in online sales on the trading levels and performance of retailers and stores across the UK. It also reflects the outputs of the health checks covering the main centres and shopping locations. The main challenge and focus over the short/medium term in response to market trends and the impact of rising cost inflation as well as the legacy of the COVID-19 pandemic will be to retain existing occupiers and to redevelop/repurpose vacant retail floorspace to attract new businesses and uses.

7.4 In simple terms, any residual expenditure available to support new retail floorspace over the forecast period will be generated by the difference between the forecast growth in 'current' (survey-derived) turnover levels and the growth in '**benchmark**' turnovers based on applying robust year-on-year 'productivity' ('turnover efficiency') growth rates to all existing and new retail floorspace⁴⁴.

⁴⁴ Section 3 sets out the forecast growth in annual 'productivity' levels based on the latest Experian Retail Planner Briefing Note.

7.5 It is important to restate that medium to **long term forecasts should be treated with caution**, as they will be influenced by the dynamic changes in economic, demographic and market trends. As described previously (see **Section 2**), the NPPF (paragraph 90) states that local planning authorities should meet the need for retail and town centre uses "looking at least ten years ahead". The *Planning Practice Guidance* also states that given the uncertainty in forecasting long-term retail trends and consumer behaviour, assessments "*may need to focus on a limited period (such as the next five years) but will also need to take the lifetime of the plan into account and be regularly reviewed*"⁴⁵. Therefore, whilst this study assesses retail capacity up to 2042, greater weight should be placed by the **local planning authority on forecasts over the next five to ten-year period**.

7.6 The updated capacity forecasts set out in this section provide the Council with a broad indication of the (quantitative) need for new retail (comparison and convenience goods) floorspace in the LPA area and its main centres. In turn, this will inform whether there is a need to identify and allocate additional sites (over and above any already identified) to meet any forecast need, in accordance with the advice set out in the NPPF (paragraph 90).

KEY ASSUMPTIONS & FORECASTS

7.7 The 'baseline' capacity tabulations are set out in **Volume 2** for convenience and comparison goods. The capacity forecasts are based on the population growth projections from Experian, which are derived from the Office of National Statistics' (ONS) ONS 2020-based subnational population projections (released March 2020 and ONS 2020 mid-year estimates at Local Authority District level (released June 2021))⁴⁶. This approach reflects best practice when undertaking capacity modelling. The following describes the critical steps in the retail capacity assessment, and the main assumptions and forecasts underpinning the CREATE Model.

Base Year Population Projections

7.8 **Appendices 2 and 6** set out the latest base year (2023) population and projections (to 2028, 2033, 2038 and 2042) sourced from the Experian MMG3 Geographic Information System (MMG3 GIS) for the Study Area. Experian's population projections show the Study Area population (Zones 1-8) is forecast to increase by +7.5% (+25,450 people) between 2023 and 2042.

⁴⁵ PPG. Paragraph 004. Reference ID: 2b-004020190722

⁴⁶ Experian: Retail Planner UK 2021 Release Note.

Expenditure per Capita & Special Forms of Trading (SFT)

7.9 **Appendices 2 and 6** set out the growth forecasts for convenience goods and comparison goods retail expenditure for the wider Study Area and zones⁴⁷. The base year average expenditure figures have been derived from our in-house Experian MMG3 GIS⁴⁸. In identifying expenditure per capita, an allowance has been made for the market share of non-store retail sales (i.e. Special Forms of Trading) at the base year informed by the results of the household telephone interview survey. These SFT market shares have been 'adjusted' to take account of goods sourced from traditional ('physical') retail space based on Experian's latest Retail Planner Briefing Note 20 (RPBN23). The adjusted baseline SFT market shares in 2023 are 28.8% for comparison goods and 2.6% for convenience goods and are forecast to increase to 35.1% and 3.7% respectively by 2042 based on the growth rates forecast by the RPBN23.

Average Expenditure Growth Forecasts

7.10 The growth in average expenditure per capita levels to 2042 has been informed by the forecasts set out in Experian's RPBN23 (as described in detail in **Section 3**). Experian's forecasts show a fall in convenience goods spend in 2023 (-2.4%), and annual (per capita) growth over the medium to long term "flatlining" at around +0.2% up to 2040; this has then been applied to the period to 2042. For comparison goods and following the forecast growth for 2023 of -1.6%, Experian predict that (per capita) growth in comparison goods spend will settle at around +3.0% per annum on average up to 2040; this rate of growth has been applied to the period to 2042.

Total Available Expenditure

7.11 For convenience goods retailing there is a forecast +9.2% (+£74.7m) growth in total available expenditure between 2023 and 2042 across the widely defined Study Area (Zones 1-8) (refer to **Table 3, Appendix 2**).

7.12 The forecast growth for comparison goods retailing is higher than for convenience goods. The forecasts show a +63.2% (+£563.6m) growth in total comparison goods expenditure by 2042 across the Study Area (refer to **Table 3, Appendix 6**).

Market Share Analysis (excluding SFT)

7.13 The capacity assessment is informed by the survey-derived market shares for all stores and centres across the widely defined study area. A key step in the economic capacity assessment involves allocating the baseline convenience and comparison expenditure (£ million) to the identified centres, stores and floorspace based on the market shares. This

⁴⁷ Total expenditure is derived by multiplying the population and average expenditure per capita levels together.

⁴⁸ All monetary and turnover values are expressed in 2021 prices.

helps to establish the current trading performance of the main centres and stores within the Borough area and zones based on expenditure allocated from the study area only.

7.14 For the purpose of the retail capacity assessment, and in line with standard approaches, the market shares reported in **Section 4** have been recalibrated for both convenience goods (Table 1, **Appendix 4**) and comparison goods (Table 1, **Appendix 8**) to exclude SFT. The 'baseline' (2023) turnovers are projected forward to 2028 (Table 3), 2033 (Table 4), 2038 (Table 5) and 2042 (Table 6) and assuming no changes in market shares⁴⁹. It should be noted that no allowance is made at this stage for any potential 'inflow' (trade draw) of expenditure to centres and stores from outside the defined study area.

'Inflow' / Trade Draw

7.15 The assessment of the 'inflow' (trade draw) from outside the widely defined Study Area are based on informed judgements that consider the relative:

- scale, quality and mix of retail provision across the centres in the Borough, based on the results of the healthchecks;
- location of all other centres and stores in the Borough area, including out-of-centre shopping locations;
- competition from centres, stores and shopping facilities outside the study area, as informed by the results of the survey-derived market share analysis;
- the likely retail expenditure derived from people visiting the Borough's shops and stores, but who live outside the study area (including tourist, visitor and commuter spend); and
- the assumptions and judgements set out in previous evidence-based studies and retail assessments.

7.16 Although the assessment of inflow is not an "exact science" due to the complex nature of overlapping catchments and shopping patterns, it is reasonable to assume that for comparison goods retailing the larger centres such as Basildon, Billericay and Wickford will draw a higher proportion of their shoppers and trade from outside the defined study area, than the smaller centres and parades that generally serve the needs of their more local resident catchment populations.

7.17 Typically, the 'inflow' of convenience goods expenditure to the main centres and stores from outside the wider study area is more limited than for comparison goods, as households generally carry out their main food shop at their more local and convenient stores, and do not normally travel longer distances for food purchases. Notwithstanding this, a reasonable

⁴⁹ The 'constant market share approach' is standard practice for strategic retail capacity assessments. This approach does not take account of the potential impact that new retail investment and development (both within and outside the LPA area) can have on existing shopping patterns, market shares and turnover performance over time.

allowance should be made for inflow associated for commuters and visitors/tourists, particularly for those centres close to employment hubs and major transport nodes.

Total Forecast Turnover

- 7.18 Based on the (survey-derived) market analysis and ‘inflow’ assumptions, **Table 2 (Appendix 5)** sets out the overall convenience turnover estimates for the main centres and stores in the Borough and Table 2 (**Appendix 9**) details the comparison turnover estimates.
- 7.19 The table below summarises the 2023 (‘base year’) total turnover estimates. It shows that Basildon is forecast to achieve a total turnover of £205.4m in 2023, of which approximately 67% is accounted for by comparison sales. Wickford and Pitsea achieve broadly similar turnovers in the range of £69m and £70.2m and Billericay some £63.7m. Laindon has the lowest turnover driven by convenience retailing and reflecting its current provision which is primarily around the railway station and the Lidl supermarket.

Table 7.1: Forecast Base Year (2023) Turnover of Centres/Stores (£m)

BASILDON BOROUGH COUNCIL AREA	Convenience Goods (£m)	Comparison Goods (£m)	Total Turnover (£m)
Basildon Town Centre	£68.6	£136.8	£205.4
Billericay Town Centre	£33.7	£30.0	£63.7
Laindon Town Centre	£23.0	£2.4	£25.3
Pitsea Town Centre	£47.6	£22.6	£70.2
Wickford Town Centre	£32.2	£36.8	£69.0
All Out-of-Centre Locations	£311.1	£282.5	£593.6
TOTAL: BASILDON BC AREA	£516.2	£511.1	£1,027.3

Source: CREATE Retail Capacity Model (**Appendix 5 and 9, Volume 2**)

- 7.20 However, the highest turnover levels achieved is by foodstores and shops located outside the main town centres. The Out-of-Centre provision accounts for £593.6m with an almost even split between 52% convenience and 48% comparison sales. Their total turnover accounts for 58% of all centres and stores in the Borough.

Floorspace Productivity

- 7.21 A key input to the retail capacity assessment is the application of a year-on-year floorspace ‘productivity’ growth rate to all existing and new retail floorspace. As described in **Section 3**, existing retailers will need to achieve higher annual ‘productivity’ growth rates to cover their increasing costs (including, for example, rising rents, business rates and wages), in order to remain profitable and viable over the short, medium and long term. This is particularly the case as the competition from online retailing increases; a trend that has been significantly accelerated by the impact of the pandemic.
- 7.22 For all existing and new retail floorspace we have tested annual average ‘productivity’ growth rates informed by Experian’s latest Retail Planning Briefing Note (RPBN23). These are described in more detail in **Section 3**. For convenience goods a ‘productivity’ growth rate of -1.8% is assumed for 2023; -0.3% for 2024, +0.2% for 2025-29 and +0.4% for 2030 onwards.

For comparison goods the annual productivity growth rates assumed are -0.5% for 2023, -0.4% for 2024, +2.1% for 2025-29 and +3.0% for 2030 onwards.

Retail Commitments

7.23 The next step in the retail capacity assessment takes account of all the major retail (convenience/ comparison) floorspace commitments and planned development at the time of preparing this study. The assessment of pipeline floorspace and the predicted turnover of this new floorspace is necessarily focused on permitted schemes that will provide circa 250 sqm (gross) or more of net additional retail floorspace. All planned and pipeline floorspace commitments have been provided by the Council.

7.24 **Appendix 5** sets out the convenience goods floorspace commitments. This includes:

- **16/01594/FULL** -Redevelopment for residential, food store, business, retail, financial & professional service, restaurants/cafés, drinking establishments, hot food takeaways, non-residential institutions & assembly & leisure with associated parking, access, servicing, landscaping & open spaces. Permission comprises a convenience foodstore of 2,442 sqm gross netted down to 1709 sqm net (by applying a gross to net ratio of 70%) of which it is assumed that 25% is for comparison goods and 75% is for convenience goods.
- **16/01594/FULL** – As above and the planning permission also comprises other commercial floorspace of 2,480 sqm gross netted down to 1,736sqm net (by applying a gross to net ratio of 70%). Additionally, of the 1,736 sqm net it is assumed that 70% of this will be split evenly for comparison goods (608 sqm net) and convenience goods (608 sqm net) and the remainder 30% (520 sqm net) is for retail services, financial services and Food & Beverage.
- **2 - 17/00434/REM** - Reserved Matters application for Phase 2 of Nethermayne to deliver 192 homes with 622 sqm of local retail space (Use Classes A1, A2, A3, A4 and A5), associated landscaping, car parking and open space, pursuant to Outline Planning Permission 12/01080/OUT. It has been assumed that of the 622 sqm gross of retail floorspace netted down to 435 sqm net (gross to net 70%). Of this floorspace it is assumed that 70% (305 sqm) is evenly split between comparison goods (152 sqm net) and convenience goods (152 sqm net) retail with the remainder 30% (130 sqm net) is for retail services, financial services and Food and Beverage.
- **17/01605/FULL** - Hybrid planning application comprising demolition of existing buildings on site and detailed application for the erection of retail units (Use Class A1), and one employment unit (Use Class B1/B2/B8) with associated parking, access and infrastructure and outline application for new college buildings (Use Class D1) with ancillary student accommodation, infrastructure, parking and landscaping (all matters reserved). Permission comprises a convenience foodstore of 1,792 sqm gross netted down to 1,254sqm net (applying a gross to net ratio 70%) of which it is assumed that

25% (314 sqm net) is for comparison goods and 75% (941 sqm net) is for convenience goods.

- **19/00489/FULL** - Demolish existing ALDI store and construct new contemporary foodstore, featuring a modest extension to the site to deliver a larger and enhanced foodstore and car park. Net additional new floorspace supplied by the Council is some 288 sqm net; all of which is assumed for convenience goods.
- **21/01515/FULL** - Erection of electric vehicle charging station with ancillary uses including retail, food, and drink, with associated electric infrastructure, new access, highway works, car parking and landscaping. Net additional new floorspace supplied by the Council is some 156 sqm gross netted down to 106sqm net (by applying a gross to net ratio of 70%); all of which is assumed for convenience goods.

7.25 **Appendix 9** also sets out the comparison floorspace commitments. These include:

- **16/01594/FULL** – As detailed previously in the convenience commitments, permission comprises a convenience foodstore of 2,442 sqm gross netted down to 1709 sqm net (by applying a gross to net ratio of 70%) of which it is assumed that 25% is for comparison goods and 75% is for convenience goods.
- **16/01594/FULL** - As detailed previously in the convenience commitments the permission also comprises other commercial floorspace of 2,480 sqm gross netted down to 1,736sqm net (by applying a gross to net ratio of 70%). Additionally, of the 1,736 sqm net it is assumed that 70% of this will be split evenly for comparison goods (608 sqm net) and convenience goods (608 sqm net) and the remainder 30% (520 sqm net) is for retail services, financial services and Food & Beverage.
- **17/00434/REM** - As detailed previously in the convenience commitments, it has been assumed that of the 622 sqm gross of retail floorspace netted down to 435 sqm net (gross to net 70%). Of this space it is assumed that 70% (305 sqm) is evenly split between comparison goods (152 sqm net) and convenience goods (152 sqm net) retail with the remainder 30% (130 sqm net) is for retail services, financial services and Food and Beverage.
- **17/01605/FULL** - As detailed previously in the convenience commitments, permission comprises a convenience foodstore of 1,792 sqm gross netted down to 1,254 sqm net (applying a gross to net ratio of 70%) of which it is assumed that 25% (314 sqm net) is for comparison goods and 75% (941 sqm net) is for convenience goods.
- **17/01605/FULL** – As above, permission also comprises other commercial floorspace totalling some of 2,924 sqm gross netted down to 2,047 sqm net (assume gross to net ratio of 70%). It is assumed that all of this floorspace will be for comparison goods retail.
- **20/01539/FULL** - Demolition of existing buildings & erection of a building for use as a builders' merchant (sui generis) for display, sale and storage of building supplies, plant and tool hire, with mezzanine floor, ancillary kitchen showroom, outside display and

storage with racking, revised access arrangements, car parking, servicing, means of enclosure and associated works (amended plans). Net additional new floorspace supplied by the Council is some 179sqm net; all of which is assumed for comparison goods.

7.26 It is assumed that all the identified committed floorspace will be open and trading by 2028. It is forecast that this new floorspace and will achieve a total convenience turnover of £34.7m and a total comparison turnover of £24.2m in 2028 (at 2021 prices). This forecast turnover of the commitments is then discounted from any residual expenditure capacity over the forecast period. The net residual expenditure capacity will be available to support new retail floorspace over and above all identified commitments.

RETAIL CAPACITY FORECASTS

7.27 The following sets out the convenience and comparison goods capacity forecasts for the main centres and stores over the forecast period, up to 2042. Whilst the forecasts are provided to 2042, the NPPF (paragraph 90d) is clear that local planning authorities should plan to meet the need for new retail and town centre uses by “**looking at least ten years ahead**”. The PPG also states that given the uncertainty in forecasting long-term retail trends and consumer behaviour, assessments “...may need to focus on a limited period (such as the next five years) but will also need to take the lifetime of the plan into account and be regularly reviewed.”

7.28 The detailed capacity tabulations for convenience and comparison goods are set out in **Appendices 5 and 9**. The capacity findings show the following:

Table 7.2: Retail Floorspace Capacity Forecasts (sqm net)⁵⁰

BASILDON BOROUGH COUNCIL AREA	Convenience Goods				Comparison Goods			
	2028	2033	2038	2042	2028	2033	2038	2042
Basildon Town Centre	56	100	140	185	-140	-184	-112	123
Billericay Town Centre	27	49	69	91	-31	-40	-25	27
Laindon Town Centre	-1,705	-1,690	-1,677	-1,662	-1,037	-1,038	-1,037	-1,033
Pitsea Town Centre	39	70	97	129	-23	-30	-19	20
Wickford Town Centre	-262	-241	-222	-201	-38	-50	-30	33
All Out-of-Centre Locations	-878	-676	-495	-291	-2,980	-3,072	-2,924	-2,438
TOTAL: BASILDON BC AREA	-2,724	-2,388	-2,087	-1,749	-4,249	-4,415	-4,147	-3,267

Source: CREATE Retail Capacity Model (**Appendix 5 and 9, Volume 2**)

⁵⁰ The assessment of the potential capacity for new retail floorspace up to 2042 is based on applying an average sales density ('turnover to floorspace ratio') to any forecast residential expenditure capacity, after allowing for all commitments and a reasonable growth in the "productivity" ("efficiency") of existing and new floorspace. It is assumed for the purpose of this capacity assessment that all new convenience floorspace will achieve an average sales level of c. £11,000 per sqm at the base year, and new comparison floorspace will achieve an average sales level of between £3,500 and c. £6,000 per sqm. For all new retail floorspace these average sales levels have been informed by the performance of 'benchmark' retailers. For example, the average sales level for new convenience goods retailers is informed by published research by Mintel and other data providers on the average turnover performance of foodstore operators (including, for example, Tesco, Asda, Sainsbury's, Waitrose, Morrisons, Aldi, Lidl, Co-Op, and Budgens). It should be noted that the sales levels applied are "averages" and different retailers and centres will trade above or below these "averages" depending on the nature of the business and local considerations (e.g. catchment population, available expenditure and competition from other centres, stores and shopping locations).

-
- **Convenience Goods Capacity** - There is **no identified capacity** for new convenience goods retail floorspace over the broad 10 year period to 2033. Forecasts at the centre level should be treated as indicative but suggest that there is very modest capacity by 2033; Basildon (100 sqm net); Billericay (49 sqm net), and Pitsea (129 sqm net). This potential 'need' should be treated with caution as it is likely that this could be accommodated within the existing stock of space, either through the reoccupation of vacant space or changes in the offer provided in existing units which would not require planning permission.
 - **Comparison Goods Capacity** - As with convenience goods, there is no identified capacity for new comparison goods retail floorspace over the broad 10 year period to 2033.

7.29 It is to be recognised that the capacity forecasts do not take account of current (or future) vacant retail floorspace in the main centres and shopping locations. Some of this vacant space therefore will be available and suitable for re-occupation, re-purposing and/or redevelopment both now and in the future.

SUMMARY

7.30 To reiterate, the NPPF (paragraph 90d) is clear that local planning authorities should plan to meet the need for new retail and town centre uses by "looking at least ten years ahead". The PPG also states that given the uncertainty in forecasting long-term retail trends and consumer behaviour, assessments "...may need to focus on a limited period (such as the next five years) but will also need to take the lifetime of the plan into account and be regularly reviewed." Therefore, whilst greater weight should be placed on forecasts over the next five to ten-year period, we have also assessed the potential capacity for new retail floorspace over the lifetime of the plan, up to 2042 to help inform both Council's longer term plan-making and strategies.

7.31 As shown, the forecasts indicate that there is no immediate global capacity for both convenience and comparison goods to 2033.

7.32 A robust policy approach should therefore be adopted, especially development management policies in accordance with the NPPF (paragraphs 90 - 95), to enable the assessment and determination of future proposals that are not in a centre and not in accordance with an up-to-date development plan. It particularly emphasises the importance of the sequential test and having robust locally set impact thresholds, in compliance with the NPPF and NPPG, to ensure that edge and/or out-of-centre proposals do not result in any significant adverse impacts on existing centres.

8. COMMERCIAL LEISURE NEEDS ASSESSMENT

- 8.1 This section focuses on the potential need for new leisure uses and facilities in the Basildon Council area over the period to 2042. This assessment necessarily focuses on the main leisure, entertainment and cultural uses identified by the NPPF (Annex 2). These uses are widely accepted as making a significant contribution to the overall vitality and viability of town centres and should be located in town centres first in accordance with national and local plan policy objectives.
- 8.2 This assessment necessarily focuses on the main leisure, entertainment and cultural uses identified as town centre uses in the NPPF (Annex 2), namely:

“...leisure, entertainment and more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres and bingo halls); ... and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).” (NPPF, Annex 2)

- 8.3 As described in **Section 2**, the Government’s reform of the Use Classes Order came into effect on 1st September 2020. The table below summarises the impact of these reforms on the classification of the main food and beverage, commercial leisure and cultural uses.

Table 8.1: 2020 Use Classes Order Update

Original Use Class ⁽¹⁾ :	Revised Use Class ⁽²⁾ :	Use:	Description:
Class A3	Class E (b)	Restaurants and cafés:	Defined as selling food and drink for consumption on the premises.
Class A4	Sui Generis	Drinking establishments:	Includes public houses, wine bars or other drinking establishments (but not night clubs), and drinking establishments with expanded food provision
Class A5	Sui Generis	Hot food takeaways:	Defined as the sale of hot food for consumption off the premises.
Class D1	Class F.1	Non-residential institutions:	Includes art galleries (other than for sale or hire) and museums.
Class D2	Sui Generis	Leisure/Recreation (indoor/outdoor)	Cinemas, music and concert halls, bingo and dance halls
Class D2	Class E (d)		Gymnasiums or area for indoor recreations.
Class D2	Class F.2		Indoor or outdoor swimming baths, skating rinks and outdoor sports/recreations.
Sui Generis	Sui Generis	A use on its own	Theatres, nightclubs, casinos

Source: (1) Town and Country Planning (Use Classes) Order 1987 (as amended);

Source: (2) Revised Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020 (SI 2020 No.757).

- 8.4 It is important to understand at the outset that forecasting the need for new leisure uses is more problematic than for retailing, as the sector is highly complex and dynamic. For example, the demand for existing and new leisure uses and facilities is particularly sensitive to changes in economic, demographic, lifestyle and fashion trends. Consequently, the methods developed to forecast the need for new leisure uses are necessarily more flexible, qualitative and high level. In this context LSH has developed robust and transparent approaches to assess leisure needs based on the following key inter-related workstreams:
- A review of the key trends driving expenditure growth and market demand in the leisure sector over the last decade;
 - An audit of existing leisure provision to help identify any significant 'gaps' in provision;
 - A review of current leisure participation rates and preferences across the study area based on the results of the household survey; and
 - The application of a robust economic/quantitative need assessment for some leisure groups based on accepted approaches.
- 8.5 This section provides a summary of the key leisure trends, current provision and participation to help identify the potential (quantitative and qualitative) need for new uses and facilities over the plan period. As for the retail capacity assessment all leisure need forecasts should be treated with caution as they are subject to dynamic market and lifestyle trends and changes in the market demand and investment preferences of leisure operators.

COMMERCIAL LEISURE TRENDS

- 8.6 Following a dramatic -37.9% fall in leisure spend per head in 2020, Experian forecasts showed a return to growth in 2022 (+27.7%) but a drop to -5% in 2023 and -0.2% in 2024. Thereafter the growth averages between 0.9% and 1% over the long term to 2042. These expenditure growth trends and forecasts have informed the updated leisure needs assessment. Any further dampening of growth rates over the short to medium term will have implications for the viability of existing leisure businesses and the demand for new space.
- 8.7 The pandemic posed the most significant challenge to the commercial leisure industry in recent years. Never before was the sector unable to operate in its entirety. Restrictions on movement, which is essential for commercial leisure pursuits including eating and drinking out or going to the cinema or gym posed an existential threat to many operators. All of these sectors suffered as a result and lockdown resulted in a more home focused consumer.
- 8.8 It is anticipated that the post-pandemic demand for leisure is unlikely to decline but will be dependent on broader economic conditions and prevailing consumer confidence. The anticipated focus on more working from home will result in local areas benefiting from any uptake in leisure provision. This is likely to benefit independents.
- 8.9 The key issues for commercial leisure provision in a post pandemic world will encompass a number of factors, particularly:

- macro-economic and resulting consumer sentiment (e.g. income growth, rising cost inflation, cost of living crisis);
- the rise in home working and benefitting local locations and businesses;
- rise of home delivery; and
- the increase in the use of open spaces and pursuits; for example, the number of drive-in cinemas across the U.K. has grown from three to 40 during the pandemic⁵¹.

8.10 However, according to a survey released in November 2022 by UK Hospitality, the British Beer and Pub Association, the British Institute of Innkeeping and Hospitality⁵² 96% of hospitality businesses were being hit by higher energy costs and 93% faced higher food prices. Continuing uncertainty over soaring inflation, future regulation and staffing levels is said to be causing a “crisis of confidence” among business owners, which has fallen to a lower level than at any point during the pandemic. The vulnerability of the sector due to soaring energy costs, crippling rises in the cost of goods and dampening consumer confidence is likely to affect the sector over the next few years further.

LEISURE EXPENDITURE GROWTH

8.11 The leisure sector has experienced significant growth in consumer and market demand since the mid-1990s; fuelled by a buoyant economy, growing disposable income and low unemployment levels. Although the sector has been significantly impacted by the pandemic, the fact is that leisure and entertainment activities remain an important lifestyle and entertainment choice for many consumers over other areas of spending.

8.12 Average spend on leisure services is dominated by Food and Beverage (‘F&B’), which includes cafés, restaurants and bars. F&B accounts for approximately 57.4% of all average spend per capita on leisure services in the Study Area (Zones 1-8).

Table 8.2: Estimates of Expenditure per Capita on Leisure Services (2023)

Zone	Accommodation	Cultural services	Games of chance	Hairdressing salons & personal grooming	Recreational & sporting services	Restaurants, cafes, etc.	Total
Zone 1	£169	£300	£210	£66	£129	£1,286	£2,158
Zone 2	£199	£334	£217	£76	£150	£1,470	£2,447
Zone 3	£251	£386	£226	£102	£182	£1,611	£2,757
Zone 4	£313	£455	£286	£124	£241	£1,816	£3,235
Zone 5	£227	£342	£210	£92	£159	£1,473	£2,503
Zone 6	£315	£471	£271	£120	£302	£1,811	£3,290
Zone 7	£338	£479	£302	£123	£252	£1,822	£3,317
Zone 8	£255	£379	£233	£108	£183	£1,613	£2,771
Study Area Average (£)	£258	£393	£244	£101	£200	£1,613	£2,810
(% of Total)	9.2%	14.0%	8.7%	3.6%	7.1%	57.4%	100.0%

⁵¹ Source: “U.K. Drive-Ins Boom in Pandemic Era With 40 New Cinemas”; Variety Magazine 21/07/2020

⁵² “Third of hospitality businesses at risk of collapse”- React News (01/11/2022)

LEISURE EXPENDITURE FORECASTS

8.13 The table below shows the most recent leisure spend projections by Experian Business Strategies (EBS) as set out in Retail Planner Briefing Note 20 (February 2023).

Table 8.3: Actual & Forecast Growth in UK Leisure Spend (% per annum)

	2019	2020	2021	2022	2023	2024	2025-29	2030-40
Leisure Spend Growth (%)	-0.1	-37.9	30.5	27.7	-5	-0.2	1	0.9

8.14 The base year expenditure per capita levels for leisure have been projected forward to 2042 using Experian's forecast annual growth rates above, and then applied to the projected population for each Study Zone to identify the total available expenditure on leisure and recreation goods and services.

8.15 This results in total available leisure expenditure in 2023 of £916.7m in the Study Area (see table below).

Table 8.4: Study Area: Total Forecast Growth in Commercial Leisure Expenditure: 2023 – 2042 (£m)

Zone	2023	2028	2033	2038	2042	Change: 2023-2042	Change: 2023-2042
	(£m)	(£m)	(£m)	(£m)	(£m)	(£m)	(%)
Zone 1	89.9	95.2	101.4	108.3	114.2	24.3	27.0%
Zone 2	186.1	198.1	211.9	227.0	240.1	54.0	29.0%
Zone 3	81.4	86.3	92.1	98.1	103.2	21.8	26.8%
Zone 4	106.9	112.8	119.8	126.5	132.2	25.3	23.6%
Zone 5	64.7	69.3	74.3	79.3	83.7	19.0	29.4%
Zone 6	78.4	82.0	86.8	91.7	95.9	17.6	22.4%
Zone 7	74.8	78.9	84.1	89.1	93.2	18.4	24.6%
Zone 8	234.6	248.3	264.7	282.1	297.3	62.8	26.8%
Study Area (Zones 1-8) (£)	916.7	970.8	1,035.1	1,102.1	1,159.8	243.1	26.5%

8.16 Applying the most recent year-on-year leisure spend growth rates sourced from Experian Business Strategies to the population projections results in an increase in total available commercial leisure expenditure across the defined Study Area (Zones 1-8) of +26.5% (+£243.1m) by 2042.

8.17 The table below breaks down the growth in leisure expenditure by category. It shows that F&B expenditure between 2023 and 2042 in the study area (Zones 1-8) is forecast to increase by +£141.3m (accounting for 58% of the total) followed by cultural services (14%).

Table 8.5: Study Area: Total Forecast Growth in Available Leisure Expenditure by Category: 2023 – 2042 (£m)

	Study Area: Total Available Leisure Spend (£m)					Change:	Change:
	2023	2028	2033	2038	2042	2023-2042 (£m)	2023-2042 (%)
Accommodation	82.5	87.3	93.1	99.1	104.3	£21.8	26.4%
Cultural services	127.2	134.7	143.6	152.9	160.9	£33.7	26.5%
Games of chance	79.8	84.5	90.1	95.9	100.9	£21.2	26.5%
Hairdressing salons & personal grooming	32.8	34.7	37.0	39.4	41.4	£8.7	26.4%
Recreational & sporting services	62.6	66.3	70.7	75.2	79.1	£16.5	26.3%
Restaurants, cafes, etc.	531.8	563.3	600.6	639.6	673.2	£141.3	26.6%
Total	916.7	970.8	1035.1	1102.1	1159.8	£243.1	26.5%

8.18 Against this background of significant forecast leisure expenditure growth over the plan period, the following assessment identifies the potential quantitative and qualitative need for new commercial leisure uses in the centres across the Borough.

EATING AND DRINKING OUT

8.19 The food and beverage (F&B) sector includes restaurants, cafés, bars and pubs (former Class A3-A5). These uses are integral to a town centre’s wider offer and economy. A good choice and quality of F&B uses can help to complement other town centre uses, by generating trips, stretching ‘dwell times’ (i.e. the time people spend in centres), increasing ‘linked’ expenditure to other shops and businesses as part of the same trip, and strengthening both daytime and evening economies.

8.20 As identified previously, the F&B sector dominates average household expenditure and participation in leisure across the Study Area. Spend on F&B is also forecast to experience the greatest growth over the period to 2042. In theory, this expenditure growth should support the potential to enhance the scale, quality and choice of F&B uses across the Borough area and in its main centres. In reality though, this growth will be determined by current and future trends in the sector and market demand.

8.21 Research shows that the multiple chains mainly dominated the expansion of the F&B sector up to 2017 when they accounted for almost half of all net new business openings. However, since 2017 a number of multiples in the casual dining sector have struggled against a backdrop of increased competition, rising costs and a tightening of consumer spending due to wider Brexit and economic concerns. The reality is that too many F&B operators expanded too quickly into increasingly marginal locations, funded by private equity, and the market became saturated and unsustainable. The growth in the availability, convenience and speed

of home deliveries driven by innovative technology and apps represents a further significant challenge to more traditional F&B operators.

- 8.22 These new challenges and pressures have resulted in a radical restructuring of businesses across the sector, resulting in the closure of many loss-making branches. It is estimated that some 1,412 UK restaurants closed in the year to the end of June 2019⁵³. This represented a +25% increase on the previous year and was the highest number of insolvencies recorded since 2014, when approximately 750 restaurants closed. Both larger multiples and smaller independent restaurant operators were affected (including Strada, Jamie's Italian, Byron Burger, Carluccio's and Prezzo).
- 8.23 It is likely that there will be an increase in business failures and closures during 2024/25 as the impact of the pandemic, cost of living and energy costs on sales, profit margins and rising debts deepens. Experts predict that this further "shakeout" in the sector will leave the proactively managed multiple and independent businesses that have strong brand loyalty and/or a clear differentiated offer as the main "winners." This is illustrated by a number of recent success stories that provide hope for the sector, including Nando's the South African restaurant chain and Gail's Artisan Bakery.
- 8.24 F&B operators, like retailers, will also need to understand and cater for the needs of the changing demographic and consumer market to remain relevant and viable. For example, Millennials (under 35s) make-up almost one-quarter of the UK population and research shows that they spend a substantial 13% of their disposable incomes on eating and drinking out⁵⁴. Looking ahead, by 2025 it is estimated that Millennials will make up over 80% of all parents in the UK, meaning that restaurants, pubs and cafés will also need to evolve and adapt to cater for the changing needs of new 'Millennial families'. This could be driven for example, by increasing emphasis on convenience, affordability, entertainment, uniqueness and the use of technology and apps.
- 8.25 Restaurant operators will therefore, as a minimum, need to make sure that they are easy to reach online and on social media with up-to-date menus and strong images, and adapt the latest technologies to drive online booking. It will also mean sourcing more organic, vegetarian/vegan and local sustainably sourced produce that respond to customers' changing tastes and concerns with regard to climate change. For example, figures provided by the Vegan Society indicate that there are approximately 1.7m vegetarians in GB and over 900,000 vegans. Forecasts indicate that vegans and vegetarians could make up a quarter of the British population in 2025⁵⁵.

⁵³ Research by UHY Hacker Young. Reported in The Guardian: More than 1,400 UK restaurants close as casual dining crunch bites

⁵⁴ Research by Foodspark

⁵⁵ Future of Food Report, Sainsbury's.

8.26 The popularity of street food, market halls and “meanwhile”/“pop-up” restaurants and bars has also coincided with the growth in the spending power and influence of the Millennials. These more informal drinking and eating venues fulfil their desire to experiment and explore distinctive styles of drink, food and new cuisines in exciting new and more informal environments. Trialling a “pop-up” site also represents an opportunity to test a new concept, gain a following, fine-tune details and secure investment before making a long-term commitment. The pop-up concept is also attractive to landlords and property companies who are increasingly nervous about signing long leases following numerous high profile restaurant closures.

8.27 The household survey identified where people living in the Study Area currently chose to eat and drink, and whether there are potential ‘gaps’ in the current offer. In summary, the key headlines are as follows:

- Locations and venues across the Basildon Borough area attain a good market share of 55.1% from the Study area (Zones 1-8). The dominant locations being Festival Leisure Park (16.7%), Billericay town centre (15.4%) followed by Basildon town centre with a 13.4% market share.
- In terms of competing centres outside the Borough area, the only notable responses from across the Study Area (Zones 1-8) centre on Southend-on-Sea (4.2%), London (3.7%), Brentwood (3.1%) and Lakeside (2.7%) as competing locations.

Table 8.6: Market Shares for Eating Out Locations (%)

	Study Area	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
	Zones 1-8	%	%	%	%	%	%	%	%
Basildon Borough Council Area									
Basildon Town Centre	13.5%	19.8%	37.8%	3.5%	4.8%	4.9%	1.0%	0.0%	5.6%
Billericay Town Centre	15.4%	4.9%	7.4%	19.4%	74.2%	9.6%	2.1%	32.7%	0.0%
Laindon Town Centre	0.2%	0.0%	0.7%	0.0%	0.0%	1.0%	0.0%	0.0%	0.0%
Pitsea Town Centre	0.2%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Wickford Town Centre	4.8%	0.0%	0.0%	42.2%	0.7%	0.0%	0.0%	12.1%	0.7%
Sub-Total	34.1%	26.5%	45.9%	65.1%	79.7%	15.5%	3.1%	44.7%	6.3%
OUT OF TOWN LOCATIONS									
Basildon									
Pipps Hill Retail Park	0.6%	0.7%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Mayflower Retail Park	0.9%	0.7%	0.0%	2.7%	1.7%	2.8%	2.8%	0.0%	0.0%
Festival Retail Park	16.7%	29.5%	22.4%	9.3%	6.0%	14.7%	1.0%	7.0%	19.9%
All Other Out-of-Centre Floorspace	2.4%	7.2%	4.8%	0.0%	0.0%	6.2%	1.0%	0.0%	0.0%
Billericay	0.3%	0.0%	0.0%	1.7%	1.5%	0.0%	0.0%	0.0%	0.0%
Laindon	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pitsea	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Wickford	0.1%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sub-Total	21.0%	38.9%	29.4%	13.8%	9.2%	23.7%	4.8%	7.0%	19.9%
BASILDON BOROUGH COUNCIL AREA	55.1%	65.4%	75.3%	78.9%	88.9%	39.2%	7.9%	51.7%	26.2%
Venues Outside Basildon Borough Council Area									
Brentwood	3.1%	0.0%	2.2%	0.0%	0.7%	2.8%	30.0%	1.4%	2.0%
Bluewater	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Canvey Island	1.7%	0.0%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	4.7%
Chelmsford	1.6%	0.0%	0.0%	3.6%	0.0%	1.0%	4.5%	8.4%	1.5%
Grays	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Lakeside (Includes Shopping Centre, West Thurrock Retail Park; Lakeside Retail Park; Thurrock Shopping Park)	2.7%	1.8%	1.6%	0.0%	2.3%	8.7%	5.5%	0.0%	3.9%
London	3.7%	1.8%	3.0%	0.9%	0.0%	6.5%	11.9%	9.1%	3.7%
Southend-on-Sea	4.2%	2.2%	6.4%	2.9%	0.0%	3.4%	2.1%	3.3%	6.6%
Stratford	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All Others	27.7%	28.9%	9.3%	13.8%	8.1%	38.2%	38.2%	26.2%	51.4%
Sub-Total All Other Locations	44.9%	34.6%	24.7%	21.1%	11.1%	60.8%	92.1%	48.3%	73.8%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

8.28 Drawing on these market shares and retention levels, it is possible to carry out a high-level assessment of the potential need for new food and beverage uses over the plan period using a robust approach developed by LSH. This involves applying the F&B retention level of 55.1% to the available F&B spend in the Borough area of £531.8m in 2023 (see table below). This results in a 'retained' F&B expenditure (or 'turnover') of £293.2m in 2023 which is forecast to increase to £371.1m by 2042.

Table 8.7: Total Leisure Spend Across Study Area (£m): 2023 – 2043

Study Area (Zones 1-8)	2023	2028	2033	2038	2042
Available Spend on F&B:	£531.8	£563.3	£600.6	£639.6	£673.2
Participation Levels (%)	55.1%	55.1%	55.1%	55.1%	55.1%
Market Share (£m)	£293.2	£310.5	£331.1	£352.6	£371.1
Benchmark Turnover (£m)	£293.2	£323.7	£357.4	£394.6	£427.2
Net Residual F&B Spend Capacity	£0.0	-£13.2	-£26.3	-£42.0	-£56.0

- 8.29 Using a similar approach as for the assessment of retail capacity, we have applied a robust year-on-year 'productivity' (sale 'efficiency') growth rate of +2% to the retained turnover of £293.2m in 2023 to allow for existing businesses to cover their reasonable costs over time to remain viable. This results in a theoretical negative or simply no net residual expenditure capacity up to 2042.
- 8.30 As detailed previously this is a sector that has been hit hard prior to, and even more so, during the pandemic and the prevailing macro-economic position will also influence discretionary leisure spending. The sector was effectively shut down and carried high overheads. On this basis, it can be reasonably assumed that a proportion of any growth is likely to be absorbed by existing businesses to cover the debt incurred during the pandemic, rising operational / occupancy costs and inflation.
- 8.31 The growth to sustain new cafés, restaurants and bars will be very much subject to market demand. Focusing new uses in the main town centres will help increase competition and consumer choice, and to underpin both daytime and evening economies. Any market demand from operators is likely to be satisfied by the take-up of suitable vacant units in existing centres, the repurposing of floorspace and/or as part of mixed use developments.
- 8.32 This is further confirmed by the responses to the household survey which does not show a significant demand. In response to the question on what improvements could be made to Basildon Borough's leisure offer that would make respondents visit / partake in leisure activities more often (Question 47), there was general contentment with the offer. Only 4.3% stated 'more / better cafes in general'; 3.4% suggested 'more / better restaurants'; 1.3% 'more / better pubs / bars and a nominal 0.9% stated more pavement cafes.

CINEMAS

- 8.33 The UK cinema sector has evolved dramatically since the 1990s when it was largely dominated by a handful of national multiples. Today the sectors offer ranges from larger

multiplexes⁵⁶, to smaller independent operators and ‘pop up’ venues. The table below sets out some of the main cinema operators in the UK.

Table 8.8: Main Cinema Operators in the UK

Operator/ Brand:	No. of Cinemas	Description:
Cineworld	116	Established in 1995. The first cinema opened in Stevenage in 1996. Acquired the Picturehouse Cinema chain in 2014 (see below). Cineworld is the leading cinema operator in the UK (based on revenue).
Odeon/UCI	120	Established in 1930s. In July 2016, Terra Firma sold Odeon/UCI to the Chinese-owned AMC Entertainment group.
Vue	93	Established in 2003, following the acquisition of Warner Village for £250m. Grown through new development and acquisitions (e.g. acquired 7 Star Century cinemas in 2005 and 15 Apollo cinemas in 2012). In June 2013, the business was sold to Canadian investment firm OMERS Private Equity and Alberta Investment Management.
Everyman	35	Established in 2000. Acquired the Screen Cinemas chain in 2008 and 4 cinemas from Odeon in 2015. Increased its revenue by 27% in 2018 and opened 7 cinemas in 2019.
Picturehouse	25	Established in Oxford in 1989. Differentiated by its unique locations, homely atmosphere, and art-house film. Cineworld acquired the entire chain for £47.3m in 2012.
Showcase	19	Established in 1986. Owned by National Amusements Inc
Reel	10+	Established in 2001, following the purchase of Curzon in Loughborough. Independently owned and branded as Reel Cinemas in 2005. Following their acquisition of Apollo, Vue sold 4 cinemas to Reel.
The Light	9	Established in 2007. Multiplexes in Wisbech, Cambridge, Walsall, Bolton, Sheffield, Stockport, Bradford and Addlestone. Trialled its first 3-screen cinema in Thetford, Norfolk - opened in 2016.
Movie House	3	Established in 1990. Based in Northern Ireland and acquired the UGC (ex MGM/Virgin) multiplex in Belfast City Centre. Also owns two other multiplexes in Northern Ireland.

Source: Various

- 8.34 Although year-on-year admissions and box-office takings are notoriously volatile - driven by the appeal of individual films and Hollywood ‘blockbusters’ - the long-term trend since the mid-1980s has been upward and has principally been driven by the development of new cinemas. The growth in the cinema sector over the last 10-20 years is even more impressive when one considers that this has occurred against the increase in new and sophisticated in-home entertainment, driven by innovative technology, choice and flexibility (including, for example, Sky, Netflix and Amazon, and in 2020 the launch of the Apple TV and Disney platforms).
- 8.35 As the competition in the sector has increased, cinema operators have responded by introducing changes to the cinema experience, including new innovations in technology, improvements to the auditoriums and the introduction of higher quality refreshments, alcohol and food. For example Odeon has introduced their luxury ‘Luxe’ branding into a number of

⁵⁶ In general, a multiplex is considered to be any cinema with five screens or more, though some of the largest multiplex sites have as many as 12 or 16 screens

converted and new cinemas since 2017, and this evolved into the opening in 2019 of its premium 'Luxe & Dine' concept in Islington, north London, which is specifically aimed at adults. Showcase also introduced their 'Cinema De Lux' branded multiplexes in 2014, beginning with the conversion of its cinema in Bluewater. This subsidiary brand puts emphasis on customer service, lush décor, high quality food and other high-end amenities, and 13 other Showcase multiplexes have since upgraded to the Cinema de Lux brand.

- 8.36 There has also been a growth in smaller (Digital) cinemas serving smaller catchment areas. These Digital cinemas are more flexible and less "space-hungry," as they do not require large auditoriums. There are therefore opportunities to provide a modern cinema offer in existing (repurposed) buildings and shopping centres, or as part of a mixed use offering. Other trends in the sector include the growth of 'pop-up' cinemas. Although there appears to be no dependable or recent data on the UK 'pop-up' cinema market, it is estimated that there were some 800-1,000 screenings in 2018, with 650+ screenings in London alone. Analysts estimate that the sector has a market value of circa £10m and has the potential to grow at between 20-25% per annum. Luna Cinema is the market leader and is reported to have achieved a turnover of around £3m in 2019 from around 175-200 screenings per year. Other niche operators in this space include Rooftop Film Club London, Backyard Cinema, Secret Cinema, Pop-up Screens and The Nomad Cinema.
- 8.37 The pandemic hit the cinema industry hard, particularly for the major chains. As previously mentioned, smaller nimble operators have found novel ways to show films. A temporary or mobile cinema (referred to as a pop-up cinema) such as drive-in cinemas and UK's smaller independent chains, Curzon, Picture House (which is owned by Cineworld) and Everyman fared much better during the pandemic. They showed a more diverse selection of films, and with high-quality food offering, fully stocked bars and high-end seating, attracting more visitors during periods in which restrictions have eased.
- 8.38 The future growth in the sector is dependent on the levels of available discretionary spending. Cinema trips will remain a significant and popular leisure activity for all age groups. Notwithstanding this, the competition from home entertainment and alternative at-home film channels will intensify and cinema operators will have to keep updating and adapting their offer to respond to consumer needs.
- 8.39 In terms of local context, and to illustrate the volatility of the sector, the East Square in Basildon was set to host a 10 screen Empire Cinema. However the Empire Cinemas Group (UK), which was due to operate the site, entered administration in July 2023. Basildon Council subsequently recovered possession (August 2023) of the cinema complex and at the time of authoring this report is reported to be seeking another operator.
- 8.40 The table below shows the most popular cinemas in the Borough and wider Study Area based on the household survey market shares:

Table 8.9: Popular Cinema Venues Based on Survey-derived Market Shares (%)

	Study Area Zones 1-8	Zone 1 %	Zone 2 %	Zone 3 %	Zone 4 %	Zone 5 %	Zone 6 %	Zone 7 %	Zone 8 %
BASILDON BOROUGH COUNCIL AREA									
Cineworld, Festival Way, Festival Leisure Park, Basildon	70.3%	72.1%	77.1%	88.6%	86.6%	65.0%	35.9%	60.4%	63.0%
Sub-Total Basildon Borough Council Area	70.3%	72.1%	77.1%	88.6%	86.6%	65.0%	35.9%	60.4%	63.0%
Venues Outside Basildon Borough Council Area									
Canvey Island	9.7%	9.7%	5.9%	4.0%	0.0%	3.6%	0.0%	0.0%	25.1%
Chelmsford	3.7%	2.4%	0.0%	0.0%	13.4%	0.0%	5.7%	15.6%	1.9%
Southend-on-Sea	1.9%	0.0%	1.6%	0.0%	0.0%	0.0%	0.0%	4.4%	4.8%
Lakeside	9.0%	7.1%	10.0%	5.3%	0.0%	31.4%	34.8%	0.0%	5.2%
All Other Locations	5.3%	8.7%	5.4%	2.0%	0.0%	0.0%	23.6%	19.5%	0.0%
Sub-Total All Other Locations	29.7%	27.9%	22.9%	11.4%	13.4%	35.0%	64.1%	39.6%	37.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

8.41 In summary, the key headlines are as follows:

- Venues in the Borough area are collectively achieving a market share of 70.3% from the wider Study Area. This market share is dominated by the Cineworld (18 screens) at Festival Leisure Park as the only commercially operating cinema in the Borough.
- The main competition is the independent Movie Starr cinema located on the seafront of Canvey Island attaining a market share of 9.7% and the Vue at Lakeside Shopping Centre attaining a market share of 9%.

8.42 The high-level assessment of the potential need for new commercial cinema provision in the Borough area is based on standard approaches that draw on published national and regional ‘screen density’ averages (i.e. the number of screens per 100,000 population). According to the latest available research⁵⁷, the current UK average is 7 screens per 100,000 people, which represents an increase from 6.1 screens in 2014. The equivalent average figure for the East of England region is lower, at 6.2 screens per 100,000 people.

8.43 The table below shows the potential quantitative need for additional cinema screens to 2042 based on the population projections previously described.

Table 8.10: Potential Capacity for New Cinema Screens

	2023	2028	2033	2038	2042
Potential Cinema Catchment Population (Zones 1-8)	236,982	241,759	246,302	250,893	254,871
Cinema Screen Density (screens)	6.2	6.2	6.2	6.2	6.2
Cinema Screen Potential	15	15	15	16	16
Existing: Screen Numbers	28	28	28	28	28
Proposed: Screen Numbers	0	0	0	0	0
Net Screen Potential	-13	-13	-13	-12	-12

⁵⁷ Dodona Research, Office for National Statistics (ONS) and BFI

- 8.44 The key steps in the assessment of cinema capacity involve applying the market share ('retention level') for cinema trips (70.3%) to the total population at the base year (some 337,149 persons). This produces the total "cinema-going population" (some 236,982 persons). Applying the average screen density of 6.2 per 100,000 people to this population, the forecasts show that there is no capacity for new cinema screens based on existing provision that includes the Cineworld, Festival Leisure Park and the currently non-operating cinema at East Square.
- 8.45 This is further confirmed by the responses to the household survey which do not show a significant demand for new cinemas. In response to the question which asked respondents what improvements could be made to the Borough's leisure offer that would make respondents visit / partake in leisure activities more often (Question 47), only 3.2% of respondents in the Study Area identified the need for "a multi-screen cinema"; 1.1% for an 'art house cinema' and 0.2% for an 'open air cinema'.
- 8.46 In summary, there does not appear to be any significant capacity or demand for new cinema provision in the Borough area. Any market interest and demand from cinema operators seeking representation in the area should be directed to the town centres first, and at East Square in particular, to further help diversify daytime and evening economies.

HEALTH AND FITNESS FACILITIES

- 8.47 The health and fitness (H&F) sector, including gyms, was badly hit by the pandemic, with lockdowns forcing the closure of facilities. It is undeniable that the pandemic reinforced the need for outdoor activity particularly to support mental health and wellbeing. Furthermore, alternative means of exercise increased during the series of lockdowns in 2020 and 2021, including at-home workouts, digital workouts, outdoor exercise and classes, and the purchase of home gym equipment. For example, Peloton (cycle fitness), saw demand surge during the pandemic. Whilst this was an accelerated reaction to the pandemic, the long-term impact on the sector and gym memberships remains unclear.
- 8.48 Notwithstanding the impacts of the pandemic, research⁵⁸ indicated that the UK H&F industry was stronger than it had ever been pre-pandemic as measured by the number of gyms, membership and market value. For example, the headlines for the 12 month period up to the end of March 2019 showed that the number of fitness facilities in the UK increased to 7,239 (compared with 6,435 in 2016), and total membership grew by +4.7%, to 10.4 million between 2018-19. It is also apparent that the structure of the UK H&F sector has evolved significantly over the last decade to reflect changes in consumer choice and trends. The table below shows the top 10 operators in the sector in 2020, ranked by number of facilities.

⁵⁸ State of the UK Fitness Industry Report (2019). Leisure DB (formerly the Leisure Database Company). The research is compiled by independent leisure market analysts,

Other major operators just outside the top 10 include Virgin Active, JD Gyms, Sports Direct and Total Fitness.

Table 8.11: Main Gym Operators in the UK

Operator/Brand:	UK Facilities	Position	Comment
Pure Gym	250+	Budget	Established in 2009. Acquired all gyms from LA Fitness in 2015. Most locations are open 24 hours and offer cardio equipment, fixed/free weights and exercise classes.
Anytime Fitness	166	Budget	24-hour health and fitness club. Membership rates vary by club.
The Gym Group	159	Budget	Established in 2007. 24-hour access. No fixed contract; membership starts from £10.99/month.
Snap Fitness	123	Mid-Market	Established in 2003. A privately owned and operated club.
DW Sports Fitness	120	Mid-Market	Established in 2009 following purchase of 50 JJB Sports Fitness Clubs and the attached retail stores for £83m.
David Lloyd Leisure	112	Premium	Established in 1982. Provide a family-orientated, high-quality fitness and leisure facility. Whitbread PLC acquired the company in 1995 for £182m. It is now owned by TDR Capital.
Nuffield Health	111	Mid-Market	Acquired 35 Virgin Active clubs in 2016 at a reported cost of £80m. Membership rates vary by club and locations but start from circa £60/month.
Energie Group	100+	Mid-Market	Established in 2003. Clubs are typically between 5,000-25,000 sqft and comprise a café/ lounge area, fitness area, studio, locker rooms and showers. Many include spa areas, swimming pool, treatment rooms and spinning studios.
Bannatyne's	70	Premium	Established in 1997. Growth driven by new openings and acquisitions; including the purchase of the LivingWell Premier Health club chain from the Hilton Hotel UK Group in 2006. Also operates 37 spas and five hotels across the UK
Exercise4Less	50+	Budget	Gyms are mainly located in the Midlands and North. Gyms in South are in Hounslow, Harlow, Southend, Milton Keynes, Bath and Bristol. Offer a full boxing ring and combat classes. Membership starts from £9.99/month off-peak.

Source: LSH Research

- 8.49 The value and budget gym operators have experienced the most significant growth in recent years. According to figures by Leisure DB, budget gyms now account for over one-third of gym memberships in the UK. The budget business model is normally based on 24-hour opening, discounted monthly subscriptions (ranging from £9.99 up to £20), 'pay-as-you-go' rather than 'upfront' annual memberships, and gym-goers providing their own towels, toiletries and locker padlocks. The popularity of the budget gyms is best reflected by the rapid expansion and success of Pure Gym since it was founded in 2007, along with relatively new entrants to this sector (such as Fitness4Less, Finspace, TruGym, and SimplyGym). As a result, the budget gym sector is becoming increasingly "crowded" and competitive, and operators are constantly striving for differentiation. Notwithstanding this, we anticipate that there will be some restructuring and consolidation within the budget gym sector as the market evolves.

-
- 8.50 The growth of the budget gym operators has also ‘squeezed’ the memberships and viability of some of the established mid-market chains, such as LA Fitness and Fitness First. This has resulted in the increasing polarisation of the gym sector between the budget operators at the value end of the spectrum, and the more exclusive health and fitness centres at the higher, more expensive end. As a result, analysts predict that those mid-market gym operators that are neither very cheap, nor particularly exclusive will struggle to maintain market share in the competitive market place unless they revise their business models. Furthermore, as operators compete against the “at-home fitness” revolution (e.g. Peloton), boutique studios and tech-enabled fitness, they will need to evolve to be more than “*just gyms*.” As with trends in the retail sector, experiences and entertainment will be key to attracting and retaining customers. For example, there has been continued investment into ‘fitness-tainment’ over the last few years and analysts predict that there is plenty of opportunity for future growth.
- 8.51 The table below shows the current representation of the main national, regional, independent, privately owned health and fitness operators in the Borough area, along with Council-owned leisure centres, based on the household survey results. The table shows a good representation of other multiple operators, alongside a number of independent facilities, supplemented by public sector facilities.

Table 8.12: Basildon Borough Area: Leisure Centres and Fitness Clubs

Named Venues	Study Area Market Share (Zones 1-8)	Public Sector	Private Sector
Basildon Sporting Village, Cranes Farm Road, Basildon, SS14 3GR	7.7%	✓	
Eversley Leisure Centre, Crest Avenue, Basildon, SS13 2EF	5.0%	✓	
David Lloyd, Festival Leisure Park, Basildon, SS14 3DG	5.0%		✓
PureGym, Eastgate Shopping Centre, Basildon, SS14 1EB	3.6%		✓
PureGym, Radford Way, Billericay, CM12 0DX	2.8%		✓
Club Kingswood, Clayhill Lane, Basildon, SS16 5JP	2.6%		✓
Stock Brook Country Club, Queens Park, Billericay, CM12 0SQ	2.2%		✓
EasyGym, Westgate Shopping Centre, Fodderwick, Basildon, SS14 1WP	2.0%		✓
The Place, Pitsea Leisure Centre, Northlands Pavement, Basildon, SS13 3DU	1.8%	✓	
Better Gym, Festival Leisure Park, Basildon, SS14 3WB	1.4%		✓
The Gym Group, Pippis Hill Retail Park, Basildon, SS14 3AF	1.3%		✓
Wickford Swim and Fitness Centre, Market Avenue, Wickford, SS12 0AG	1.1%	✓	
Feelgood Fitness & Wellness Centre, Daniels Farm, Wash Road, Basildon, SS15 4AZ	1.1%		✓
Fit Performance, Chester Hall Lane, Basildon, SS14 3BG	1.1%		✓
The Gym Hub Wickford, Robert Way, Wickford, SS11 8DD	1.0%		✓
Snap Fitness 24-7, Times Square, Basildon, SS14 1DJ	0.9%		✓
Billericay Sports & Fitness Centre, School Road, Billericay, CM12 9LH	0.7%	✓	
Studio 360 Fitness, Radford Way, Billericay, CM12 0BX	0.3%		✓
Laindon Community Centre, Aston Road, Laindon, SS15 6NX	0.2%	✓	
Ripped Gym, Harvey Road, Burnt Mills Industrial Estate, Basildon, SS13 1EP	0.0%		✓
Nuffield at Bromfords Sports Centre, Grange Avenue, Wickford, SS12 0LZ	0.0%		✓

- 8.52 In terms of fitness/health activity participation rates, the table below shows that H&F facilities in the Borough area are achieving a relatively good market share within the widely defined Study Area of 51.5%. Of this total, venues with significant market shares include Basildon Sporting Village, Basildon (7.7%); Eversley Leisure Centre, Basildon (5%); David Lloyd, Festival Leisure Park (5%) and PureGym, Eastgate Shopping Centre (3.6%). 'Leakage' to other H&F facilities is primarily to Canvey Island (8%) and Brentwood (6.1%).
- 8.53 The household survey also asked a specific question on what improvements could be made to the Brough's leisure offer that would make respondents visit / partake in leisure activities more often (Question 47). The main responses for the wider Study Area included: 'leisure / sports centre' (2.1%); 'an indoor swimming pool' (1.5%); 'more local sports & recreation facilities (football pitches, tennis courts etc)' (1.2%); 'more / better health clubs / gyms' (0.5%); and 'outdoor gyms' (0.4%).
- 8.54 In terms of the need for new health club/gym facilities, the population growth projected for the study area (Zones 1-8) is +6,796 by 2028; +13,260 by 2033 and +25,450 by 2042. By applying the survey-derived area participation rate for H&F activities of 51.5% within the study area results in the potential for new gym/H&F members. It is 3,497 by 2028 rising to 6,823 by 2033 and 13,096 by 2042.

- 8.55 Based on average membership levels for key premium gym operators (average 2,900 members per club) or a budget gym (average 3,450 members)⁵⁹, the population projection increases will support up to 2 premium gyms or 2 budget gyms by 2033 rising to up to 5 premium or 4 budget gyms by 2042.
- 8.56 As for other commercial leisure sectors, the take-up of any forecast need based on population growth will be dependent on market interest and the demand from gym operators for representation.
- 8.57 Translating demand for new gyms to actual floorspace will also depend on the type of gym. For example, smaller boutique and specialist independent gyms generally require smaller units of between 300-700 sqm, and budget operators generally have requirements for unit sizes of up to circa 3,700 sqm⁶⁰. Promotion of the provision of new gym and fitness facilities is recommended within town centres to help maintain and enhance their overall diversity and attraction. Town centre locations also represent the most sustainable and accessible locations for the majority of the population. Meeting needs over the plan period will also have to take account of the changes in the local demographic profile and lifestyle trends. For example, facilities, clubs and classes will need to cater for an older population at one end of the age spectrum, and the needs of the Millennials and Generation Z groups at the other end. This may also drive the growth in demand for more specialist, niche and boutique gym offerings that specifically cater for the needs of different age groups and can sustain smaller membership levels.

GAMBLING VENUES

- 8.58 Gambling represents a significant component of the leisure industry. The main sectors comprise 'games of chance' (namely bingo clubs, casinos, betting shops and amusement arcades). The latest research⁶¹ indicates that the gambling industry in Great Britain generated a Gross Gambling Yield (GGY) for the year end to March 2022 of £14.1bn. This represented a +10.9% increase from the previous year. Remote (online) gambling accounted for £6.4bn of total GGY.
- 8.59 The following assesses the main trends in this sector, current provision and the potential need/demand for new uses and facilities.

⁵⁹ The latest research shows that the average number of gym memberships in the UK is currently circa 1,426 per club. Gym memberships range significantly: from an average of 725 members per club for independent venues, up to 2,200 members per club for the national operators. Average membership levels increase to 2,900 per club for the larger fitness chains (such as, for example, David Lloyd, Virgin Active, LA Fitness, etc.). Levels for the budget chains are higher, averaging circa 3,450 members per club.

⁶⁰ Anytime fitness is an example of a smaller independent gym, with a floorspace requirement generally ranging from 350sqm to 650 sqm. Budget operators Pure Gym and The Gym have requirements for up to 1,850 sqm; and NRG is acquiring units of up to 3,700sqm

⁶¹ The Gambling Commission – Industry Statistics (November 2022)

-
- **Bingo Halls** - in response to falling admissions bingo operators are increasingly taking advantage of the online market and embracing smart-phone technology through new 'app' development. This forms part of a wider trend and has fuelled the growth in 'remote/online' gambling (which includes gambling activities through the internet, telephone, radio, etc.). Bingo operators are also increasingly looking to diversify their customer profile, and are marketing their clubs at a younger, predominantly female audience. As a result there has been an increase in the number of younger and more affluent bingo players over recent years, particularly as deregulation has enabled clubs to offer bigger (national) prizes. At the opposite end of the scale, research shows that the 55-64 age group has generated the biggest growth in online gambling as more mature bingo players switch to online bingo sites, as they grow in confidence with the modern technology. These trends have resulted in the closure of many bingo halls in centres across the UK over the last decade, and the prospects for new openings are limited.
 - **Casinos** - the latest figures published by the Gambling Commission show that non-remote casinos (i.e. not online) CGY increased by £575.1m (+492.8%) from £116.7m to £691.8m over the period March 2021 to March 2022. This followed a decrease of £900.9 million in GGY (casino games by £718.1 million and casino machines by £182.8 million) during the lockdown heavy period. The casino sector is dominated by two companies: the Rank Group with 67 venues has a 44% market share and Genting UK has 44 venues and a 29% market share. There has been some consolidation of the sector in the past few years, such as Rank Group's purchase of Gala Coral Casinos. Within the Borough area there are no casinos with the closest venues being the Genting Casino, Westcliffe-on-Sea and the Grosvenor Casino in Southend-on-Sea.
 - **Betting Shops** - there were some 6,219 in the UK as of March 2022 which is below the 8,320 in March 2019 and also down from 9,111 in 2014. The decrease has been due to regulatory changes introduced in 2015 which led to a fall in revenue and profit. William Hill accounted for 27% of all premises in 2019, Ladbrokes had a 22% share, Tote's market share was 19% (following its purchase of Betfred), and Gala Coral Group's share was 18%. As gambling activities continue their shift to online channels, so the demand for physical outlets will inevitably dampen in the future and more betting shops will inevitably close. The presence of betting shops in high streets is also a contentious issue due to the perceived social, economic and health/wellbeing impacts on individuals and households. The Government has recognised that betting shops have specific impacts and in 2016 reclassified their use from Class A2 to 'Sui Generis'. This was also translated in the of the Use Classes Order came into effect on 1st September 2020. This reclassification means local authorities have greater planning powers to manage the number of outlets and therefore greater potential to limit impacts.

8.60 The survey-derived market shares for visits to bingo halls, casinos and bookmakers show that venues in the Borough area attain a retention of 36.4% from the Study Area (Zones 1-8). Of this total, 28.1% is retained within Basildon.

Table 8.13: Bingo Halls, Casinos and Bookmakers - Market Shares

	Study Area Zones 1-8	Zone 1 %	Zone 2 %	Zone 3 %	Zone 4 %	Zone 5 %	Zone 6 %	Zone 7 %	Zone 8 %
Venues Within Basildon Borough Council Area									
Basildon Town Centre	28.1%	50.3%	34.0%	100.0%	66.6%	0.0%	0.0%	18.4%	0.0%
Billericay Town Centre	5.2%	0.0%	0.0%	0.0%	0.0%	0.0%	17.4%	0.0%	16.8%
Laindon Town Centre	3.1%	0.0%	13.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pitsea Town Centre	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Wickford Town Centre	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sub-Total	36.4%	50.3%	47.2%	100.0%	66.6%	0.0%	17.4%	18.4%	16.8%
Venues Outside Basildon Borough Council Area									
Brentwood	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Canvey Island	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Chelmsford	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Southend-on-Sea	25.0%	0.0%	13.2%	0.0%	8.8%	45.9%	0.0%	24.1%	66.5%
All Others	38.6%	49.7%	39.6%	0.0%	24.6%	54.1%	82.7%	57.5%	16.8%
Sub-Total All Other Locations	63.6%	49.7%	52.8%	0.0%	33.4%	100.0%	82.7%	81.6%	83.2%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

8.61 The main competing location outside of the Borough area is Southend-on-Sea attaining a 25% market share. Of this market share Genting Casino Westcliff attains 10.6%; Grosvenor Casino 7.3% and Mecca, Bingo 4.7%.

8.62 Based on current provision, market and consumer demand, there appears to be no demonstrable need to enhance existing provision to help improve competitive position and the choice of venues in the Borough and its main centres. This is further confirmed by the responses to the household survey which do not show a significant demand. In response to the question on what improvements could be made to the Borough's leisure offer that would make respondents visit / partake in leisure activities more often (Question 47), only 0.5% stated 'bingo venues' and 1% suggested a casino.

8.63 Current trends also indicate that gambling activity growth will be online, rather than a need to provide more physical venues. Future demand for new venues is therefore expected to be very limited. If demand does arise in the future over the plan period, it should be directed to town centres first in accordance with national and local plan policy objectives.

OTHER COMMERCIAL LEISURE

8.64 Other commercial leisure facilities can be grouped together under '*family entertainment venues*' (FEVs), which include paid activities that appeal to adults and children (such as, for example, tenpin bowling, roller skating, ice skating, and similar uses).

- **Tenpin bowling** – is possibly the most popular activity in the 'family entertainment' sector. After a period of decline in the 1970s, there are currently some 320 venues in

the UK according to Mintel figures, and this sector was valued at £250m in 2021. A number of the successful bowling facilities opened over the last 15-20 years (e.g. Hollywood Bowl and Ten Entertainment) tend to form part of larger leisure complexes that include multi-screen cinemas, restaurants and nightclubs. The critical mass of leisure uses “under one roof” help to underpin the viability of tenpin bowling centres, as they tend to struggle as standalone destinations. The sector is evolving from old-style bowling alleys, to modern, multi-generational entertainment centres where bowling is blended with other forms of activity alongside an enhanced dining offer. This is balanced by the growth of smaller independent specialist bowling facilities (such as, for example, All Star Lanes and Bloomsbury Bowl). Within the Borough area the Hollywood Bowl at Festival Leisure Park is a key venue. It is estimated that the 320 venues in the UK represent approximately one venue for every 250,000 people, which compares with approximately three per 250,000 in the USA. Based on the forecast increase in population within the Study Area of 25,450 (between 2023 and 2042), the current provision appears to be adequate. Furthermore, in response to the question on what improvements could be made to the Borough’s leisure offer that would make respondents visit / partake in leisure activities more often (Question 67), some 2% of respondents from across the Study Area identified the need for a new ten-pin bowling venue. Any market demand should be directed to town centres first in accordance with national and local plan policy objectives.

- **Trampoline Parks** - over recent years there has also been growth in other more specialist commercial leisure attractions, such as trampoline parks. Since the opening of the first indoor parks in the UK in 2014, trampolining has become one of the UK’s fastest growing sport and leisure trends. It is estimated that there were some 150 parks in the UK in 2017/18, with the potential capacity for between 250-300 parks before saturation is potentially reached. This mirrors the growth in the United States and Australia, where parks first emerged in the early to mid-2000s. The main operators in this sector include Oxygen Freejumping, Ryze , and Gravity Active Entertainment. The public sector is also investing in trampoline parks, including Eastbourne Borough Council, Waltham Forest Council and Tameside Metropolitan Borough Council. At Tameside, for example, the new Total Adrenaline trampoline park, which opened in November 2016, forms an important part of a £20m investment project that aims to get people more physically active. Research shows that, on average, over one-third of “jumpers” are aged between 6-10 years and over one-quarter are aged between 11-15 years. These younger age groups require a parental guardian or authorised person for entry and, as a result, the trampoline venues are attracting wider families and groups, who are generating ‘spin-off’ expenditure to other uses and facilities both within and outside the venues. In response to the broad range of “jumpers”, trampoline parks are also offering a range of activities and experiences that cater to the needs of a broader

demographic, including dodge-ball tournaments, rock-climbing, ninja courses, laser tag and other social events. There is no commercial trampolining in the Borough area. In response to the question on what improvements could be made to the Borough's leisure offer that would make respondents visit / partake in leisure activities more often (Question 47), only some 1.1% suggested a trampoline park. Other notable responses included are shown below:

Table: 8.14: Family Entertainment Venues: Suggested Improvements

FEVs: Suggested Improvement	Study Area: Market Share
Leisure facilities / activities for young children	4.5%
Ice rink	3.6%
Leisure facilities / activities for families	3.4%
Bowling alley / centre (ten-pin)	2.0%
Indoor soft play areas	1.4%
Climbing centres	1.2%
Leisure facilities / activities for the elderly	1.1%
Indoor trampoline parks	1.1%
Karting	0.7%
Leisure facilities open longer	0.3%
Water park	0.1%

- 8.65 The table below summarises the findings of the survey-derived market shares for trips to FEVs. The results show that venues within the Borough area are achieving a high market share of 72.4% from within the Study Area (Zones-1-8). This is dominated by the provision at Festival Leisure Park whose venues cumulatively achieve 66.5% market share.
- 8.66 This is reflective of current provisioning as stated above. The competing locations are Exeter (city Centre – 19.4%; Tenpin Exeter – 26.9%); Taunton (Hollywood Bowl – 21.9%) and Barnstaple (Let's Go Superbowl (3.5%).

Table 8.15: Family Entertainment Venues – Market Shares

	Study Area	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
	Zones 1-8	%	%	%	%	%	%	%	%
Basildon Borough Council Area									
Basildon Town Centre	5.0%	7.7%	6.4%	0.0%	0.0%	0.0%	0.0%	0.0%	8.1%
Billericay Town Centre	0.5%	0.0%	0.0%	0.0%	5.0%	0.0%	0.0%	0.0%	0.0%
Laindon Town Centre	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pitsea Town Centre	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Wickford Town Centre	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sub-Total	5.5%	7.7%	6.4%	0.0%	5.0%	0.0%	0.0%	0.0%	8.1%
OUT OF TOWN LOCATIONS									
Basildon	66.5%	71.0%	69.1%	86.6%	76.6%	85.3%	50.9%	55.4%	55.3%
Billericay	0.4%	0.0%	0.0%	0.0%	3.8%	0.0%	0.0%	0.0%	0.0%
Laindon	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pitsea	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Wickford	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sub-Total	66.9%	71.0%	69.1%	86.6%	80.4%	85.3%	50.9%	55.4%	55.3%
BASILDON BOROUGH COUNCIL AREA	72.4%	78.7%	75.5%	86.6%	85.4%	85.3%	50.9%	55.4%	63.4%
Venues Outside Basildon Borough Council Area									
Brentwood	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Canvey Island	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Chelmsford	2.6%	0.0%	3.8%	5.5%	10.3%	0.0%	5.1%	0.0%	0.0%
Southend-on-Sea	3.7%	0.0%	0.0%	0.0%	0.0%	0.0%	7.1%	0.0%	10.6%
Lakeside (Includes Shopping Centre, Wt	4.0%	7.7%	3.2%	0.0%	0.0%	14.7%	2.5%	0.0%	4.3%
All Others	17.3%	13.6%	17.5%	7.8%	4.3%	0.0%	34.3%	44.6%	21.6%
Sub-Total All Other Locations	27.6%	21.3%	24.5%	13.4%	14.6%	14.7%	49.1%	44.6%	36.6%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

THEATRE AND CULTURAL ACTIVITIES

- 8.67 Cultural activities include a broad range of activities that are focused on the arts and historic attractions. This assessment is concerned with the provision and potential need for theatres and museums. There is limited provision in the Borough which includes The Towngate Theatre (Basildon) and The Billericay Theatre (Billericay).
- 8.68 The limited provision is also reflected in the responses to the household survey. This shows that for trips to the theatre and/or music venues from across the Study Area (Zones 1-8), venues in the Borough area attain a relatively low market share of 14.8% (dominated by the Towngate Theatre with a 10.6% market share). Other theatre and music venues outside the Borough area attain a substantial market share from the Study Area of 85.2%. Of this total some 45.3% is attributed to venues in Central London / West End and the Cliffs Pavillion, Westcliff-on-Sea attains a 24.5% market share.

Table 8.16: Theatre and Music Venues – Market Shares

Venues Within Basildon Borough Council Area	Study Area Zones 1-8	Zone 1 %	Zone 2 %	Zone 3 %	Zone 4 %	Zone 5 %	Zone 6 %	Zone 7 %	Zone 8 %
Basildon	13.2%	31.0%	25.3%	8.1%	21.1%	7.4%	13.6%	1.2%	1.1%
Billericay	1.5%	0.0%	2.8%	2.8%	7.2%	0.0%	0.0%	0.0%	0.0%
Laindon	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pitsea	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Wickford	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
BASILDON BOROUGH COUNCIL AREA	14.8%	31.0%	28.1%	10.8%	28.2%	7.4%	13.6%	1.2%	1.1%
Venues Outside Basildon Borough Council Area									
Brentwood	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.2%	0.0%
Canvey Island	0.1%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Chelmsford	0.4%	0.0%	0.0%	2.8%	0.0%	0.0%	0.0%	2.3%	0.0%
Grays	0.5%	0.0%	0.0%	0.0%	0.0%	3.0%	1.1%	2.8%	0.0%
Central London	45.3%	33.5%	32.7%	44.9%	57.7%	54.5%	56.9%	55.6%	45.8%
Southend-on-Sea	31.7%	24.0%	36.1%	41.5%	12.7%	21.9%	13.2%	12.8%	47.8%
Lakeside (Includes Shopping Centre, West Thurrock Retail Park; Lakeside Retail Park; Thurrock Shopping Park)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All Others	7.0%	10.2%	3.1%	0.0%	1.3%	13.2%	15.1%	22.1%	5.3%
Sub-Total All Other Locations	85.2%	69.0%	71.9%	89.2%	71.8%	92.6%	86.4%	98.8%	98.9%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

- 8.69 In response to the question on what improvements could be made to the Borough's leisure offer that would make respondents visit / partake in leisure activities more often (question 47), some 1.5% suggested 'live music / events'; 1% suggested 'a theatre'; 1% suggested 'concert hall'; 0.4% suggested 'outdoor festivals / events and a further 0.4% suggested 'street carnivals'.
- 8.70 For trips to cultural venues from across the Study Area (Zones 1-8) venues in the Borough area attain a very low market share of 2.7%. Of this share 1.4% is attributed to the Basildon Eastgate Art Gallery. Other historic and cultural venues outside the Borough area attain a substantial higher market share from the Study Area of 97.3%. This is dominated by Central London with a market share of 83.1%.

Table 8.17: Historic and Cultural Venues – Market Shares

Venues Within Basildon Borough Council Area	Study Area	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
	Zones 1-8	%	%	%	%	%	%	%	%
Basildon	1.7%	0.0%	4.0%	0.0%	0.0%	0.0%	6.4%	2.5%	0.0%
Billericay	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Laindon	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pitsea	1.0%	0.0%	4.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Wickford	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
BASILDON BOROUGH COUNCIL AREA	2.7%	0.0%	8.6%	0.0%	0.0%	0.0%	6.4%	2.5%	0.0%
Venues Outside Basildon Borough Council Area									
Brentwood	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Canvey Island	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Chelmsford	1.1%	0.0%	0.0%	0.0%	1.9%	0.0%	0.0%	8.6%	0.0%
Grays	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Central London	83.2%	55.5%	79.9%	92.9%	84.7%	97.4%	81.5%	55.3%	100.0%
Southend-on-Sea	1.5%	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%	8.0%	0.0%
Lakeside (Includes Shopping Centre, West Thurrock Retail Park; Lakeside Retail Park; Thurrock Shopping Park)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All Others	11.5%	36.8%	11.5%	7.1%	13.4%	2.6%	12.1%	25.6%	0.0%
Sub-Total All Other Locations	97.3%	100.0%	91.4%	100.0%	100.0%	100.0%	93.6%	97.5%	100.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

8.71 Overall from the household survey the main centres and venues in the Borough area are not necessarily achieving a very low market share (2.7%) of trips and activities focused on theatre, music, cultural and historic attractions.

8.72 In response to the question on what improvements could be made to the Borough's leisure offer that would make respondents visit / partake in leisure activities more often (question 47), some 1.9% suggested 'art galleries'; 0.5% suggested 'more / better cultural facilities' and 0.6% suggested 'museums'.

SUMMARY

8.73 This section has shown that the commercial leisure industry faces considerable challenges and pressures. It is clear that consumers are becoming increasingly selective in terms of where and how they spend their discretionary leisure expenditure. There will also be a continued increase in at-home activities due to the advances in computers, tablets, television, gaming, and audio technology. More immediately this will be further compounded by the current 'cost of living crisis.' The challenge for town centres and leisure operators in the future will be how to attract customers away from their homes.

8.74 In summary, the leisure needs assessment has identified:

- **Food and Beverage** - there is no potential for additional new cafés, restaurants and bars by 2042 based on projected population and expenditure growth.
- **Cinemas** – existing venues in the Borough area show a good level of participation of 70.3%. Overall, there is no capacity for new cinema provision.
- **Gyms / Health and Fitness facilities** – current venues show a good level of retention of 51.5%. The projected growth in the population over the period to 2042 could

potentially sustain an additional 2 premium gyms or 2 budget gyms by 2033 rising to up to 5 premium or 4 budget gyms by 2042.

- **Family Entertainment Venues** – in terms of addressing future needs and supporting the overall attraction and resilience of the daytime and evening economies there could be potential to promote more family-based activities.

- 8.75 Responses from the household survey indicate that the main centres and venues in the Borough are not necessarily achieving a good market share of trips and activities focused on theatre, music, cultural and historic attractions due to competition and access to provision in central London.
- 8.76 In the post pandemic and cost inflation world, consideration will also need to be given to facilitating outdoor provision particularly through the activation of under-utilised public realm and green spaces to support residents' health and wellbeing and promote more active lifestyles.
- 8.77 In all cases, the potential for new commercial leisure venues, facilities and attractions will be subject to dynamic economic, market and consumer trends over time. Where demand from operators does arise for representation, this should be directed to town centres first, aligned with national and local plan policy objectives.

9. HOTEL ASSESSMENT

9.1 This section provides an overview of key national hotel market sector trends that are of significance to the Borough. The evaluation of current supply has been informed through hotels listed on a variety of Online Travel Agents (OTAs) such as Booking.com, Expedia.com, Hotels.com and Tripadvisor.com.

NATIONAL TRENDS

9.2 The most recent Great Britain Tourism Survey (GBTS) (published September 2023) covering the period April to December 2021 and January to December 2022 details the following key findings:

- 126 million overnight trips were made by British residents (England 107 million) from January to December 2022.
- Spend was £32.9bn (England £27.6bn) from January to December 2022.
- Total nights was 383.3 million (England 316.2 million) for the period January to December 2022.
- Trips lasted an average of 3 nights (England 3 nights) between January to December 2022.
- Average spend per trip was £262 (England £258), equating to £86 a night (England £87) over the period January to December 2022.
- In 2022, regions with the largest shares of visits in England were South West (16%), South East (15%), London (14%) and North West (14%).
- In 2022, regions with the shares of spend in England were South West (18%), London (18%) and North West (15%).
- In 2022, visiting friends and relatives represented 36% of all overnight trips within Great Britain by British residents. Pure holiday trips represented 34% and business trips only 6%.
- In Great Britain, the average spend per trip increased for all quarters of 2022 when compared to relevant quarters of 2021. Average spend per trip was highest in Q3 2022, £275 per trip in Great Britain. In the same quarter, the average spend per night was £83. In England, in Q3 2022 the average spend per trip was £274, which was the highest across the year. Average spend per night was £85.
- In 2022, a city or large town was a destination type with largest share (43%) for trips in Britain and same for England. Cities and larger towns peaked in Q4 2022 with 17.7 million trips within Britain. Small towns were the main destinations for 22% of all GB domestic trips in 2022
- Serviced accommodation was the main type of accommodation used most by GB residents during their trips in 2022, 45% share in Britain and 46% in England, equating

to 56.4 million trips in Britain and 48.7 million trips in England. Private home had the second highest share in 2022 (28% in Britain, 20% in England) and peaking in Q4 2022.

- 57% of total spend during trips to GB and England was spent on trips where the main accommodation was a serviced type. Serviced accommodation also recorded the largest increase, vs 2021, in Q2 2022 (133% for GB, 136% for England). Across the year 2022, commercial property and caravan / camping / glamping were most chosen in Q3.

9.3 The most recent Visit Britain report on visitor trends⁶² provides the following findings:

- Attractions in England reported a 42% increase in total visits from 2021 to 2022, continuing the sector's recovery following the COVID-19 pandemic. However, visit volume remained 35% lower than in 2019.
- Around two thirds of attractions have been affected by increases in supplier fees (69%) and rising energy costs (64%) and half by higher wages (51%). Although rising costs clearly pose a challenge, it is stated that this this does not compare to the impact of COVID-19.
- Overall, attractions in England reported a 42% annual increase in total visits from 2021 to 2022, building on the recovery that began in 2021.
- Marketing expenditure increased for the second year running, with 39% of attractions reporting an increase in their budgets. Use of social media continues to grow, with 94% of visitor attractions using any social media or apps in 2022, up by 4% in the last 2 years.
- In the first half of 2023 when the research was undertaken, nearly three quarters (73%) of English attractions were back to 2019 staffing levels.
- Accessibility is becoming a priority, with over half of attractions (54%) investing in provisions during 2022.
- Most regions saw admissions growth of around 20-30%, but this was notably higher in London (141% increase) and the North West (42% increase). The East saw a +19% increase.

9.4 Furthermore the latest Visit Britain Domestic Sentiment Tracker (published August 2023) reported:

- 38% of respondents indicated they are more likely to choose a trip in the UK than overseas, compared to the last 12 months.
- The top 5 reasons for choosing a UK holiday over one abroad were:
 - UK holidays are cheaper (53%)
 - UK holidays are easier to plan (51%)

⁶² Visitor Attraction Trends in England 2022 (published July 2023)

- Shorter / quicker travel (48%)
- To avoid long queues at airports/cancelled flights (42%)
- To take holidays in familiar places (25%)
- The top barriers to UK holidays tend to be matters that are outside of the control of an area, namely the rising cost of living (36%); the UK weather (34%); personal finances (28%); the rising costs of holidays/leisure (27%) and an individual's health (18%).
- Responding UK adults plan to cut their overnight trip spending mainly on accommodation, activities and eating out by:
 - Choosing cheaper accommodation (32%)
 - Looking for more 'free things' to do (30%)
 - Spending less on eating out (28%)
 - Other ways of reducing costs include taking shorter breaks (17%); choosing self-catering accommodation (16%); doing fewer activities (15%) and visiting fewer visitor attractions (14%).
- The South West is the most preferred UK location both for August-September (21%) and October-December (19%). In comparison, the East of England was an even 10% each for both periods.
- The top type of destination for an overnight trip in August-September is 'traditional coastal/seaside town' and 'City or large town' is most preferred in October-December.
- The most popular activities vary depending on when the holiday is taken and is also influenced by the demographics of the group. In August-September the top activity is 'walking, hiking or rambling', while in October-December it is 'trying local food and drink'.
- The top motivation for overnight trips in August-September is 'to get away from it all and have a rest', while in October-December this is shared with 'family time or time with my partner'.

Figure 9.1: Activities for UK Holidays and Short-Term Breaks



Source: Visit Britain Domestic Sentiment Tracker, August 2023 (Page 30)

INTERNATIONAL TRENDS

- 9.5 International visitors represent an important sector of the UK tourism and hospitality market. According to Visit Britain, in 2022, the UK welcomed 31.2m visits following two years of extremely low visits due to the impact of COVID-19 (down 24% vs 2019). Visitors spent £26.5bn during the 12 months of 2022, down 7% on 2019 (in nominal terms). Taking inflation into account, visitor spend would have been 17% below 2019 levels, equivalent to £23.5bn in 2019 prices.
- 9.6 One of the most recent reports on the topic is '*Midas: A Global Report - Motivations, Influences, Decisions and Sustainability in a Post-Pandemic Era*' which was commissioned by Visit Britain (published December 2022). It seeks to advise how international travellers can be 'inspired', 'converted' and 'delighted' in order to drive the economic benefits international tourism can offer.
- 9.7 This found that the propensity to visit Britain was higher amongst those who had already visited recently, rather than those considering a visit. This offers places an opportunity to promote themselves to international travellers whilst they are in the UK, with it to be expected that a first visit to the country is more likely to one of the better-known tourist attractions.
- 9.8 The study found that the key drivers influencing the choice of destination for an international break / holiday include many of the features that are, or could be offered within Basildon Borough, with 'Value for money' the key driver for international travel destination selection in 2022. This was supported by being welcoming and a place to roam to enjoy diverse sites and experiences as well as enjoy, rest & relaxation.
- 9.9 In terms of Britain's offer, there are strong and consistent perceptions of Britain as being a place where history meets modernity and a range of sites and ('must-see') experiences are offered within easy access. The key negative is that the country is not seen as offering good value for money.
- 9.10 When compared to other international travel options in Europe, Britain scores relatively poorly on value for money and as a place for resting/relaxation. The latter is the most popular type of leisure break overall, with 'seeing famous sites / places; ticking off the 'must do' list' second. When visiting Britain tourists desire a wide variety of products and experiences, but 'experience coastal places and scenery' and 'explore local food and beverage specialities' are marginally the most sought after experiences for those visiting.
- 9.11 The study goes on to identify five key types of products and tourism experiences:
- Participation/Doing
 - Outdoors & Local
 - Culture
 - City Experiences
 - Beverage Experiences

Figure 9.2: Five Key Clusters in Specific Products and Tourism Experiences



Source: MIDAS A Global Report, December 2022 (Page 76)

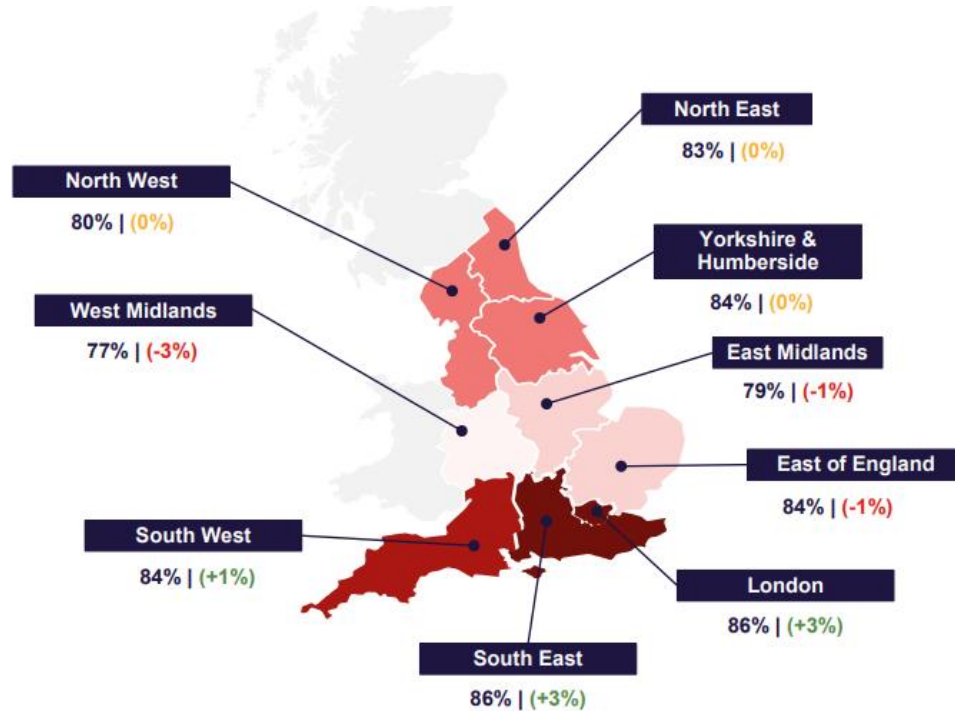
- 9.12 These trends have a bearing on the Borough in terms of curating the mix of experiences that could potentially be promoted as part of any future destination plan. The outdoors, participation, culture and beverage opportunities are experiences that could be promoted within the Borough.
- 9.13 In terms of visits by international tourists within the UK, the South West attracts 18% of global visitors in comparison to London (78%), North West (29%), East of England (27%) and South East (27%). This also reflects the high proportion of visitors wanting to tick off the 'must see' sites.
- 9.14 Going forward however, the report notes three themes as 'Emergent Drivers' in global tourism – Wellbeing, Sustainability and Accessibility & Inclusion. It concludes that;
- **Wellbeing** - is of emerging importance amongst global tourists and presents an activation opportunity for Britain that requires further exploration and understanding;
 - **Sustainability** - is an emerging driver of importance in destination selection for international tourists, most relevant to Experience Seekers and younger travellers but requires clarity, signalling and impact reinforcement; and
 - **Accessibility & Inclusiveness** - One in four tourists or their immediate travelling companion(s) will have accessibility needs, but this is not a barrier in wanting to visit Britain. One in ten tourists identify with the LGBTQ+ community, within which being seen as inclusive, and welcoming will be increasingly important.
- 9.15 The overall conclusions are that:
- Demand is back for global tourism and Britain remains a priority destination, even for those who have recently visited.

- Value for money has become the dominant driver and remains a ‘perceptual’ weakness for Britain. It is anticipated that ‘value’ will continue to increase in importance and tourists are looking for ways to mitigate financial risk in a post-pandemic environment.
- Britain’s strength as a destination choice lies in its (iconic) diversity of history and modernity in one, easy to navigate place. A brand framework is derived from the study, including identification of important ‘regional flexes’.
- Visitors to Britain discover it to be easier, more affordable and more welcoming than perhaps expected.
- Emerging themes of wellbeing, sustainability and inclusivity are becoming a stronger priority, but each needs more work in terms of truly understanding what they could and should mean for British tourism.
- Within a wide array of inter-personal and digital sources, partners remain a key source of inspiration, information and trust throughout the stages of the tourism journey and package bookings remain particularly strong for some of our largest inbound markets.

REGIONAL OCCUPANCY TRENDS

9.16 For England the average maximum monthly occupancy by room was 84% in July 2023 (just below the 85% in July 2019)⁶³. The East of England occupancy rate was comparable at 84%.

Figure 9.3: Room Occupancy by Region (July 2023)

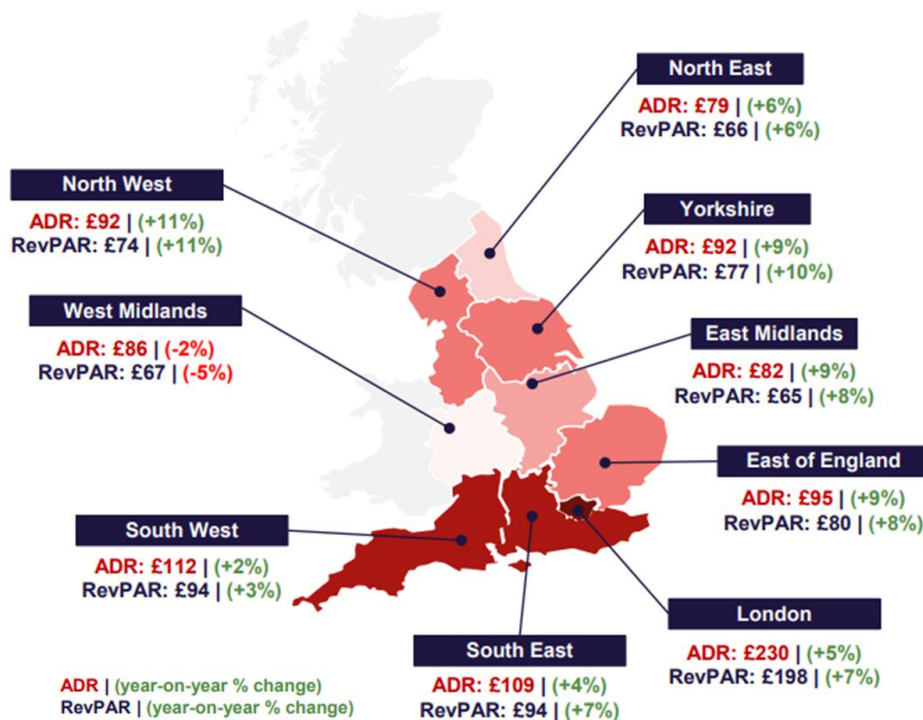


Source: Visit Britain’s England Occupancy Survey (July 2023) (Page 8)

⁶³ Visit Britain’s England Occupancy Survey (July 2023)

9.17 The average ADR (Average Daily Rate⁶⁴) and RevPAR (Revenue Per Available Room⁶⁵) for England was £139.79 and £117.02 respectively. In comparison, the East of England had a lower ADR of £95 and RevPAR of £80.

Figure 9.4: ADR and RevPAR by Region (July 2023)



Source: Visit Britain's England Occupancy Survey (July 2023) (Page 8)

9.18 Overall, the United Kingdom hotel market has shown signs of recovery in 2023 compared to 2019. Whilst there has been growth in RevPAR and ADR, the challenges of labour and utilities costs continue to impact profitability.

CURRENT PROVISION

9.19 Our evaluation of current provision shows that within the Borough there are currently 5 hotels with an estimated total of **504** bedrooms. A detailed breakdown of current hotels is provided in the table below.

⁶⁴ Average Daily Rate (ADR) – This is a measure of the average rate paid for rooms sold, calculated by dividing room revenue by rooms sold. It excludes VAT and other revenue such as breakfast and dinner.

⁶⁵ Revenue Per Available Room (RevPAR) - Total room revenue divided by the total number of available rooms.

Table 9.1: Basildon BC Area: Hotels

Ref	Hotel Name	Address	Grade/ Rating	Rooms
1	Premier Inn Basildon (East Mayne) hotel	Felmores, E Mayne, Basildon SS13 1BW	BUDGET	56
2	Travelodge Basildon	Festival Way, Basildon SS14 3WB	BUDGET	60
3	Premier Inn Basildon (Festival Park) hotel	Festival Leisure Park, Pippis Hill Rd N, Basildon SS14 3WB	BUDGET	82
4	Hotel Campanile	A127, Pippis Hill, Basildon, SS14 3AE	3 STAR HOTEL	97
5	Holiday Inn	Festival Leisure Park, Waterfront Walk, Basildon SS14 3DG	3 STAR HOTEL	148
6	Premier Inn Basildon South hotel	High Rd, Fobbing, Stanford-le-Hope, SS17 9NR	BUDGET	61
Total Rooms:				504

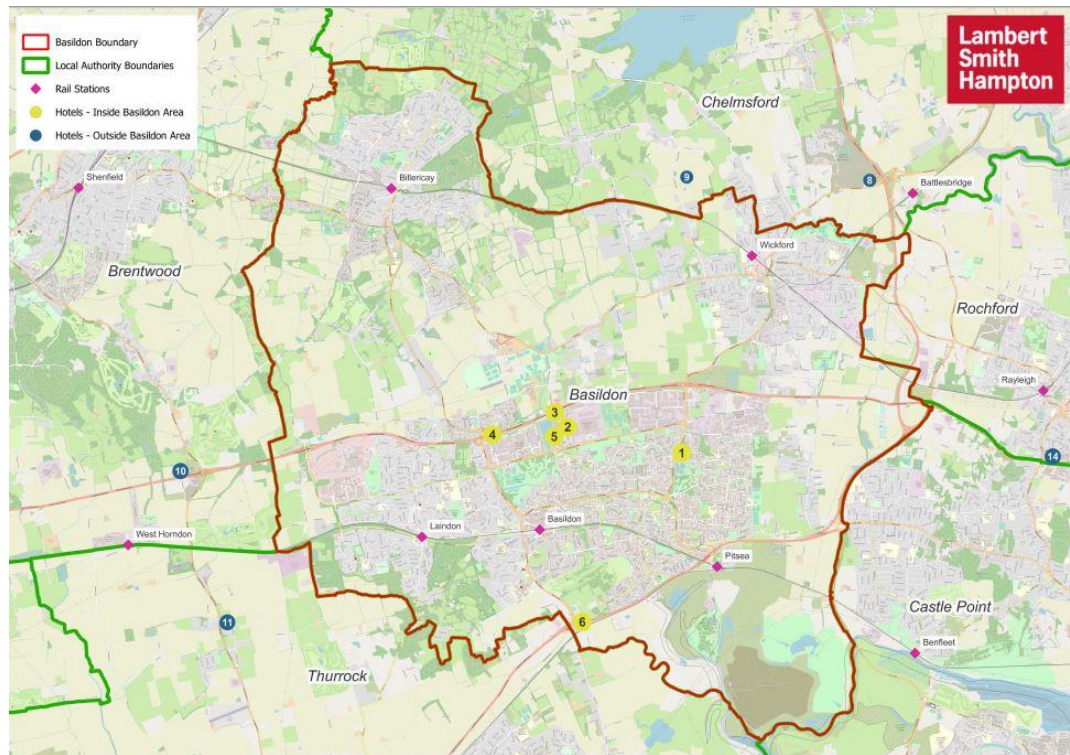
Source: LSH Research

9.20 The current supply is almost evenly split in terms of bedrooms between Budget Hotel accounting for c.51% of the stock and 3-Star Hotels some 49%. There is no 4-Star or 5-Star provision. We have been informed by the Council that its Corporate Property team in 2023 gauged hotel operator demand in Basildon town centre which yielded in no interest for 4 or 5 star provision, but only potential 3 star provision. The reason cited was the socio-economic profile of the area. Notwithstanding this, there may be scope for this to change in the future as new developments begin to come forward and the local profile changes with a broader socio-demographic mix.

GEOGRAPHIC DISTRIBUTION OF EXISTING SUPPLY

9.21 As the figure below shows the Borough's current hotel provision is clustered around along the Southend Arterial Road and close to Pippis Hill Industrial Estate potentially as a key transport artery. The nearest town centre to this cluster is Basildon. It is also observed that there is a notable lack of provision in other town centres. This is supported further by Experian Goad analysis in which the UK average for hotel provision in town centres is 0.88%; however, for the centres in the Borough the data shows no hotel provision.

Figure 9.5: Basildon Borough Council Area: Distribution of Hotels



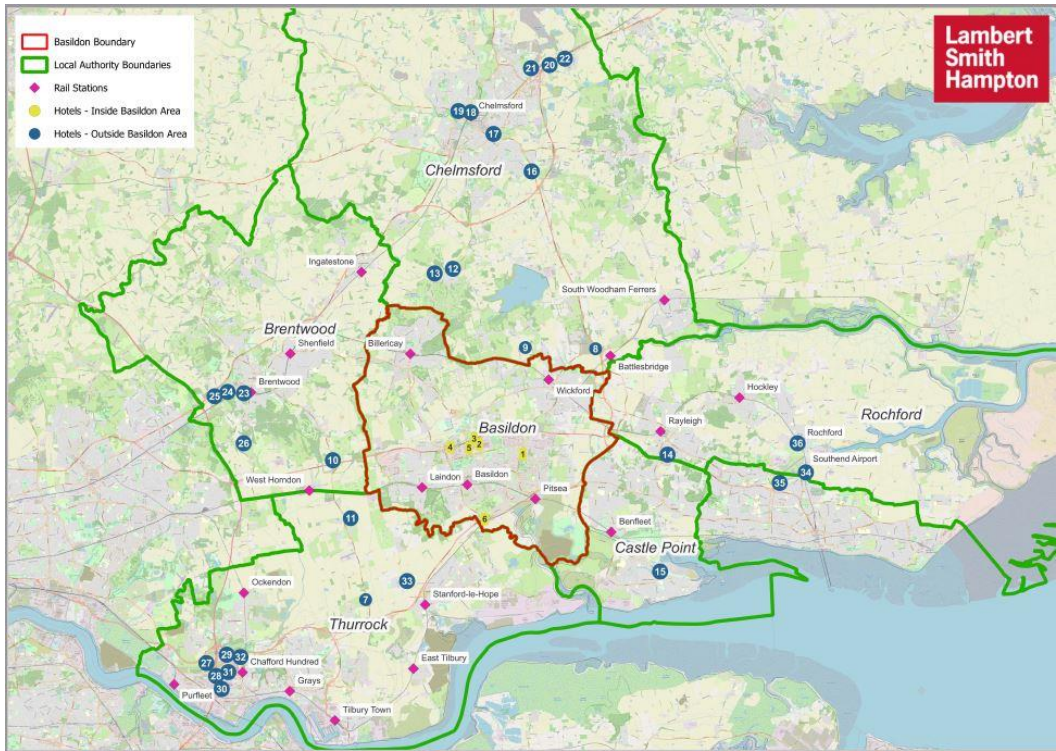
Source: LSH Research

9.22 Looking more widely at surrounding authorities (see map below), the following clusters are identified:

- Brentwood Council – principally around the centre of Brentwood which is the principal town centre for the Borough.
- Thurrock Council – principally around Purfleet and its associated commercial and industrial offer.
- Chelmsford City Council – primarily around Chelmsford and Main Road (B1008).

9.23 The provision in the other surrounding authorities of Rochford and Castle Point Council's shows that there is comparatively less provision.

Figure 9.6: Outside Basildon Borough Council Area: Distribution of Hotels



Source: LSH Research

9.25 In terms of the hotels in the surrounding authorities, the total number of bedrooms equates to some **2,408** rooms.

Table 9.2: Outside Basildon BC Area: Hotels

Ref	Hotel Name	Address	Grade/ Rating	Rooms
7	Orsett Hall Hotel	Prince Charles Ave, Orsett ,Grays RM16 3HS	4 STAR HOTEL	56
8	Travelodge Basildon Wickford	Runwell Rd, Wickford SS11 7QJ	BUDGET	340
9	Downham Hall	Castledon Rd, Downham, Billericay CM11 1LG	4 STAR HOTEL	5
10	Travelodge Brentwood East Horndon	A127, Brentwood, CM13 3LL	BUDGET	45
11	Ye Olde Plough House	Brentwood Road Bulphan, Upminster RM14 3SR	3 STAR HOTEL	68
12	Greenwoods Hotel & Spa	Stock Rd, Stock, Ingatestone CM4 9BE	3 STAR HOTEL	39
13	The Harvard Inn	High St, Stock, Ingatestone CM4 9BJ	3 STAR HOTEL	15
14	Premier Inn Basildon (Rayleigh) hotel	Rayleigh Weir, A127, Rayleigh,SS6 7SP	BUDGET	50
15	The Oysterfleet Hotel	21 Knightswick Rd, Canvey Island, SS8 9PA	2 STAR HOTEL	40
16	Pontlands Park	W Hanningfield Rd, Great Baddow, Chelmsford CM2 8HR	3 STAR HOTEL	35
17	Travelodge Chelmsford	128-136 Parkway, Chelmsford CM2 7GY	BUDGET	81
18	Premier Inn Chelmsford City Centre hotel	Victoria Rd, Chelmsford CM1 1NY	BUDGET	99
19	The County Hotel	The County Hotel, 29 Rainsford Rd, Chelmsford CM1 2PZ	4 STAR HOTEL	48
20	Premier Inn Chelmsford Boreham hotel	Main Rd, Boreham, Chelmsford CM3 3HJ	BUDGET	80
21	Premier Inn Chelmsford Springfield hotel	Chelmsford Service Area, Colchester Rd, Springfield, Chelmsford CM2 5PY	BUDGET	91
22	The Lion Inn	Main Rd, Boreham, Chelmsford CM3 3JA	4 STAR HOTEL	15
23	Premier Inn Brentwood hotel	House, 169 Kings Rd, Brentwood CM14 4EG	BUDGET	122
24	Marygreen Manor Hotel	London Rd, Brentwood CM14 4NR	4 STAR HOTEL	44
25	Holiday Inn Brentwood M25	Brook St, Brentwood CM14 5NF	3 STAR HOTEL	150
26	De Rougemont Manor	Great Warley St, Great Warley, Brentwood CM13 3JP	4 STAR HOTEL	76
27	The Thurrock Hotel	Ship Ln, Aveley, Purfleet, Thurrock ,RM19 1YN	BUDGET	65
28	Premier Inn Thurrock West hotel	Stonehouse Ln, West Thurrock, Purfleet, Thurrock RM19 1NS	BUDGET	193
29	Travelodge Thurrock M25	Moto Service Area Arterial Road, Grays , Thurrock ,RM16 3BG	BUDGET	43
30	ibis London Thurrock M25	Weston Ave, West Thurrock, Grays , Thurrock ,RM20 3JQ	BUDGET	168
31	Travelodge Thurrock Lakeside	Lakeside Shopping Centre, W Thurrock Way, Grays, Thurrock RM20 2AB	BUDGET	74
32	Premier Inn Thurrock East hotel	Unicorn Estate, Fleming Rd, Chafford Hundred, Grays, Thurrock ,RM16 6YJ	BUDGET	83
33	The Bell Inn	Horndon on the Hill, High Rd, Stanford-le-Hope, Thurrock SS17 8LD	4 STAR HOTEL	26
34	Holiday Inn Southend	77 Eastwoodbury Cres, Southend-on-Sea SS2 6XG	3 STAR HOTEL	129
35	Premier Inn Southend Airport hotel	Thanet Grange, Prince Ave, Southend-on-Sea SS2 6GB	BUDGET	106
36	The Rochford Hotel	Bradley Way, Rochford SS4 1BU	3 STAR HOTEL	22
Total Rooms:				2,408

Source: LSH Research

9.26 This provision can be disaggregated by local authority area as follows showing that the highest provision in Chelmsford (848 bedrooms) closely followed by Thurrock (726 bedrooms):

- Castle Point Council area – 40 bedrooms
- Rochford Council area – 307 rooms
- Brentwood Council area – 437 bedrooms
- Thurrock Council area – 776 bedrooms
- Chelmsford City Council area – 848 bedrooms

9.27 Within the surrounding authority areas there is also provision of 4-Star establishments which can be a draw for visitors. This is lacking in Basildon Borough.

9.28 The broad average of provision across these surrounding authorities is some 482 bedrooms. Basildon Borough area in comparison has a total of some 504 bedrooms indicating that the provision is comparatively above the surrounding average.

SUMMARY

9.29 The analysis has shown that the current hotel provision in the Borough is almost evenly split between Budget Hotel and 3-Star Hotels. The Borough lacks 4-Sar and 5-Star establishments. Furthermore the location of existing provision shows that there is no provision within the town centres.

9.30 Hotel accommodation forms part of the commercial leisure offer and as such needs to be promoted to help build greater resilience into the daytime and evening economies of the Borough's centres. We advise that the Council should continue to proactively market and promote the Borough and its varied cultural offer and experiences to help draw year-round visits from day-trippers, "weekenders" and tourists and support and potentially expand future investment in the sector. Any investment in this sector will be very much subject to market demand which should be directed to town centres first in accordance with national and local plan policy objectives.

10. KEY FINDINGS & RECOMMENDATIONS

- 10.1 This concluding section provides high-level advice and recommendations to help the Council effectively plan and manage the vitality and viability of its centres. The *National Planning Policy Framework* (NPPF) specifically states that planning policies and decisions should support the role that town centres play “*at the heart of local communities*” and should promote the long term vitality and viability of centres “*by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters*” (paragraph 90).
- 10.2 Aligned with the NPPF and *National Planning Practice Guidance* (PPG), our advice takes account of the life time of the emerging plan period to 2042, but specifically focuses on the next five to ten year period. We have robustly assessed both the quantitative and qualitative need for new retail (comparison and convenience goods) floorspace and commercial leisure uses over the forecast period. These assessments have been informed by a comprehensive review and update of the dynamic economic and market trends that are impacting on the retail and leisure sectors. This includes the impact of the COVID-19 pandemic, which has accelerated many of the long-term trends and structural changes that placed significant pressures on the current and future performance and health of our towns, high streets and shopping centres. It also includes the current potential implications of rising inflation and cost of living crisis.
- 10.3 This assessment draws on a robust evidence base and is informed by primary research conducted specifically for this study. This new research included a telephone interview survey of some 808 households. It also draws on updated health check assessments for the main centres. These health checks are based on a series of Key Performance Indicators (KPIs), informed by the NPPG, that help identify the vitality and viability of centres, their SWOTs, and their relative role and function in the Borough’s network and hierarchy of centres.
- 10.4 This study also takes account of the series of reforms to the planning system issued by the Government. These include: updates and changes to Permitted Development Rights (PDR)⁶⁶; the reform of the Use Classes Order (UCO)⁶⁷; and the 2021 *Planning Reform Bill*.

⁶⁶ The Town and Country Planning (General Permitted Development) (England) (Amendment) (No. 2) Order 2020/755; & The Town and Country Planning (General Permitted Development) (England) (Amendment) (No. 3) Order 2020/756

⁶⁷ The Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020/757 was laid before Parliament on 21st July 2020 and amended the Town and Country Planning (Use Classes) Order 1987. Came into effect from 1st September 2020.

10.5 It is against this background, including the legacy of the pandemic, cost-of-living crisis and and worsening macro-economic position, that we provide the Council with our robust recommendations to help inform plan-making and decision-making over the next 5-10 years, and over the period to 2042. Our advice covers:

- the need ('capacity') for new retail (convenience and comparison goods) floorspace and other main leisure and town centre uses.
- the requirement to allocate a range of suitable sites to meet the scale and type of any forecast need identified, looking at least ten years ahead (NPPF, paragraph 90d).
- the current definition of the network and hierarchy of centres, and whether this reflects existing and future shopping and leisure trends, planned investment and regeneration strategies, and future housing growth.
- the need to update and change the definition of town centre boundaries and Primary Shopping Areas in light of the key findings and evidence, and recent planning reforms.
- the setting of a local impact assessment threshold to inform the assessment and determination of applications for new retail and leisure developments proposed outside of town centres (NPPF, paragraph 90).

REFORM OF USE CLASSES ORDER & PERMITTED DEVELOPMENT RIGHTS

10.6 As previously mentioned, the Government has issued a series of reforms to the planning system. These reforms principally relate to Permitted Development Rights (PDR); the Use Classes Order (UCO)⁶⁸ and more recently the Levelling-up and Regeneration Act 2023.

10.7 The impact of the changes will still require the definition of a town centre boundary and a primary shopping area, or a primary 'commercial' area to be the foci for E and F Classes. Also, in most instances the former use classes can be 'translated' into the equivalent categories within the new E and F Classes. This can assist with the interpretation of policy wording and the effective use of conditions.

10.8 The changes have implications for the former designations of primary and secondary shopping frontages, as the control of shopping and service uses is legally less enforceable in commercial areas, as a change of use between Class E does not constitute development and will therefore not require planning permission. It should be noted that the effectiveness of frontage policies was declining before the pandemic and previous changes to the UCO.

10.9 Hence beyond 2023, town centres are likely to consolidate their retail and shopping role with more emphasis on place and non-transactional uses, this could include high activity based land uses such as health and education being located in more central locations and stem previous trends of decentralisation. An example of this seen in the Borough already with the

⁶⁸ The Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020/757 was laid before Parliament on 21st July 2020 and amended the Town and Country Planning (Use Classes) Order 1987.

opening of a new community diagnostic centre (CDC) in Pitsea in early 2024. It will be at the location of the current 'The Place' leisure and community centre (which is set to be relocated), with the current building being demolished and rebuilt into a new CDC.

10.10 The increase in 'city' or 'town centre' living and residential development in town centres is likely to be a growth area in the next 10 years and could be a positive regenerative mandate. We also expect more emphasis on residential upper floor living accompanying ground floor commercial uses.

10.11 Permitted Development Changes (Amendment No. 2) (2020) released in August 2020⁶⁹, introduced Class AA and AB that allows new residential on detached or terrace buildings in commercial or mixed use areas (but not in conservation areas). This could potentially lead to the loss of commercial floorspace to residential.

10.12 Furthermore, the Town and Country Planning (General Permitted Development etc.) (England) (Amendment) Order 2021 (Order) that came into force on 21 April 2021 creates a new class of permitted development right (Class MA) into the Town and Country Planning (General Permitted Development) Order 2015 (GPDO) authorising changes of use from Use Class E commercial uses to Use Class (C3) residential. The changes within the Order allow a change in the permitted use of a property or land from a use falling with Use Class E to Use Class C3 residential use where the property has:

- been in Class E use for 2 years (including time in former uses i.e. A1, A2, A3, B1, D1 or D2 now within that Class); and
- has been vacant for at least 3 continuous months.

10.13 These changes replace existing retail, light industrial and office to residential rights with rights applying to all of the relatively recent Use Class E in which those uses now sit. Exercise of this right is subject to prior approval by the local planning authority and therefore is subject to some planning control. Details must be submitted relating to flooding, transport, contamination, noise amenity, natural light, fire safety and agent of change issues. The area that can be converted is capped, with a maximum size limit of 1,500 sqm of floorspace capable of conversion using the right.

10.14 Research conducted by LSH and REVO⁷⁰ provides a broad indication of impact of these changes and shows that both have proved controversial and have divided opinion. On the one hand they are viewed positively by some as helping to revitalise and repurpose high streets and boost housing delivery, by making it easier to change the use of buildings and respond more flexibly to dynamic market trends and demand. On the other hand, it is argued

⁶⁹ The Town and Country Planning (General Permitted Development) (England) (Amendment) (No. 2) Order 2020.

⁷⁰ LSH & REVO Research (April 2022) - How Can We Deliver the Recovery & Renaissance of Our Towns, High Streets & Shopping Centres?

that the reforms seriously undermine the plan-led approach to town centre regeneration and place-making. The risks highlighted include the loss of vital commercial space on prime shopping streets, the creation of sub-standard piecemeal housing developments, and the further weakening of the sequential test by potentially allowing for unfettered changes of use to out-of-centre floorspace.

10.15 In response several Councils have turned to Article 4 Directions (A4Ds) to try to remove PDRs. Where correctly applied, they can help prevent “*wholly unacceptable adverse impacts*”⁷¹ on the vitality and viability of centres through the potential loss of their primary shopping areas.

10.16 The LSH REVO Research details the following top positive and negative views on the impact of the changes to the Use Classes Order and Permitted Development Rights.

Positive Views	Negative Views
Greater flexibility and mix of uses on the high street (47%)	Result in development of poor quality residential accommodation (23%)
Support the long-term viability and vitality of our town centres and high streets (23%)	Loss of continuous primary shop frontages (23%)
Reduce property vacancies in town centres (21%)	Loss of local planning authority (LPA) powers to plan and manage development (20%)

10.17 The implications arising from these changes result in more flexibility and are likely to be focussed on the peripheral parts of existing town centres, reflecting the influence of land values, but the outcomes are unclear, particularly the likely scale of increased residential and loss of commercial space and this should be investigated and monitored further. In strategic terms, and especially for the future of town centres, the PDR deregulation is likely to add to the already high levels of uncertainty surrounding their future composition.

ARTICLE 4 DIRECTIONS

10.18 The latest revision to the NPPF has tightened the rules and restricts the ability of local authorities to secure Article 4 directions (A4Ds). The revised version of the NPPF (paragraph 53) tightens this scope in relation to changes of use from commercial to residential, stating that such directions should be used where they are “*essential to avoid wholly unacceptable adverse impacts*”. These impacts “*could include loss of the essential core of a primary shopping area*”, thereby “*seriously undermining its vitality and viability*”. However, the paragraph contains the caveat that such a direction would be “*very unlikely to extend to the whole of a town centre*”.

10.19 Based on the above, the Council should be mindful of the following in considering the use of A4Ds:

⁷¹ Source: National Planning Policy Framework; paragraph 53

-
- it will be difficult to restrict the use of PD rights using A4Ds;
 - restriction is likely to be more difficult for residential PD rights than non-residential, but in all cases “robust evidence” will be needed to justify their use;
 - there is a high bar set, and the scope of any A4D which is used must be limited geographically to the smallest area possible as opposed to an entire area being covered by an A4D; and
 - in terms of this area, the Council will need to be clear with targeted evidence to show why PD rights need to be restricted e.g. loss of employment space; preserving community uses or protecting a historic area / amenity.

LEVELLING-UP AND REGENERATION ACT 2023

10.20 The long-awaited Levelling-up and Regeneration Bill received Royal Assent at the end of October 2023 and officially became the Levelling-up and Regeneration Act 2023 (LURA 2023). The government proclaimed that LURA 2023 will “*speed up the planning system, hold developers to account, cut bureaucracy, and encourage more councils to put in place plans to enable the building of new homes*”.

10.21 In relation to town centres specifically the Act enables “*local authorities powers to instigate auctions to rent vacant commercial properties in town centres and on high streets, for leases from one to five years to attract new tenants*”. These rules “*can be exercised at the discretion of local authorities, based on their local context and need, but only on properties which have been vacant for over 12 months*”. The rules apply to commercial premises (other than premises last used as a warehouse, which are specifically exempt) and which satisfy the following criteria:

- situated in an area which a local authority has designated as being a high street or town centre. These will be areas with a high concentration of premises with high street uses. These uses include “traditional” uses associated with a high street, like shops, restaurants and pubs, as well as offices and public entertainment spaces, communal halls. Manufacturing processes are even included in high street uses as long as they are carried on near to, and compatible with, other high street uses. A local authority is required to maintain and make available to the public a list describing, and a map showing, any designations that are in force in its area.
- unoccupied for the last year or for 366 days in the last two years,
- suitable for high street use and
- considered by the local authority to benefit the local economy, society or environment if occupied for high street use.

10.22 The general consensus is that LURA provides the potential to redefine our high streets and town centres through a collaborative process in which both the local authority and property owners will need to work together especially where premises have remain unoccupied for a

specified duration and in combating long-term vacancies. It remains to be seen whether Local Authorities have the resources to execute the powers given and the extent to which they will be utilised and whether they are successful in revitalising high streets and town centres. Overall these should be part of a mix of initiatives to revitalise high streets and town centres.

RETAIL NEEDS

10.23 The NPPF (paragraph 90d) is clear that local planning authorities should plan to meet the need for new retail and town centre uses by “*looking at least ten years ahead*”. The PPG also states that given the uncertainty in forecasting long-term retail trends and consumer behaviour, assessments “...*may need to focus on a limited period (such as the next five years) but will also need to take the lifetime of the plan into account and be regularly reviewed.*” Therefore, greater weight should be placed on forecasts over the next five to ten-year period.

10.24 The headline retail capacity forecasts are reproduced in the table below show **no** immediate capacity for both convenience and comparison goods to 2033 and beyond to 2042. There is therefore no requirement for the Council to allocate any new sites for retail provision in the period to 2033

Table 10.1: Retail Floorspace Capacity Forecasts (sqm net)

BASILDON BOROUGH COUNCIL AREA	Convenience Goods				Comparison Goods			
	2028	2033	2038	2042	2028	2033	2038	2042
Basildon Town Centre	56	100	140	185	-140	-184	-112	123
Billericay Town Centre	27	49	69	91	-31	-40	-25	27
Laindon Town Centre	-1,705	-1,690	-1,677	-1,662	-1,037	-1,038	-1,037	-1,033
Pitsea Town Centre	39	70	97	129	-23	-30	-19	20
Wickford Town Centre	-262	-241	-222	-201	-38	-50	-30	33
All Out-of-Centre Locations	-878	-676	-495	-291	-2,980	-3,072	-2,924	-2,438
TOTAL: BASILDON BC AREA	-2,724	-2,388	-2,087	-1,749	-4,249	-4,415	-4,147	-3,267

LEISURE NEEDS

10.25 **Section 8** detailed the high level assessment of the potential need for new commercial leisure uses and facilities over the next 5-10 years, and over the lifetime of the plan.

10.26 Even under normal circumstances it is difficult to predict the need and demand for new leisure uses, as the sector is very diverse and highly influenced by market, lifestyle and consumer trends. Predictions as to likely future need, even over the short term (i.e. the next 2-3 years), have been further complicated by the impact of the pandemic, rising inflation and the cost of living crisis. These will have an impact on leisure expenditure trends and growth, consumer preferences and business viability.

10.27 Notwithstanding these caveats, commercial leisure uses are a critical part of the overall offer and attraction of centres. They make a significant contribution to the overall diversity, vitality

and viability of centres, and to their daytime, evening and night-time economies⁷². The findings of the market research surveys and health check assessments have confirmed the importance of leisure uses and venues to the overall mix and attraction of centres. As part of their future adaptation and growth, it is therefore important that the local planning authorities maintain and promote diverse and flexible leisure uses, venues and events in their main centres over the period to 2042.

10.28 From a planning policy perspective therefore the key to meeting future, as yet unknown needs, will be the development of policies that can accommodate the changing needs of the sector and ones that can operate in the real world. This includes recognising that for many leisure uses the cost for entering a new market will be relatively high and, unlike retail outlets where store size can vary significantly, incremental development is unlikely if only small increases in market growth are identified.

10.29 It is also the case that the recent changes to the Use Classes Order mean that the main commercial leisure sector in terms of spend is Food and Beverage which encompasses both Class E and Sui Generis uses. As a result, any changing demand for restaurant and café uses is likely to be met by changing uses within the existing or committed town centre floorspace.

10.30 Against this background the headlines from the leisure needs assessment show:

- Eating out in **cafés and restaurants** is a popular leisure activity with venues within the Borough attracting a 55.1% market share from the Study Area (Zones 1-8). Based on expenditure growth, and after allocating a proportion of this growth to existing businesses to help support their viability (against a backdrop of rising costs), our high-level forecasts indicate no net residual expenditure capacity up to 2042. The growth to sustain new cafés, restaurants and bars will be very much subject to market demand. Focusing new uses in the main town centres will help increase competition and consumer choice, and to underpin both daytime and evening economies.
- There is currently a good provision of commercial **cinemas** screens in the Borough dominated by the Cineworld at Festival Leisure Park (18 screens). At the time of authoring this report there is also further provision in the currently non-operating cinema at East Square, Basildon (10 screens). Based on this quantum there is no identified capacity for cinema screens over the long term to 2042.
- **Health and fitness** venues within the Borough show a relatively good market share from within the widely defined Study Area of 51.5%. The high-level assessment shows that collectively the projected growth in the population over the period to 2042 could potentially sustain up to 5 premium or 4 budget gyms.

⁷² The “evening” economy generally relates to all leisure activities that are open until around 11pm. The “night-time” economy is generally defined as businesses and activities with late night licences that are open beyond 11pm, particularly at the weekend.

- With regard to other commercial leisure uses, there is currently no identified need for **gambling venues** (e.g. bingo halls and casinos). The provision of **Tenpin bowling** is at Festival Leisure Shopping Park and there is currently no provision of **Trampoline Parks** in the Borough. Any future provision will be subject to market demand which should be directed to town centres.
- In terms of **theatres** and **music venues**, the existing provision is limited with a low level of retention of 14.8%. The principal competing venues are in Southend-on-Sea and Central London.
- **Historic** and **cultural** attractions also attain a very low market share of 2.7% from across the Study Area. The principal competing venues are in Central London.

10.31 In relation to the market share of trips and activities focused on theatre, music, cultural and historic attractions the responses from the household indicate the main centres and venues in the Borough are facing substantial competition from venues in Central London and therefore are not necessarily achieving a good level of retention. This requires more place promotion especially amongst residents and visitors to enable the continued vitality of the centres and venues.

10.32 Hotel accommodation forms part of the commercial leisure offer. The current hotel provision in the Borough is almost evenly split between Budget Hotel and 3-Star Hotels. The Borough lacks 4-Star and 5-Star establishments. Furthermore, the location of existing provision shows that there is no provision within the town centres which should be encouraged in light of prevailing policy to enable the continued vitality of town centres.

10.33 The forecast need for any new commercial leisure uses will be subject to wider economic, consumer and market trends, and will depend on the demand from leisure operators for representation. Where demand does exist, new uses and activities should be focussed across the Council's main centres first, in compliance with national and local plan policy objectives to maintain and enhance their overall vitality and viability.

ACCOMMODATING RETAIL AND LEISURE NEEDS

10.34 The NPPF (paragraph 90d) states that planning policies should “...*allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead*”. Aligned with the NPPF, the NPPG⁷³ identifies that town centre strategies should establish the potential for “...*development or the redevelopment of under-utilised space*” to accommodate the scale of assessed need, and the more effective and efficient use of land (for example, the scope to group particular uses such as retail, restaurant and leisure activities into hubs, or for converting airspace above shops). In turn,

⁷³ Planning Practice Guidance (PPG). Paragraph 004, Reference ID:2b-004-20190722.

this will help to establish the need for centre “*expansion*,” “*consolidation*” and/or “*restructuring*.”

10.35 It is to be recognised that the capacity forecasts do not take account of current (or future) vacant retail floorspace in the main centres and shopping locations. Some of this vacant space (particularly in prime shopping streets) will be available and suitable for re-occupation, re-purposing and/or redevelopment both now and in the future. We therefore advise that any forecast capacity and/or market demand for new retail and commercial leisure floorspace could either be accommodated in suitable vacant units, or by the mixed-use development of vacant sites/buildings (i.e. ground floor commercial uses, with residential above).

10.36 As the headline retail capacity forecasts have shown there is no capacity for both convenience and comparison goods and there is no requirement for the Council to allocate any new sites for retail provision to the period to 2033.

TOWN CENTRE FUTURES

10.37 The NPPF requires that: “...*planning policies and decisions should support the role that town centres play at the heart of communities, by taking a positive approach to their growth, management and adaptation*” (paragraph 90). Both the NPPF and the adopted development plan policies support the need to maintain and enhance the long term vitality and viability of town centres first, as the most appropriate and sustainable locations for new investment and development.

ISSUES, CHALLENGES AND OPPORTUNITIES

10.38 It is apparent that centres within the Borough (like other centres across the UK) are facing a myriad of issues and challenges to their vitality and viability from the dynamic changes in the retail and leisure sectors. The challenges have been further accelerated and compounded by the legacy impact of the pandemic and current inflationary macro-economic position, and include:

- the growth of online shopping and home-based leisure activities (from watching movies to eating at home);
- the increase in retail failures and closures;
- a dramatic fall in market demand for space;
- a rise in vacancies and decline in footfall; and
- limited forecast need or market demand for new retail floorspace.

10.39 In the context of the issues and challenges, although retail will remain a key part of a town centre’s overall offer, vitality and viability - helping to generate trips, footfall and spend – it is critical that the policies and strategies developed for each centre help to promote greater flexibility and diversity, so that they can respond more effectively and rapidly to future trends. This flexibility and diversity will, in turn, help to create more resilient, attractive and successful

town centres. It will also help to strengthen their respective roles in the network and hierarchy of centres as places to live, work, shop, study, play and visit for a wide range of uses and activities.

10.40 **Tables 10.2 – 10.6** below summarise some of the key opportunities and initiatives identified for the main centres in the Borough based on the research and evidence. In summary the key suggestions are as follows:

- When **Basildon** was designated as a new town to assist in the decentralisation of London’s population, it was the most ambitious New Town in size and population. In response, and over time, its retail footprint grew. Coming full circle to the present day, and after taking into account the structural changes that have affected the retail sector and the evolving broader macro-economic challenges since the pandemic, the study findings confirm that the need to strengthen and diversify the town centre’s offer and attraction is more important than ever. This will help build back resilience into the town’s daytime and evening economy and provide the opportunities for sustainable development. There is also a need for growth in new business from start-ups to creative industries to locate in the town centre to increase vibrancy. Almost a quarter of the floorspace is vacant which lends itself for re-use or consolidation. The successful £4.4m award from the Cultural Development Fund to turn empty properties in the town centre into a creative facility for screen and immersive digital industries is part of the needed diversity in offer. Additionally, a new “mini-hospital” at Basildon Eastgate Shopping Centre is anticipated to create 300 new jobs and help tackle NHS waiting list; this too will also help to diversify the current offer. Furthermore there is a limited evening and leisure economy. Place making and greening across the centre will be an important part of the future matrix for the centre.
- **Billericay** is a vital and viable centre with low vacancy rates and a strong representation of independent operators. The High Street is set within a conservation area and the centre has a healthy evening time offering which is reflected in the responses to the household survey in which a strong evening economy with a varied leisure offering was outlined. It also has high levels of footfall that contribute to its vitality. Billericay has an attractive environment and opportunities exist for better promotion and co-ordination and linkage with other centres and places within the Borough. Additionally, improvements to its public realm including more greening will further enhance the centre’s leisure offer.
- **Laindon** is in the process of transformation. The proposed Laindon Place centre seeks to provide the necessary provision and mix of uses vital to a functioning town centre.

This centre therefore remains a work in progress and for the Council to monitor representation and usage when complete.

- The potential to improve **Pitsea** is focussed on greening and the public realm to encourage more and safer footfall and patronage and make the centre more pedestrian friendly. Place promotion is equally important especially of its regular market.
- **Wickford** has opportunities to capitalise on its surrounding green and blue infrastructure, improvement to pedestrian/cycle routes, link with its surrounding Essex countryside (e.g. Wick Country Park) and reduce passing traffic through the centre. As a key commuter location in the Borough and Essex the centre is ideal for place promotion and patronage together with other centres in the Borough.

Table 10.2: Basildon Town Centre – Opportunities for Growth and Transformation

BASILDON TOWN CENTRE:

- Increase diversity in offer enabling new mixed-use developments within the town centre to strengthen the urban core.
- With the demand for retail premises on the decline and an increase in vacancies over recent years, the dominance of existing retail space within the town centre can be reduced. Space can be repurposed to rebalance the existing mix of uses, with a greater emphasis on residential, office and leisure.
- Funding received from the Cultural Development Fund (£4.4m) to act as a catalyst for repurposing empty properties in the town centre to kick-start transformational place-making and regeneration into creative and immersive digital industries.
- Capitalise on the footfall and economic benefits to the local economy resulting from the creation of a new mini hospital on the former Debenhams site in the Eastgate Shopping Centre.
- Provide contemporary, flexible and temporary space to attract and nurture entrepreneurs, creatives, start-ups and small businesses.
- Enabling place-making and the development of strategic sites in the town centre and improve the restaurant and entertainment offer.
- Encourage leisure provision particularly family entertainment to increase footfall, improve perception and improve night time economy.
- Promote and support pop-up and meanwhile uses in vacant premises.
- Promote the evening economy and seek to attain Purple Flag status.
- Promote active placemaking encouraging walking connections and active frontages on major thoroughfares, it will also help reduce any perceived/actual crime and antisocial behaviour.
- Create linkage and signage to green corridors surrounding the town centre.
- Capitalise and promote greening as part of a place making and promotion strategy for the centre.
- Continued improvement to the public realm will strengthen perceptions of the town as a place to invest and work especially as the centre positions itself over the long term towards digital industries.
- Capitalise on transport links to London and the opportunity to attract a wider socio-demographic mix in to the centre and Borough.

BASILDON TOWN CENTRE:

- Promote sustainable forms of movement and provide more/new electric vehicle charging (EVC) points across car parking areas in the centre.
- Improve gateways in to the town centre including the linkages between the bus station and the railway station.
- Link the offer in the centre with other town centres in the Borough to create a more coherent and compelling attraction for visitors and tourists to the area.
- Ensure that the Council has sufficient capacity to deliver proactive change in a co-ordinated manner across the centre. This includes having the resource to implement measures detailed in the Levelling-up and Regeneration Act 2023 such as potential rental auctions.
- Consider a contemporary strategic masterplan or investment framework that identifies and co-ordinates an effective management of critical interventions and initiatives and help unlock wider investment within Basildon Town Centre.

Table 10.3: Billericay Town Centre – Opportunities for Growth and Transformation

BILLERICAY TOWN CENTRE:

- Invest in updating street furniture and public realm, and shop frontages where needed.
- New street furniture and “greening” measures will play an integral role in rejuvenating and reimagining key areas as places to convene and socialise. This will have a positive impact on health and wellbeing, and in helping to tackle the climate crisis and improve air quality.
- Develop a rolling programme of place promotion including fairs / festivals and street markets (perhaps traffic days?)
- Develop and promote regular year-round events to attract residents and visitors to the town centre.
- Provide for active travel, including new pedestrian and cycle routes.
- Provide more/new electric vehicle charging (EVC) points in public car parks.

Table 10.4: Laindon Town Centre – Opportunities for Growth and Transformation

LAINDON TOWN CENTRE:

As a centre under development it is encouraged that the end result is fit for the future with essential ingredients including:

- Ensuring a diverse and mix of uses including residential, retail, leisure and office space.
- Providing contemporary, flexible space to attract and nurture entrepreneurs, creatives, start-ups and small businesses.
- Public realm and greening are at the forefront.
- Linkage to green corridors surrounding the town centre.
- Electric vehicle charging (EVC) points in public car parks.
- Ensuring provision of more bike racks / cycle ways.
- Promoting active travel.
- Capitalising on links to London.
- Undertake place promotion as part of a co-ordinated approach with other town centres in the Borough.

Table 10.5: Pitsea Town Centre – Opportunities for Growth and Transformation

PITSEA TOWN CENTRE:

- Improve the public realm to enhance the centre and improve perceptions of safety, wellbeing, etc.
- Capitalise on the footfall associated with the opening of the new CDC.
- Provide for active travel, including new pedestrian and cycle routes.
- Provide more/new electric vehicle charging (EVC) points in public car parks.
- Provision of more bike racks / cycle ways

Table 10.6: Wickford Town Centre – Opportunities for Growth and Transformation

WICKFORD TOWN CENTRE:

- Consider refurbishment of shop frontages.
- Link promotion of centre with surrounding natural landscape and build on green space connections.
- Invest in updating street furniture and public realm where needed.
- New “greening” measures.
- Develop a rolling programme of place promotion / activity including fairs / festivals street markets (perhaps traffic days?).
- Provide regular year-round events to attract residents and visitors to the town centre.
- Promote and support pop-up and meanwhile uses in vacant premises.
- Provide for active travel, including new pedestrian, cycle routes and bike racks.
- Provide more/new electric vehicle charging (EVC) points in public car parks.
- Consider improved digital connectivity to help support local businesses and the community (including free Wi-Fi service).
- Potential to consider a Masterplan refresh to take account of structural changes in the commercial market and wider macro-economy.

NETWORK AND HIERARCHY OF CENTRES

10.41 We have reviewed the Council's existing network and hierarchy of main centres in accordance with the advice set out in the NPPF (paragraph 90a) and PPG⁷⁴. This assessment takes account of current classifications, and these been "reviewed and tested" based on the key evidence and updated research findings identified by this study.

10.42 To help inform this classification, the table below summarises the relative scale of the retail, leisure and service offer in the main centres.

Table 10.7: Basildon Borough Council – Total Floorspace and Outlets

	Total Floorspace (sqm)	% of Total	Total Outlets	% of Total
Basildon	115,255	55%	302	42%
Billericay	28,001	13%	174	24%
Pitsea	36,613	17%	70	10%
Wickford	29,496	14%	170	24%
Totals / Averages	209,365	100%	716	100%
Laindon	0	-	0	-

10.43 Based on the study findings, we advise that the Borough's main centres largely function in line with their current roles in the hierarchy.

10.44 As noted in **Section 2**, the Basildon District Local Plan (as adopted in March 1998) and accompanying 'Town Centre Inset Maps' refer to Basildon, Billericay, Laindon, Pitsea and Wickford as 'Town Centres'. On this basis, and with the exception of Laindon which is undergoing redevelopment, our recommendation for the Borough hierarchy is as follows:

- **Sub-Regional Town Centre: Basildon** town centre will continue to function as the Borough's principal urban area and a key hub in Essex as well as the Borough's main shopping and leisure destination. It also has significant employment, service and civic functions that meet the needs of its wider population.
- **Town Centre:** The remaining town centres of **Billericay, Pitsea and Wickford** are comparatively smaller but have a good choice of retail, leisure and service uses that meet the needs of their local catchment population. In our view, this classification is appropriate as it reflects each town's important role in the Borough's network of centres.

TOWN CENTRE BOUNDARIES AND PRIMARY SHOPPING AREA DEFINITIONS

10.45 The NPPF states that planning policies should "...define the extent of town centres and primary shopping areas and make clear the range of uses permitted in such locations, as

⁷⁴ Planning Practice Guidance (PPG). Refer to Paragraph 004, Reference ID:2b-004-20190722.

part of a positive strategy for the future of each centre” (paragraph 90b). Annex 2 to the NPPF:

- defines the **Primary Shopping Area (PSA)** as an “...*area where retail development is concentrated;*”
- defines **Edge of centre** (for retail purposes) as a location that is “...*well connected to, and up to 300 metres from, the primary shopping area*” (our emphasis underlined); and
- for all other main town centre uses edge of centre is a location “...*within 300 metres of a town centre boundary*” (our emphasis underlined).

10.46 The NPPF explains that the **town centre** is an area defined on the local authority’s policies map, and includes the PSA and areas predominantly occupied by main town centre uses⁷⁵ within or adjacent to the PSA.

10.47 There is no policy requirement under the NPPF to define primary and/or secondary shopping frontages. The revised NPPF (December 2023) has removed the requirement for local authorities to identify shopping frontages. As a result policies that support frontages - such as requirements to maintain thresholds for retail use - cannot now be implemented due to the provisions of Use Class E, which allow a change of use of commercial activities within this broad use class.

10.48 Our review of the definition and extent of town centre boundaries for each of the Borough’s main centres necessarily takes account of the impact of recent planning reforms (see **Section 2**). These include the new Use Classes Order comprising the new Class E (commercial, business and service uses); and the new PDR allowing the conversion of Class E uses to Class C3 (residential). This PDR effectively means that a wide range of shops, restaurants and cafés, banks, estate agents, nail bars, doctors’ surgeries, crèches and gyms will all be able to be change into residential units without the need for planning permission; albeit subject to prior approval and the need to satisfy certain criteria (including the requirement for the unit to be vacant for a continuous period of at least three months prior to the date of the application for prior approval).

10.49 In this context, given the scrapping of the previous Class A uses (including shops) and the introduction of a much wider Class E use (which incorporates Class A1-A3, B1, D1(a), D1(b) and D2(e)), the definition of a PSA (i.e. an area where retail development is concentrated) is more problematic.

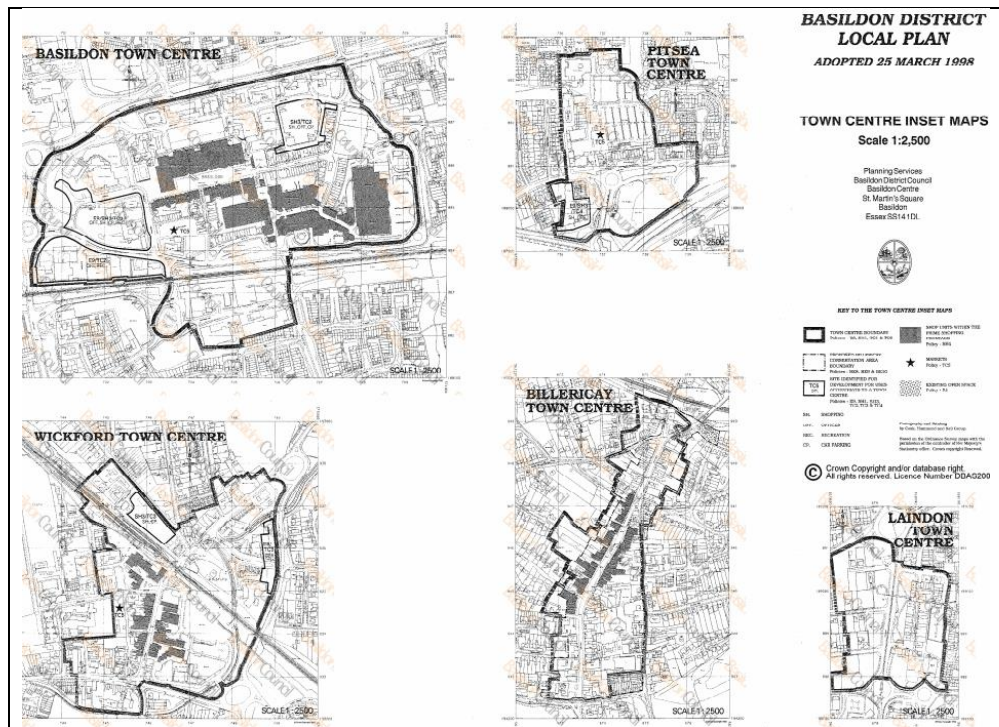
10.50 Notwithstanding these trends and the impact of recent planning reforms, the policies pertaining to plan-making and decision taking for retail, leisure and town centre uses in the NPPF do still refer to the need to define a PSA. The definition of a PSA is critical, for example,

⁷⁵ References to town centres or centres apply to city centres, town centres, district centres and local centres but exclude small parades of shops of purely neighbourhood significance. Unless they are identified as centres in the development plan, existing out-of-centre developments, comprising or including main town centre uses, do not constitute town centres.

to the application of both the sequential and impact tests (paragraphs 91-96). As a result, we have necessarily reviewed the current PSA boundaries, and where necessary redefined these boundaries so that they are aligned with the current NPPF.

10.51 Our starting point is the Basildon District Local Plan (as adopted in March 1998) and accompanying 'Town Centre Inset Maps' that provide the town centre boundaries for Basildon, Billericay, Laindon, Pitsea and Wickford as Town Centres as shown below:

Figure 10.1: Town Centre Inset Maps



Source: Basildon District Local Plan 1998 – Town Centre Inset Maps

10.52 We believe that the definitions for the town centres remain adequate overall. In relation to Laindon we would recommend that this be re-evaluated upon completion of the redevelopment of the town centre.

10.53 As part of the definition of the town centre boundaries, the Council may also wish to consider the potential to apply for Article 4 directions where it considers that the loss of viable town centre shops and businesses to residential use could have a significant and adverse impact on the health, attraction, offer and integrity of these centres over the next 5 years, and beyond⁷⁶.

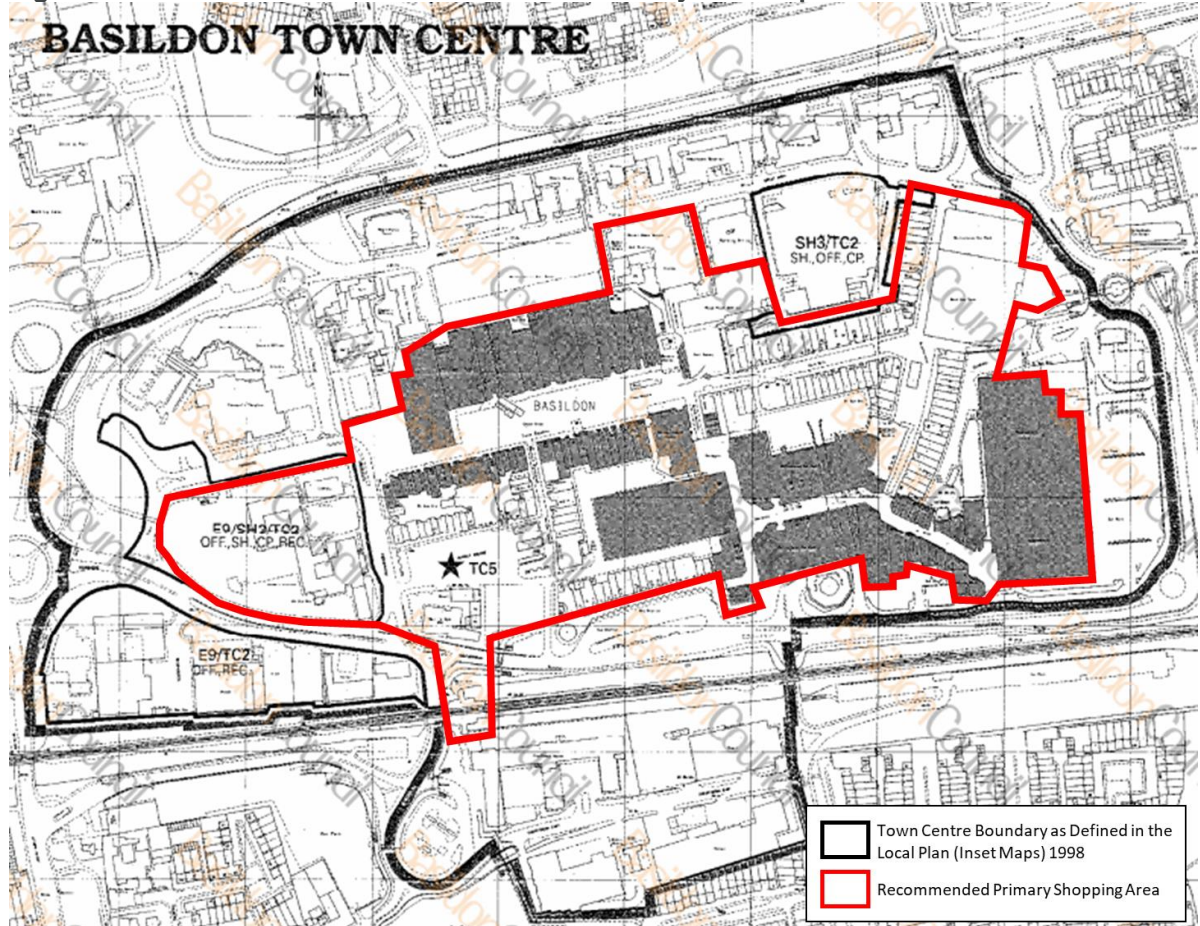
10.54 Drawing on the evidence and key findings of this study, the following sets out our judgements and advice on the definition of appropriate and robust PSAs for the Borough's main centres

⁷⁶ For example, Policy SD9 of the New London Plan states that Boroughs should introduce targeted Article 4 Directions where appropriate and justified to remove PDR (including office/retail to residential) to sustain town centre vitality and viability.

(except for Laindon – which should be re-evaluated after the completion of the redevelopment of the town centre).

- **Basildon:** No proposed change to the town centre boundary and have put forward a suggested area for a PSA as shown in the map below.

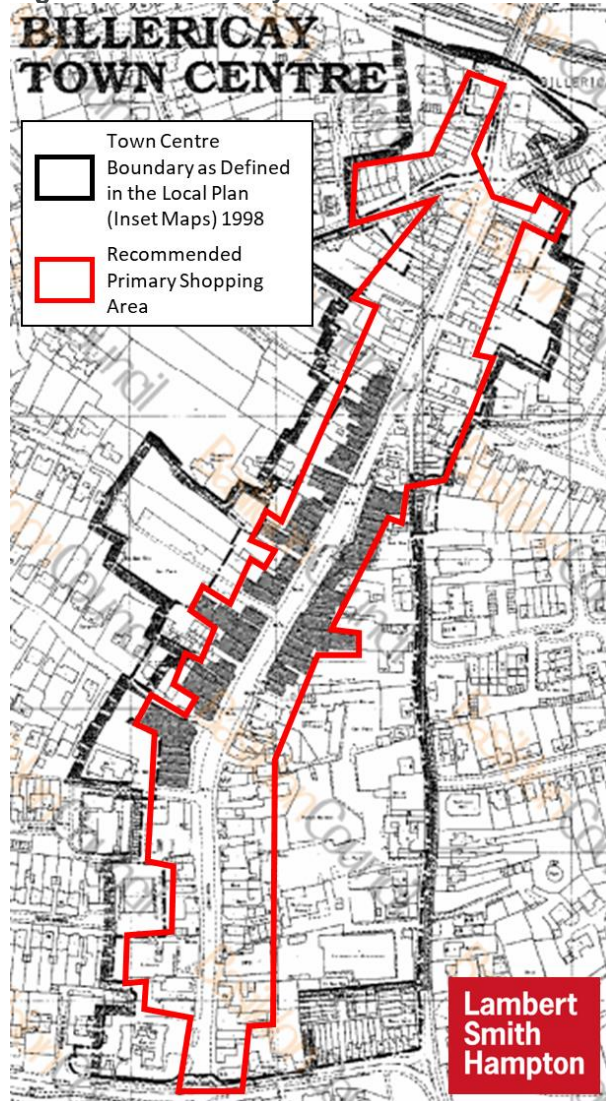
Figure 10.2: Basildon: Current Town Centre Boundary and Proposed PSA



Suggested area for PSA to reflect the where the retail provision is concentrated in the following locations (inter alia):

- Roundacre
 - Basildon Station
 - Southernhay
 - Service Road R
 - Great Oaks (in part)
-
- **Billericay:** No proposed change to the town centre boundary and have put forward a suggested area for a PSA as shown in the map below.

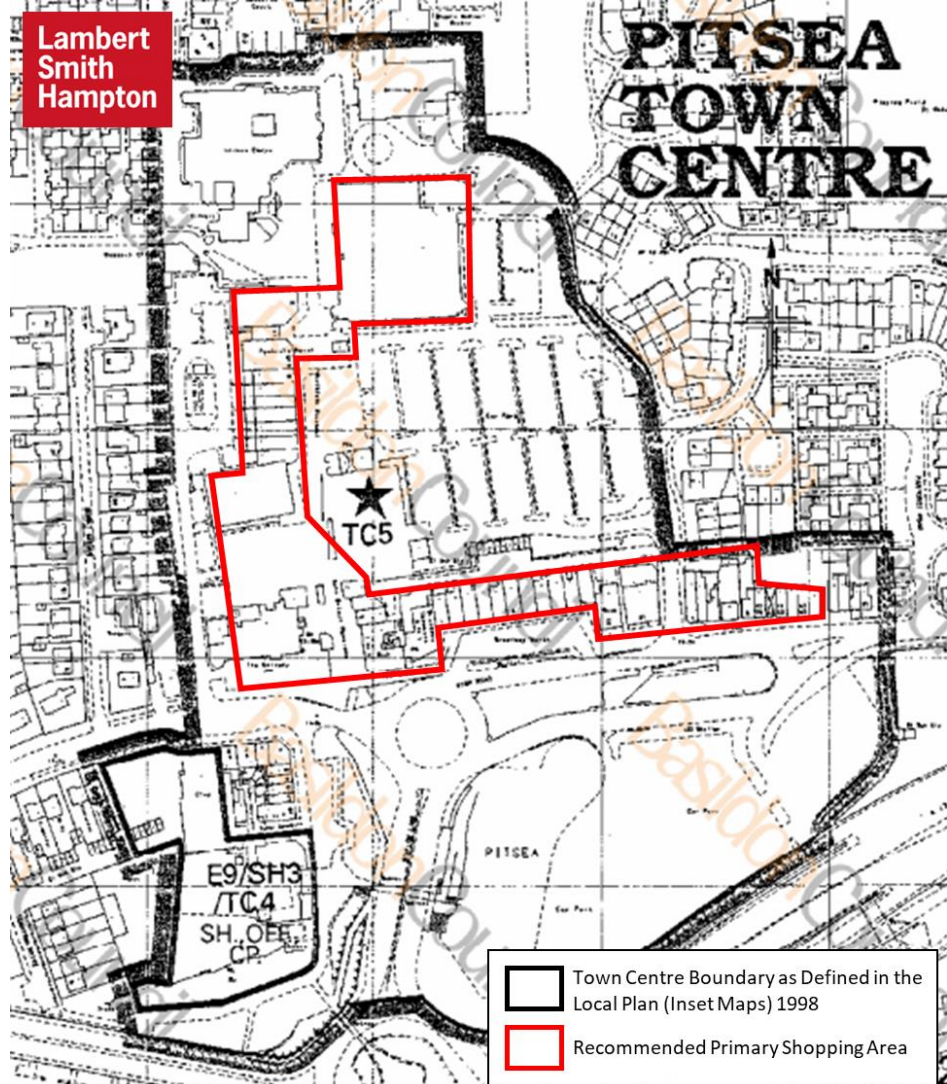
Figure 10.3: Billericay: Current Town Centre Boundary and Proposed PSA



Suggested area for PSA to reflect the where the retail provision is concentrated in the following locations (inter alia):

- High Street
 - Sun Street and London Road (A129 in part)
 - Chapel Sreet (in part)
 - Western Road (in part)
-
- **Pitsea:** No proposed change to the town centre boundary and have put forward a suggested area for a PSA as shown in the map below.

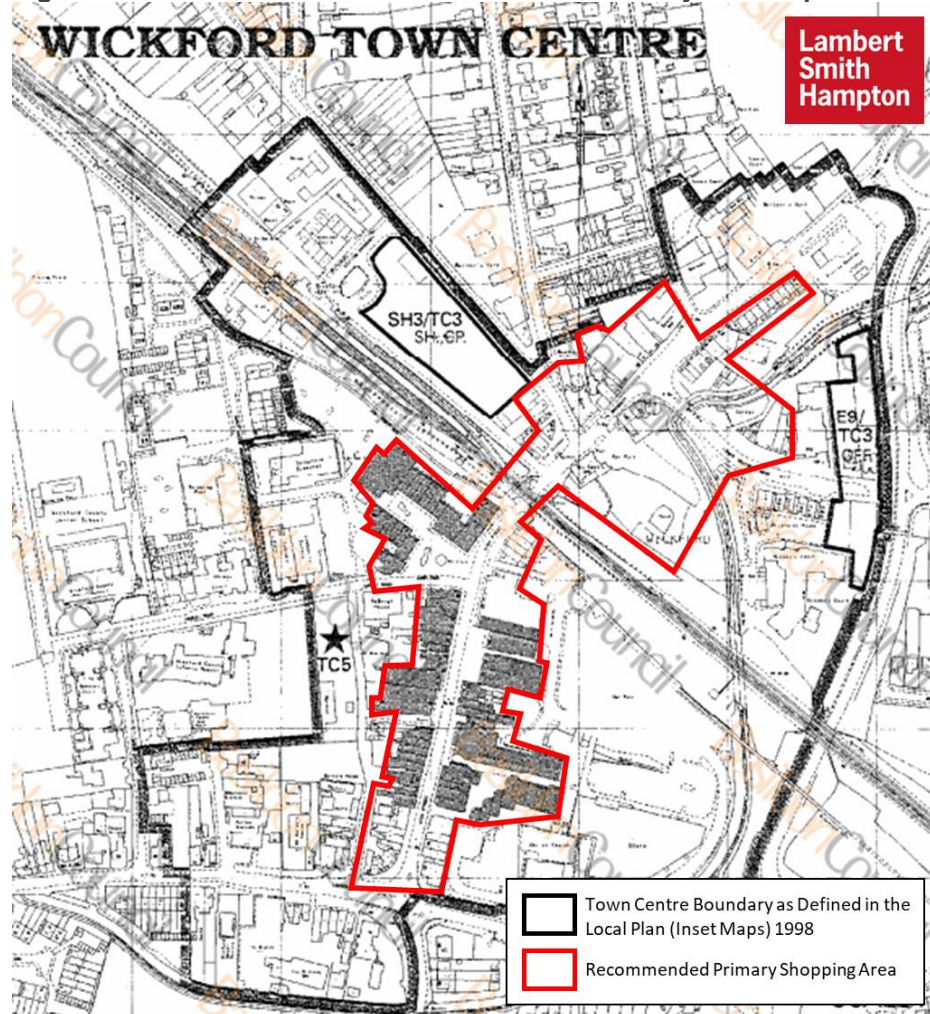
Figure 10.4: Pitsea: Current Town Centre Boundary and Proposed PSA



Suggested area for PSA to reflect the where the retail provision is concentrated in the following locations (inter alia):

- High Road (to the north)
 - The Broadway
 - Rectory Park Road (in part)
-
- **Wickford:** No proposed change to the town centre boundary and have put forward a suggested area for a PSA as shown in the map below.

Figure 10.5: Wickford: Current Town Centre Boundary and Proposed PSA



Suggested area for PSA to reflect the where the retail provision is concentrated in the following locations (inter alia):

- High Street (entirety)
- London Road (A129 in part on the southern edge)
- The Broadway
- Runwell Road (in part)
- Swan Lane (in part)
- Lower Southend Road (in part)
- Station Avenue (in part)
- Market Road (in part)

LOCAL FLOORSPACE IMPACT THRESHOLD

10.55 The NPPF requires an impact assessment to be undertaken for “*retail, leisure and office development outside of town centres, which are not in accordance with an up-to-date Local Plan*” (paragraph 94). Local planning authorities should require an impact assessment if the development is over a proportionate, locally set floorspace threshold, but if there is no local

threshold, then the NPPF default threshold (2,500 sqm gross) should be applied. To help inform the setting of an appropriate impact threshold, the NPPG⁷⁷ also states that it will be important to consider the following:

- scale of proposals relative to town centres;
- the existing viability and vitality of town centres;
- cumulative effects of recent developments;
- whether local town centres are vulnerable;
- likely effects of development on any town centre strategy; and
- impact on any other planned investment.

10.56 Currently there is no retail impact threshold defined in the extant Basildon District Local Plan Saved Policies September 2007. On this basis we advise an impact threshold of **280 sqm gross** is most appropriate and robust for assessing the impacts of any proposed retail/leisure developments outside of defined centres in accordance with paragraph 94 of the NPPF. The justification and evidence to support this lower impact threshold is set out in the paragraphs below.

10.57 As reported in **Section 3**, the growth in internet shopping is having a significant impact on the way households choose to buy food and non-food goods, which in turn is impacting upon retailer business and operating models. This should be considered alongside the long-term impacts of out-of-centre stores, shopping and leisure facilities on town centres. These impacts are probably best illustrated by the changes in the grocery sector over the last decade. Following a sustained period of growth over almost 20 years up to 2010, principally driven by new larger format superstore openings, the main grocery operators (i.e. Tesco, Sainsbury's, Asda, Waitrose and Morrisons) have effectively scrapped their superstore expansion programmes to focus on growing their market shares via online sales and opening smaller convenience stores (i.e. Sainsbury's Local, Tesco Express, Little Waitrose, etc.). Although sizes vary from location-to-location, the main grocers are promoting smaller convenience stores with a minimum gross floorspace of between 280 sqm and 372 sqm (circa 3,000 - 4,000 sqft).

10.58 The 280 sqm gross floorspace figure is also significant, as stores below this threshold are exempt from Sunday trading restrictions. In brief, the Sunday Trading Act defines a 'large shop' as generally being over 280 sqm. It is the Government's intention through this Act to protect smaller, independent stores which are perceived to be financially weaker and therefore require protection from unfair competition from the major supermarket operators. In general terms therefore it follows that proposals for retail floorspace over 280 sqm gross are unlikely to be a purely local facility and will have the ability to draw trade from outside of

⁷⁷ Planning Practice Guidance. Paragraph: 015. Reference ID: 2b-015-20190722

their immediate local catchment with potential consequent impacts on existing stores and centres. For example, in circumstances where convenience stores are proposed on the edge or outside of centres, often as part of petrol filling stations or conversions of public houses, they can have a significant adverse impact on the trading performance, vitality and viability of smaller district and local centres nearby. This will particularly be the case where these existing centres are dependent on smaller supermarkets and/or convenience stores to anchor their retail offer, and to generate footfall and linked trips/expenditure to the benefit of other shops, services and facilities. In some cases, post office counters can also form an integral part of the convenience store offer and attraction in smaller centres, and their future operation could therefore also be jeopardised by new convenience stores opening outside of centres.

- 10.59 The Government's overarching aim to protect the role, function and integrity of local shops selling essential goods and comprising essential services (e.g. post-office counters) is further demonstrated by the reforms to the UCO and the introduction of the new Class F2, which covers local community uses. Within this category, Class F2(a) specifically pertains to a shop (previously classified as A1) selling mostly "*essential goods*", including food, to visiting members of the public where the shop's premises cover an area of no more than 280 sqm and there is "*no such facility within 1,000 metre radius of the shop's location*". This new use class is intended to ensure that uses which are important to local communities have some protection through the planning system, because the scope to change use without planning permission is more limited.
- 10.60 At the same time, the market demand from operators seeking representation and space in town centres is falling significantly as the space available in centres is often of the wrong size and configuration, and in the wrong location to meet today's retailer requirements. For example, modern multiple retailers selling a range of comparison goods (including, for example, fashion, home store and 'bulky' goods) generally have requirements for larger format modern premises with a minimum size of circa 465 sqm gross (5,000 sqft), and usually 929 sqm (10,000 sqft) and above. This minimum floorspace provides operators with the necessary 'critical mass' of sales needed to display their full range of goods in-store and attract customers from a wider catchment area, particularly where they are co-located alongside similar stores in town centre and out-of-centre locations. These minimum floorspace requirements also fall significantly below the NPPF-default threshold of 2,500 sqm gross.
- 10.61 The health checks for the town centres have also identified that smaller independent stores and services make a significant and vital contribution to each centre's diverse offer, attraction and viability. The table below shows the average size of comparison and convenience units in each main centre as sourced from Experian Goad data.

Table 10.8: Basildon Borough: Main Centres - Average Size of Outlets by Centre & Category (sqm gross)

	Comparison Retail			Convenience Retail			Total: Retail, Leisure & Service		
	Total Floorspace (sqm)	Total Outlets	Average Outlet Size (sqm)	Total Floorspace (sqm)	Total Outlets	Average Outlet Size (sqm)	Total Floorspace (sqm)	Total Outlets	Average Outlet Size (sqm)
Basildon	36,185	93	389	14,827	24	618	115,255	302	382
Billericay	5,416	41	132	5,137	15	342	28,001	174	161
Pitsea	12,189	14	871	15,803	10	1580	36,613	70	523
Wickford	8,881	47	189	2,917	16	182	29,496	170	174
Totals / Averages	62,672	195	321	38,684	65	595	209,365	716	292
Laindon		0	-		0	-			

Source: Experian Goad Category Reports

10.62 As the table shows the average size of a comparison goods unit is 321 sqm gross and for convenience goods the average unit size is higher at 595 sqm gross. This is explained by the fact that the convenience offer in all of the Borough's main centres is generally anchored by at least one larger format foodstore and/or a deep discounter. If these are excluded, then the average unit size for the centres will fall significantly. Overall, the average unit size for all retail, leisure and service businesses in the Borough's main town centres is 292sqm gross.

10.63 Turning to the published and known market demand from retailers and leisure operators for representation in the main centres, it is apparent that the minimum average unit sizes operators are seeking are significantly below the NPPF threshold of 2,500 sqm gross (see **Volume 3**). For example, in Basildon the average minimum unit size requirement for the comparison retailers was 533 sqm gross rising to a maximum of 1,015 sqm gross. Clearly if the demand from these operators was for edge and/or out of centre locations, then it could undermine the future retail offer and investment within the Council's centres. In turn this could result in a significant adverse impact on their vitality and viability, specifically in terms of reduced market demand, investment and trade.

10.64 Having regard to the Borough-wide capacity assessment for new retail (convenience and comparison goods) floorspace, focussing on the next five to ten years in accordance with the advice set out in the NPPF and PPG, but also taking the lifetime of the plan into account. In this case the capacity forecasts show no capacity for both convenience and comparison goods.

10.65 In conclusion, we consider that the above evidence provides robust support and justification for the setting of a lower floorspace threshold of 280 sqm gross. This will provide the Council with greater flexibility to robustly assess the individual ('solus') and cumulative impacts of any smaller commercial floorspace (including convenience stores) proposed outside of existing centres that could compete 'like-against-like' with existing, planned and proposed

investment in its main centres. We also advise that this threshold should be applied, where relevant, to change of use applications and applications seeking variations of conditions. It should be noted that whilst the proposed threshold applies to net additional floorspace, where a proposal is for the redevelopment of existing retail floorspace, the threshold should apply to the total floor area proposed (i.e. existing and net additional).

10.66 For clarification, the local planning authority will be aware that the locally set impact threshold does not determine whether an application should be allowed or refused, only whether an application should be subject to an impact assessment. Furthermore, the PPG advocates that the level of information pertaining to the impact test (and the sequential test) provided in support of any application should be proportionate and considered in a locally appropriate way⁷⁸. We therefore advise the Council that they should pro-actively engage with any applicant at an early state in the pre-application process to scope and agree the detail of any assessment and the evidence required in support of an application on a case-by-case basis.

⁷⁸ PPG. Paragraph: 017. Reference ID: 2b-017-20190722

11. GLOSSARY OF TERMS

TOWN CENTRES	Town are the principal centre or centres in a local authority's area. In planning the future of town centres, local planning authorities should consider the function of various parts of the centre and how these contribute to its overall vitality and viability.
DISTRICT CENTRES	District centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library. These centres generally contain between 10,000-50,000sqm of retail, leisure and service floorspace; and provide a higher proportion of convenience over comparison goods.
LOCAL CENTRES:	Local centres include a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office, a pharmacy or a launderette.
TOWN CENTRE USES:	As defined in the NPPF, main town centre uses are retail development (including warehouse clubs and factory outlet centres); leisure, entertainment facilities the more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres, and bingo halls); offices; and arts, cultural and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).
NEIGHBOURHOOD CENTRES	Normally comprise all parades of shops that are of purely local significance.
TOWN CENTRE BOUNDARY	Defined area, including the primary shopping area and areas of predominantly leisure, business and other main town centre uses within or adjacent to the primary shopping area. The extent of the town centre should be defined in Local Plans and on the policies map.
PRIMARY SHOPPING AREA (PSA)	Defined area where retail development is concentrated (generally comprising the primary and those secondary frontages which are adjoining and closely related to the primary shopping frontage).
EDGE-OF-CENTRE	As defined in the NPPF, For retail purposes a location that is well connected up to 300 metres from the primary shopping area. For all other main town centre uses, a location within 300 metres of a town centre boundary. For office development, this includes locations outside the town centre but within 500 metres of a public transport interchange. In determining whether a site falls within the definition of edge-of-centre, account should be taken of local circumstances.
OUT-OF-CENTRE	A location which is not in or on the edge of a town centre. Out-of-centre locations are at the bottom of the retail hierarchy and any application for retail development in an out-of-centre location must fully assess impacts and rule out potential for locating in a more sequentially preferable location.
CONVENIENCE RETAILING	Convenience retailing is the provision of everyday essential items, including food, drinks, newspapers/magazines and confectionery.
COMPARISON SHOPPING	Comparison retailing is the provision of items not obtained on a frequent basis. These include clothing, footwear, household and recreational goods.
SUPERMARKETS	Stores selling mainly food, with a trading floorspace less than 2,500 square metres, often with car parking.
SUPERSTORES	Stores selling mainly food, or food and non-food goods, usually with more than 2,500 square metres trading floorspace, with supporting car parking.
RETAIL WAREHOUSES	Large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering mainly for car-borne customers.

RETAIL PARKS	An agglomeration of at least 3 retail warehouses
WAREHOUSE CLUBS	Large businesses specialising in volume sales of reduced priced goods. The operator may limit access to businesses, organisations or classes of individual.
FACTORY OUTLET CENTRES	Groups of shops specialising in selling seconds and end-of-line goods at discounted prices.
LEISURE PARKS	Leisure parks often feature a mix of leisure facilities, such as a multi-screen cinema, indoor bowling centres, night club, restaurants, bars and fast-food outlets, with car parking.
CONVENIENCE GOODS EXPENDITURE	Expenditure (including VAT as applicable) on goods in COICOP categories: Food and non-alcoholic beverages, Tobacco, Alcoholic beverages (off-trade), Newspapers and periodicals, Non-durable household goods.
COMPARISON GOODS EXPENDITURE	Expenditure (including VAT as applicable) on goods in COICOP Categories: Clothing materials & garments, Shoes & other footwear, Materials for maintenance & repair of dwellings, Furniture & furnishings; carpets & other floor coverings, Household textiles, Major household appliances, whether electric or not, Small electric household appliances, Tools & miscellaneous accessories, Glassware, tableware & household utensils, Medical goods & other pharmaceutical products, Therapeutic appliances & equipment, Bicycles, Recording media, Games, toys & hobbies; sport & camping equipment; musical instruments, Gardens, plants & flowers, Pets & related products, Books & stationery, Audio-visual, photographic and information processing equipment, Appliances for personal care, Jewellery, watches & clocks, Other personal effects.
SPECIAL FORMS OF TRADING	All retail sales not in shops and stores; including sales via the internet, mail order, TV shopping, party plan, vending machines, door-to-door and temporary open market stalls.
GROSS GROUND FLOOR FOOTPRINT FLOORSPACE	The area shown on the Ordnance Survey map or other plans as being occupied by buildings and covered areas measured externally.
GROSS RETAIL FLOORSPACE	The total built floor area measured externally which is occupied exclusively by a retailer or retailers; excluding open areas used for the storage, display or sale of goods.
NET RETAIL SALES AREA	The sales area within a building (i.e. all internal areas accessible to the customer), but excluding checkouts, lobbies, concessions, restaurants, customer toilets and walkways behind the checkouts.
RETAIL SALES DENSITY	Convenience goods, comparison goods or all goods retail sales (stated as including or excluding VAT) for a specified year on the price basis indicated, divided by the net retail sales area generating those sales.
QUANTITATIVE NEED	Is conventionally measured as expenditure capacity (i.e. the balance between the turnover capacity of existing facilities and available expenditure in any given area). Expenditure capacity, or 'quantitative need' can arise as a result of forecast expenditure growth (either through population growth or increase in spending), or by identification of an imbalance between the existing facilities and current level of expenditure available in an area.
QUALITATIVE NEED	Includes more subjective measures such as, for example, consumer choice; the appropriate distribution of facilities; and the needs of those living in deprived areas. 'Over trading' is also identified as a measure of qualitative need, although evidence of significant over-crowding, etc., may also be an indicator of quantitative need.

