

TOWN CENTRE USES & FUTURE DIRECTIONS STUDY: PART 1

for:

**SURREY HEATH
BOROUGH COUNCIL**

August 2021



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Signed:

A handwritten signature in black ink, appearing to read "Steve Day". The signature is written in a cursive style with a large initial 'S' and 'D'.

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For and on behalf of Lambert Smith Hampton

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1. INTRODUCTION

- 1.1 Lambert Smith Hampton ('LSH') was commissioned to prepare the ***Town Centre Uses & Future Directions Study*** on behalf of Surrey Heath Borough Council (the 'Council'). This study is split into two inter-related parts:
- **Part 1:** provides an update of the evidence base for the Borough and its main centres (i.e. Camberley, Frimley and Bagshot) and an overview of the current position, informed by wide-ranging research and surveys, including healthchecks and forecasts of the need for new retail and leisure uses up to 2038; and
 - **Part 2:** draws on the key findings of the Part 1 study and provides forward thinking and recommendations for the development of a robust strategy and policies. The advice is aligned with national policy and the Council's vision for Camberley Town Centre, and informed by current and predicted economic, market and consumer trends.
- 1.2 Together the Part 1 and 2 studies will provide the Council with the robust evidence-based research and recommendations needed to inform their future plan-making and development management decisions.
- 1.3 The studies have been prepared in the context of the Council's current development plan documents pertaining to retail, commercial leisure and other main town centre uses. It is also informed by other relevant material considerations, including the *National Planning Policy Framework* (NPPF) and the *Planning Practice Guidance* (PPG). Both the Framework and PPG place significant weight on the development of positive plan-led visions and evidence-based strategies to help ensure the long-term vitality and viability of town centres.
- 1.4 The Government issued a further series of reforms to the planning system in July 2020 related to Permitted Development Rights (PDR)¹ and the Use Classes Order (UCO)². This was followed by the consultation White Paper '*Planning for the Future*' in August 2020, which sets out the Government's proposed "radical reform" of the planning system. Although it is too early to comment on the potential implications of the White Paper on plan-making and development management at the local level, the amendments to the UCO are relevant to this study, and specifically the new Use Class E. We summarise the new UCO in more detail in Section 2 of this study.
- 1.5 This work and our advice necessarily takes account of the dynamic trends influencing and shaping the retail and commercial leisure sectors, and the UK's High Streets and Town Centres. The study was prepared during the height of the Coronavirus (COVID-19) pandemic in 2020/21, which has had an unprecedented impact on the way the nation lives, shops, works and carries out a range of activities at the time. The impact on policy, the economy, households, businesses and our towns and high streets has been significant to date, and the full impacts will not be realised until the country returns to more "*normal conditions*". Against this background we advise the Council to monitor and review the findings of this study on a regular basis over the next 2-3 years, and carry out a "*refresh*" if necessary to reflect any significant (and as yet unknown) impacts on the Borough's economy, its town centres and household shopping and leisure patterns from COVID-19 and other market trends.

¹ 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

² 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.

- 1.6 Notwithstanding the caveats with regard to the wide-ranging impacts of the pandemic, this work provides the robust evidence and key findings at this point in time to help to inform and guide both plan-making and decision-taking across the Borough and its main centres up to 2038.

THE BOROUGH & ITS MAIN CENTRES

- 1.7 By way of context Surrey Heath Borough is located in the north west corner of Surrey and adjoins the counties of Berkshire and Hampshire. The north and east of the Borough are mainly areas of countryside and heathland, and The River Blackwater forms the western boundary. The heathland areas are of national and international importance and form part of the Thames Basin Heaths Special Protection Area (SPA) and the Thursley, Ash, Pirbright and Chobham Common Special Areas of Conservation. Nearly half of the Borough is designated as Green Belt.
- 1.8 Camberley is the largest town in the Borough, and is the key retail, commercial and employment centre. The town is located in the western half of the Borough outside the Green Belt, along the A30 London Road. The main settlements to the east are the larger villages of Bisley, Bagshot, Lightwater, West End and Windlesham (including Snows Ride) and the smaller village of Chobham.
- 1.9 Camberley was originally known as Cambridge Town and Yorktown, when it was first developed to serve the needs of the Staff College in 1862 that formed part of the Royal Military College (established in 1812). It was subsequently renamed as Camberley and a new rail station and link to London was constructed in 1878. Since the 1950's the town has gradually merged with Frimley, Frimley Green and Mytchett to form a large linear urban area. Although the town is shaped by its Victorian origins, its urban form and buildings reflect its redevelopment since the 1960s.
- 1.10 Pre COVID-19 the local economy was relatively buoyant; characterised by low levels of unemployment and high rates of business formation, particularly small businesses. The Borough's traditional manufacturing industries have largely been replaced since the mid-1990s by information and technology based industries that benefit from strong linkages to the Thames Valley. These include the businesses in Watchmoor Business Park, which forms part of a larger business cluster based in and around the Blackwater Valley towns.
- 1.11 The majority of housing development in the Camberley/Frimley area occurred during the 1970s and 1980s when this area was part of a major growth area in the South East. Most recently the Borough has experienced rising house prices and is reportedly one of the most expensive areas to live outside of London. However the Borough has experienced a downturn in the demand for office premises, resulting in an increase in empty offices in central locations; a number of which have been repurposed for residential uses through Permitted Development Rights (see Section 2).
- 1.12 In terms of its demographic and socio-economic profile the Borough is characterised by an ageing population. This presents future challenges for housing, health, employment and social support. High levels of car ownership reflect the prosperity of the area, but also the historically poor public transport facilities. Although bus services have improved over recent years, some still operate infrequently. Train services are also generally poor, with few direct mainline services, which impacts on the type of businesses seeking to locate in the Borough that require strong connectivity.
- 1.13 This study inevitably focuses on Camberley future revitalisation, growth and regeneration as it is the main centre in the Borough and one of the Borough's main "engines" for economic growth over the plan period. This work builds on significant investments and projects in the town centre by the public and private sectors over recent years, as well as by key town centre stakeholders and businesses. For example, Surrey Heath Borough Council has invested an estimated £140 million into Camberley

over the last five years. This has included: the acquisition and subsequent refurbishment of The Square Shopping Centre; and the acquisition of Ashwood House, the former BHS and office building, which is currently being redeveloped into 116 high quality residential apartments by Berkeley Homes (with the ground floor commercial space to be retained and controlled by the Council). The Council has also carried out significant improvement works to High Street, Princess Way and Knoll Walk to create a more pedestrian-friendly, high quality street environment. The regeneration of the London Road (A30) block between the High Street and Park Street has also been a priority for the Council for many years and a joint development partner was selected in 2019 to help deliver a major residential and mixed use scheme on this key “gateway” site in the heart of the town centre. All these key investments and projects are considered in more detail throughout this study.

SCOPE OF WORK

1.14 In summary the main objectives of this work are to:

- analyse the factors that will impact on the Borough’s town centres over the plan period to 2038 and the key local planning policy and development opportunities that can help support sustainable retail and leisure provision;
- assess the demand for retail and other main town centre uses in the Borough (specifically focussing on Camberley Town Centre);
- audit the viability and vitality, market share, and effectiveness of planning policy and strategy, for Camberley Town Centre to help inform future strategy;
- evaluate the capability of the Borough’s evolving network of centres to function effectively and to meet future local needs;
- assess and test the relationship between a range of local development growth scenarios and future retail and leisure provision;
- formulate a positive development approach for Camberley Town Centre as a part of wider town centre strategy, including investigating the prospects, development options and strategy for its existing identified sites and purpose-built shopping locations; and
- consider an appropriate and sustainable role for the town centre in the future.

1.15 This evidence-based study has been informed by desktop research and the following market research surveys specifically commissioned for this work³:

- **Street interview survey:** of over 200 visitors to Camberley Town Centre in May/June 2019, also conducted by NEMS (Appendix B); and
- **Telephone interview survey:** of over 1,000 households conducted by NEMS Market Research (NEMS) across the Borough and wider geographic area in May/June 2019 (Appendix C).

1.16 The research has also been supplemented by wide-ranging engagement and consultation with key town centre stakeholders with a vested interest and investment in the future of Camberley Town Centre, including the Town Centre Working Group and the Joint Local Plan Working Group. This consultation has provided a more informed understanding of the key issues, challenges and opportunities facing the Borough and specifically Camberley Town Centre. It has also helped to guide and shape the most appropriate commercial, economic and sustainable retail and leisure strategy.

1.17 For ease of reference this Part 1 evidence-based study is structured as follows:

³ Please note that the street interview questionnaire and survey was originally designed, commissioned and carried out before LSH was instructed by the Council.

- **Section 2:** sets out the planning and regeneration context.
 - **Section 3:** highlights some of the key trends that are driving the dynamic changes in the retail sector and town centres at the national and local level. It reviews how these trends resonate with what is “*happening on the ground*” in Camberley Town Centre, and how existing and new trends will continue to shape the urban and retail landscape over the short, medium and long term.
 - **Section 4:** provides the up-to-date health check assessment for Camberley Town Centre based on a range of key performance indicators (KPIs) as set out in the PPG.
 - **Section 5:** sets out the results of the street interview survey conducted in Camberley to further inform the assessment of the town centre’s strength and weaknesses as a shopping and leisure destination, the opportunities and any potential significant threats to its future growth and development. **Appendix B** describes the methodology in more detail and provides the detailed tabulations.
 - **Section 6:** defines the Study Catchment Area (‘SCA’) that provides the framework for the household telephone interview survey conducted by NEMS and sets out the headline results. **Appendix C** describes the methodology in more detail and provides the detailed tabulations.
 - **Section 7:** provides a high level overview of the vitality and viability of Frimley and Bagshot District Centres⁴.
 - **Section 8:** sets out the key inputs/outputs of LSH’s **CREAT^e** economic capacity model, and the capacity for new retail floorspace up to 2038. The detailed economic tabulations are set out in **Appendix A** to this study.
 - **Section 9:** assesses the potential need for new commercial leisure uses in the Borough and its main centres.
- 1.18 The **Part 2 Study** (effectively Section 10) summarises the key evidence and research findings, and provides robust policy advice and recommendations for the future direction of Camberley Town Centre and the Borough’s other main centres, to ensure that they remain vital and viable over the plan period.
- 1.19 It is important to state at the outset that any forecasts beyond a five-year (short-term) time period should be interpreted with caution. As we describe in Section 2, the NPPF is clear that LPAs should plan for and allocate sufficient sites to meet needs **over a minimum 15 year period**, but should apply a shorter ten-year time horizon to meeting the needs for new retail, leisure, office and other main town centre uses. The PPG also acknowledges that, because of the uncertainty in forecasting long-term retail trends and consumer behaviour, 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 reviewed**”⁵.
- 1.20 We therefore advise that the forecasts be updated regularly to take account, inter alia, of the impact of any significant new retail and leisure developments in the Borough and neighbouring authorities; changes in population growth forecasts over time; and/or any significant impacts arising from other key trends in the retail and commercial leisure sectors. These trends will include the growing impact of ecommerce and the long term effects of the COVID-19 pandemic on the way people shop, work, study and carry out a range of leisure activities.

⁴ Please note that the scope of this study does not cover an assessment of the health of the Borough’s smaller Local Centres and Neighbourhood Parades.

⁵ PPG. Paragraph: 004 Reference ID: 2b-004-20190722

2. PLANNING POLICY & REGENERATION CONTEXT

- 2.1 This section first provides a brief overview of the planning policy and regeneration context relevant to the preparation of this study. It sets out a high level review of the Council's Development Plan Documents ('DPDs') pertaining to retail and town centre uses, including the *Camberley Town Centre Area Action Plan* ('CTCAAP'), alongside the *National Planning Policy Framework* (NPPF); and *Planning Practice Guidance* (PPG). It also highlights other policy and evidence-based documents that are relevant to the preparation of this study.

NATIONAL PLANNING & REGENERATION CONTEXT

- 2.2 Before reviewing the Council's local development plan policies, the following provides a summary of the relevant national planning policy and guidance pertaining to retail, commercial leisure and town centres.

National Planning Policy Framework (NPPF)

- 2.3 The latest update of the NPPF published in July 2021 sets out the Government's planning policies for England. Planning law requires that applications for planning permission be determined in accordance with the development plan⁶, unless material considerations indicate otherwise⁷. The NPPF must therefore be considered in plan-making and is a material consideration in planning decisions.
- 2.4 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 needs⁸. 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). For **decision-taking**, the onus is on local authorities to approve development proposals without delay where they accord with an up-to-date development plan. Where development plan policy is silent, or policies are out-of-date, permission should be granted unless there is a clear reason for refusal.
- 2.5 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 pattern, scale and design quality of places, and make sufficient provision for: housing (including affordable housing), employment, retail, leisure and other commercial development, alongside the provision of infrastructure and community facilities. The NPPF requires that LPAs plan for and allocate sufficient sites to meet needs over the plan period, but apply a shorter ten-year time horizon to meeting the needs for new retail, leisure, office and other main town centre uses. 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).

⁶ This includes local and neighbourhood plans that have been brought into force and any spatial development strategies produced by combined authorities or elected Mayors.

⁷ Section 38(6) of the Planning and Compulsory Purchase Act 2004 and section 70(2) of the Town and Country Planning Act 1990.

⁸ Resolution 42/187 of the United Nations General Assembly

- 2.6 Chapter 7 '**Ensuring the vitality of town centres**' provides guidance on plan-making and decision-taking for retail and other town centre uses that are most relevant to the preparation of this study. Paragraph 85 specifically sets out criteria that LPAs should consider when preparing planning policies.
- 2.7 Paragraphs 86-90 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. The NPPF (paragraph 90) states that "...where an application fails to satisfy the sequential test or is likely to have significant adverse impact on one or more of the considerations in paragraph 90, it should be refused".

Planning Practice Guidance (PPG)

- 2.8 The latest update of the **Planning Practice Guidance (PPG)** was issued in September 2020, at the time of finalising this study. It provides specific guidance on plan-making and decision taking for retail, leisure and town centre uses, including guidance on Permitted Development Rights (PDR) and the new Use Classes Order ('UCO') that came into effect on 1st September 2020 (see below). 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 the vitality and viability of town centres, the PPG states that a wide range of complementary uses can, if suitably located, help to support the vitality 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 reviewed**"⁹.
- 2.11 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 tests¹⁰. A checklist is provided for local planning authorities to consider when applying the sequential test¹¹
- 2.12 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*"¹².

⁹ Paragraph: 004 Reference ID: 2b-004-20190722

¹⁰ Paragraph: 005 Reference ID: 2b-005-20190722

¹¹ Paragraph: 010 Reference ID: 2b-010-20190722.

¹² Paragraph: 006 Reference ID: 2b-006-20190722

- 2.13 Guidance is also provided on PDR and determining change of use applications in town centres¹³. Aside from allowing changes of use without any application process, the PDR process allows for a change of use subject to prior approval by the local planning authority on specific planning matters.

Use Classes Order

- 2.14 As described in Section 1, the Government issued a series of reforms to the planning system in July 2020 at the time of preparing this study. The reforms principally related to Permitted Development Rights (PDR)¹⁴ and the Use Classes Order (UCO)¹⁵. They were also followed by the consultation White Paper '*Planning for the Future*' published in August 2020.
- 2.15 The 2020 UCO, which came into effect from 1st September 2020 (and was subject to challenge at that time), amended and revoked a number of use classes under the previous 1987 UCO and replaced them with much broader use classes. These changes are relevant to this study which, in the main, refers to the previous use classes defined by the previous 1987 UCO. They are also material to the Council's plan-making and decision-taking.
- 2.16 In brief, a new Class E subsumes use classes that were specified in the previous UCO as Class A1 (Shops), Class A2 (Financial and professional services), Class A3 (Restaurants and cafes) and Class B1 (Business). Class F1 and F2 include several use classes that were previously specified in the Schedule to the Use Classes Order as Class D1 (Non-residential institutions) and Class D2 (Assembly and leisure).
- 2.17 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"¹⁶.

LOCAL PLAN CONTEXT

- 2.18 The following provides an overview of the more relevant local Development Plan Documents ('DPD')¹⁷ that guide both plan-making and decision-taking for new development in Surrey Heath Borough and its main town centres. The main statutory DPDs relevant to this study include:
- the saved policies from Surrey Heath Local Plan 2000;
 - the Core Strategy & Development Management Policies 2011-2028 (adopted February 2012); and
 - the Camberley Town Centre Area Action Plan (adopted July 2014).

¹³ Paragraph: 007 Reference ID: 2b-007-20190722. Also refer to: Town and Country Planning (General Permitted Development) (England) Order 2015, as amended.

¹⁴ 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

¹⁵ 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.

¹⁶ <https://www.gov.uk/government/news/pm-build-build-build>

¹⁷ Section 38(6) of the Planning and Compulsory Purchase Act

2.19 These DPDs are considered alongside the Council's most recent and relevant evidence-based retail and town centre studies; namely the 2007 *Retail Study*¹⁸, the 2010 *Retail Study Update*, and the 2012 *Retail Report* prepared to inform and support the preparation of the *Camberley Town Centre Area Action Plan*.

Core Strategy & Development Management Policies, 2011-2028

2.20 Adopted in February 2012, the *Core Strategy* provides the over-arching DPD for the Borough. It sets out the vision, objectives, spatial strategy and policies covering the period 2011 to 2028. Sustainable development is the guiding principle behind the Core Strategy and the overriding challenge is: "...to deliver additional development and infrastructure that benefits the changing population but does not compromise the quality of life of existing residents or cause harm to the environment" (paragraph 3.3).

2.21 As described in Section 1, the Green Belt covers a large proportion of the Borough, particularly on the eastern side, and includes a number of protected sites/habitats¹⁹ that restrict development (see Policy CP14A). Development will only be permitted where the Council is satisfied that this will not give rise to significant adverse effects upon the integrity of the *Thames Basin Heaths Special Protection Area* and/or the *Thursley, Ash, Pirbright & Chobham Common Special Area of Conservation* (Policy CP14B). The agreed approach to offset any impact from new development is the provision of *Suitable Alternative Natural Greenspaces* (SANGs), and all net new residential development should provide or contribute toward the provision of SANGS. As a result most new development is focussed to the west of the Borough; although the military training estate, Green Belt and the SPA limit any opportunity for major expansion.

2.22 The Core Strategy (Section 4) sets out the Council's '**Vision and Objectives**'. With regard to Camberley the Vision is to enhance the town centre's role as a successful and popular shopping destination through: "...increases in retail floorspace particularly along the London Road frontage and the refurbishment of the central shopping area in Main Square. Its role as a main office based employment centre will continue but regeneration will present opportunities for housing. The town centre's growing role as a leisure and cultural destination will be supported. Accessibility will be enhanced through improvements to public transport" (paragraph 4.3).

2.23 The **Core Policies** (CP) most relevant to this study include:

- **Policy CP1 – Spatial Strategy:** seeks to deliver and concentrate development in a sustainable manner in the western part of the Borough, as part of the Western Corridor/ Blackwater Valley sub-regional growth area, and specifically Camberley (see Proposals Map). There is limited development potential identified for Frimley and the other smaller centres and villages in the Borough. New residential and employment uses is directed towards Camberley and the nearby Core Employment Areas ('CEAs') in Yorktown and off Frimley Road. Redevelopment of the station area and London Road block are identified as providing the potential for new retail, residential and mixed use development (see Town Centre AAP – reviewed below).
- **Policy CP3 – Housing:** sets out the need for 3,240 (net) additional dwellings within the period 2011-2028. The Princess Royal Barracks at Deepcut is allocated for some 1,200 of new homes up to 2025 (Policy CP4), with 860 dwellings identified for Camberley.

¹⁸ The 2007 Study assessed the need for additional retail floorspace in the Borough to 2016 and provided further guidelines on the level of floorspace that might be accommodated in the period to 2026.

¹⁹ including Special Protection Areas (SPA), Special Areas of Conservation (SAC) and Sites of Special Scientific Interest (SSSI)

- **Policy CP8 – Employment²⁰**: sets out the Council’s objective to make provision for 7,500 new jobs up to 2027. Camberley Town Centre and the CEAs are the focus for new employment uses, regeneration and inward investment. The Core Strategy (paragraph 5.55) identifies a longstanding surplus of office floorspace in the town centre, much of it “*unsuited to the needs of modern office users*”. It states that the evidence of long term vacancy rates and changing needs of occupiers suggest that there is no need for the current level of office floorspace within the town centre. Redevelopment of such sites as part of mixed use schemes to provide modern good quality office floorspace will be encouraged. The Core Strategy states that: “...*employment growth within the retail sector, over the long term, is expected to replace that lost within the offices*” (paragraph 5.55). Schemes that upgrade the quality of the existing office stock (B1a) will be encouraged even where overall this results in a net loss of floorspace. The employment growth sectors identified include the Health Sector, which reflects growth at Frimley Park Hospital, and ICT and Creative Industries/Media.
- **Policy CP9 – Hierarchy and Role of Centres**: defines the network and hierarchy of centres up to 2026. Camberley is the Borough’s main town centre and is classified as a Secondary Regional Centre (‘SRC’) in the South East Plan²¹. There are 22 Primary Regional Centres (‘PRC’) including Guildford, Woking and Reading in the sub-region. Bagshot and Frimley are defined as District Centres. There are five smaller Local Centres: Chobham, Deepcut, Frimley Green, Lightwater and Windlesham. Camberley Town Centre is the focus for new development and growth, with limited potential in other centres (with the exception of new residential development in Deepcut).
- **Policy CP10 – Camberley Town Centre**: seeks to consolidate and enhance the role of Camberley as a SRC. The policy states that up to 200 new homes could be delivered alongside a substantial 41,000 sqm gross of retail floorspace in the period up to 2028²². The policy sets out a range of criteria that new development should contribute towards. It also refers to the AAP to help deliver the strategy.
- **Policy CP11 – Movement**: the Council supports proposals to improve public transport in the Borough, particularly serving Camberley Town Centre and Deepcut. This arises from the problem of high car dependency leading to traffic congestion and unsustainable travel patterns across the Borough and in the town centre. Without intervention, the Core Strategy identifies that this is likely to worsen over time, posing a risk to economic growth and the strategic and local highway infrastructure.

2.24 Section 6 of the Core Strategy sets out the **Development Management Policies** and the most relevant to this study include:

- **Policy DM12 - District and Local Centres and Neighbourhood Parades**: encourages development that is appropriate in size and scale (taking into account the hierarchy of retail centres as set out in Core Policy CP9) and offers environmental improvements to the centres. Unless exceptional circumstances can be demonstrated, development at ground floor level should not lead to an over proliferation of non-retail uses comprising Class A2-A5 uses, such that less than 50% of the total shopping area and less than 75% of a primary shopping area contains non-retail uses. This policy supports strategic objectives 1/14 and Policies CP1/CP9.
- **Policy DM13 - Employment Development Outside CEAs & Camberley Town Centre**: seeks to retain sites in employment use outside of the CEAs and Camberley Town Centre and promote redevelopment or expansion where this would improve environmental and residential amenity. However, there may be occasions where the Council would allow the loss of such sites either due to long-term vacancy, or because the quantity/quality of existing employment sites is

²⁰ For the purposes of this policy ‘employment uses’ are those falling under Use Class B and uses which perform similar employment generating uses or functions (non-retail). ‘Alternative uses’ are activities such as crèches and coffee shops that support the needs of businesses within the Core Employment Areas.

²¹ South East Plan Policy TC1: Strategic Network of Town Centres

²² The revised capacity forecasts set out in this *Town Centre Uses and Future Directions Study* will supersede the capacity forecasts in the 2007, 2010 and 2012 studies that previously informed the preparation of the Core Strategy and AAP.

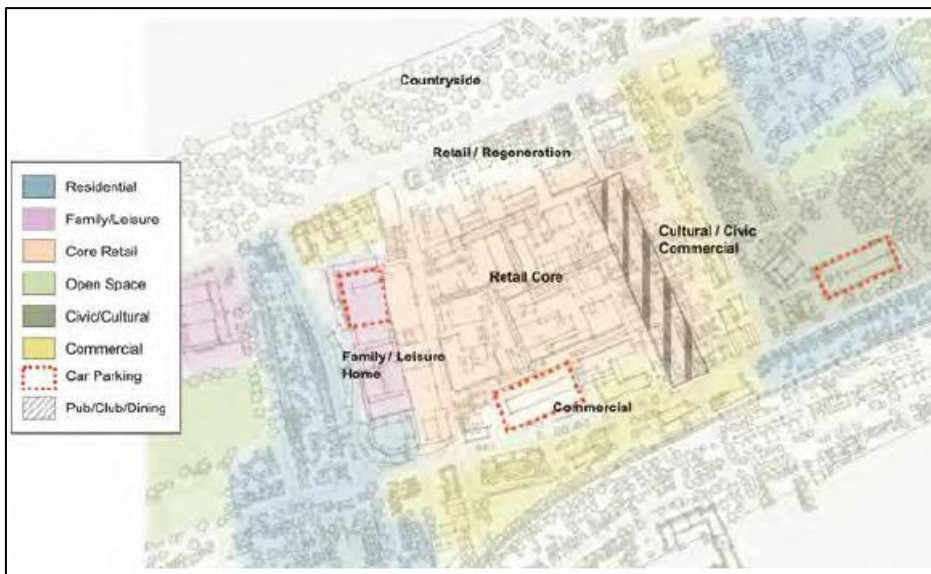
sufficient to cater for employment needs over the plan period. This policy supports strategic objectives 1/12/16 and Policies CP1/CP8.

- **Policy DM14 - Community & Cultural Facilities:**²³ the Borough has a wide range of facilities providing a variety of roles and functions. Unless such facilities are to be co-located in a way that would improve or enhance infrastructure provision, the loss of existing community or cultural facilities will be resisted. This policy supports strategic objective 16 and Policy CP12

Camberley Town Centre Area Action Plan

- 2.25 Together with the Core Strategy, the AAP forms an important part of the Council’s DPDs and has helped to shape development within the town centre in the period up to 2028. Its provisions and policies, underpinned by a robust evidence base, replaced the saved Camberley Town Centre policies of the Surrey Heath Local Plan 2000.
- 2.26 In summary the key objectives of the AAP include: ensuring the town centre continues to be a vital and viable shopping facility; providing an excellent range of leisure, cultural and community facilities to meet the needs of the local population; maintaining the town centre’s role as an employment centre; improving accessibility; and enhancing the town’s environment, character and heritage.
- 2.27 The AAP is focussed on regenerating, improving and strengthening the five existing core “*activity areas*”, as identified in the plans below, through new mixed use development.

Figure 2.1: Camberley Town Centre – Existing Core Activity Areas & Preferred Approach



Source: AAP (Plans 4 and 5; pages 15 and 16)

- 2.28 The strategy specifically seeks to:

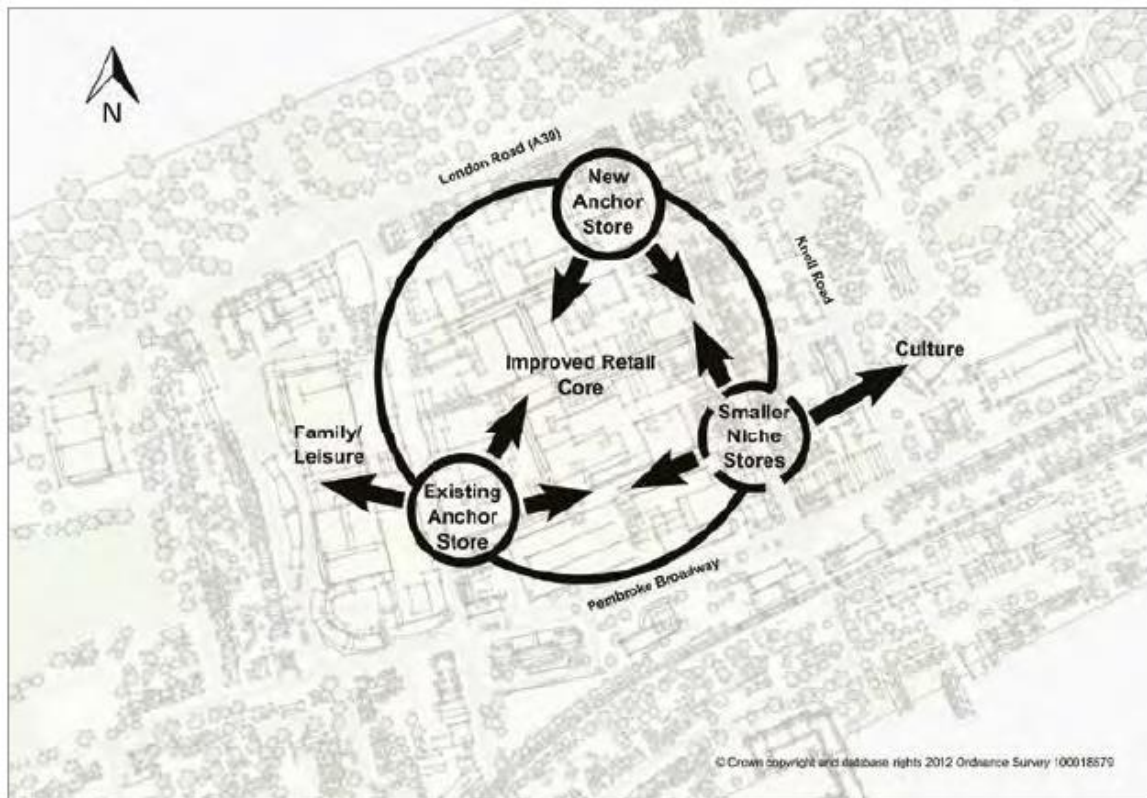
- regenerate the London Road A30 frontage to accommodate the forecast need/demand for new retail floorspace by extending the retail core to include London Road;

²³ For the purposes of this policy community and cultural facilities may include: community centres, village halls, healthcare facilities, education facilities, childcare facilities, the voluntary sector, public service providers, places of worship, theatres, art galleries and museums.

- encourage the re-use of vacant office floorspace;
- deliver improvements to the town’s accessibility and connectivity, including an improved station and bus/rail interchange in Pembroke Broadway;
- provide new housing in the town centre, including on its eastern edge around the Cultural/ Civic/ Commercial area; and
- deliver public realm improvements around the town centre, in particular delivering environmental improvements within the High Street to create pedestrian-priority areas.

2.29 The **Retail Strategy** is illustrated by the figure below. It is focussed on promoting major new retail development with a comparison goods anchor store and car parking on the London Road block, whilst at the same time ensuring that any development does not detract from the town’s wider retail offer. The AAP recognises that London Road could draw shoppers and trade away from the southern end of the High Street, and the approach for this area should focus on developing and supporting “a cluster of small specialist retailers” (paragraph 3.4).

Figure 2.2: AAP – Town Centre Retail Strategy



Source: AAP (Plan 6; page 20).

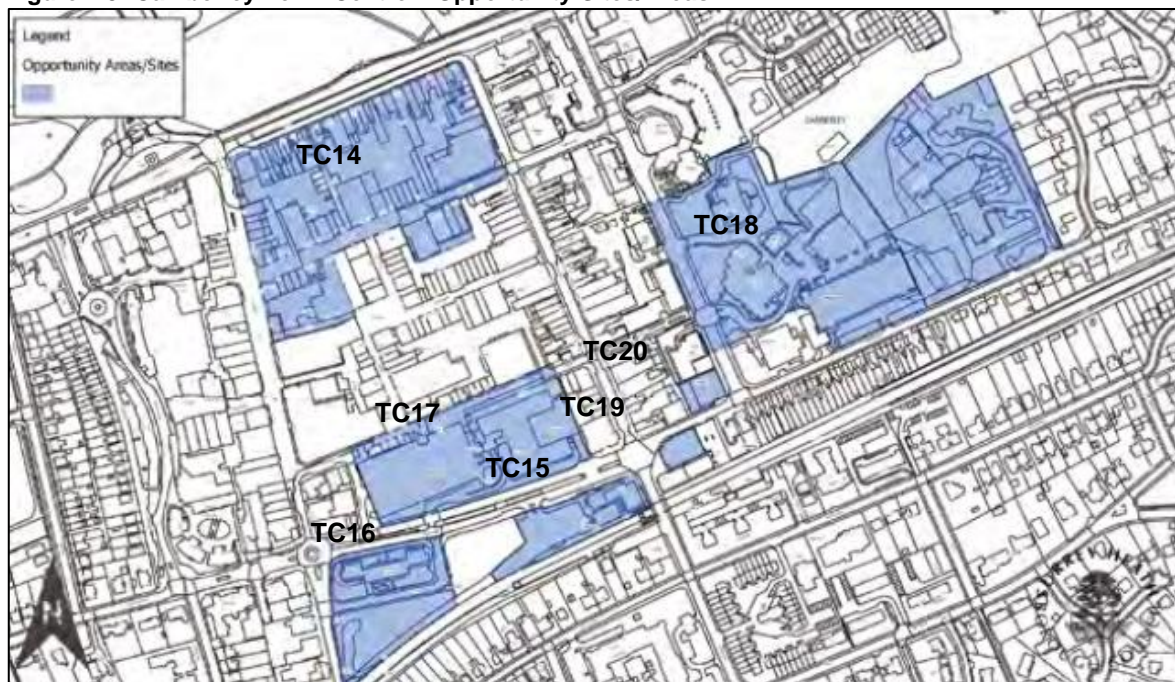
2.30 The main policies in the AAP include:

- **Policy TC1 - General Policy for New Development within the Town Centre:** This ensures that guidance exists for development that comes forward on any sites not addressed by the site-specific policies.
- **Policy TC2 - Retail Development:** reinforces Policy CP10 of the Core Strategy and identifies the London Road site as the main focus for comprehensive retail-led development. Within the PSA the loss of an A1 retail unit to A2-A3 will be permitted where it can be shown that new development will meet five key criteria. The Council will also promote street markets and development should have regard to the ability to operate events or markets within the town centre.

- **Policy TC3 – Food and Drink:** supports proposals for food and drink establishments where they benefit the town centre. There should be no adverse impact on residential amenity, public safety, highway safety or the character of the area.
- **Policy TC4 – Housing:** states that the Council will permit at least 200 new homes in the town centre in the period up to 2028. This will include housing as part of mixed use developments. Affordable housing will be required in accordance with the Core Strategy (Policy CP5) and the Council will not permit new housing that either alone or in combination has an adverse impact upon the integrity of the European Sites.
- **Policy TC5 – Employment:** the Council will permit development proposals that improve the quality and range of office and business accommodation in a range of unit sizes. Development proposals resulting in a net loss of business floorspace (Use Classes B1-B8) will not be permitted within the Knoll Road commercial area. Elsewhere development resulting in the loss of business floorspace will be acceptable where it achieves other AAP objectives.
- **Policy TC6 – Leisure, Community and Cultural Uses:** states that the Council will grant planning permission for proposals that enhance or diversify the range of leisure and community facilities, subject to an assessment of the scale, character, location and impact of the proposal on residential amenity and other uses. However, the Council will resist the loss of leisure and community uses and facilities, unless they satisfy three key criteria.
- **Policies TC7-TC9 – Accessibility, Highways and Pedestrians:** these policies support (i) improvements to the town’s highways; (ii) an increase in pedestrian friendly streets/routes; and (iii) better accessibility to the town for pedestrians and cyclists, and by public transport. Policy states that new development within the town centre will be required to provide or make a financial contribution towards a range of initiatives.
- **Policy TC11-TC13 – General Design, High Street Character Area and Public Realm:** new development will be required to make a positive contribution toward improving the quality of the built environment, and protecting the Victorian and Edwardian integrity of the High Street Character Area (see Policies Map). The Council is seeking to promote new civic spaces, the ‘greening’ of the town and the general upgrading of existing areas.

2.31 The main opportunity areas and sites identified by the AAP are covered by Policies TC14-TC20. These are highlighted on the plan below and described in more detail in Table 2.1.

Figure 2.3: Camberley Town Centre – Opportunity Sites/Areas



Source: Area Action Plan. Plan 8 (page 33) and Appendix 4.

Table 2.1: Camberley Town Centre – Key Development Opportunity Sites

Policy TC14: London Road Block Redevelopment	Key to the implementation of the AAP and expected to make a significant contribution towards enhancing the Town Centre's retail offer and to accommodate the forecast need for 41.000 sqm gross of new retail floorspace (as identified by the Council's previous retail studies).
Policy TC15: Camberley Station	Earmarked for longer term redevelopment to provide: (i) a new station and associated car parking; (ii) improved facilities for bus users; and (iii) environmental improvements on Pembroke Broadway. There is also potential for up to 50 new residential units, in the form of flats, and ancillary A1 retail uses.
Policies TC16 & TC 17: Land at Park Lane and Pembroke Way (north)	Former office block known as Pembroke House has been vacant for several years (TC16). Ashwood House (TC17) is also a vacant office block that included the former BHS store. Both buildings are identified for redevelopment/repurposing for new residential apartments, with potential for ground floor commercial where feasible.
Policy TC18: Land East of Knoll Road	Council will work with Surrey County Council and other stakeholders to secure improvements to the civic uses area, including the Theatre and Library, and to the public realm in this area. The AAP states that part of the area currently occupied by the Police Station is likely to come forward for redevelopment of housing in the short term.
Policy TC19: Magistrates Court	The former Magistrates Court was identified by the AAP for a high quality, mixed use development that embraces the public realm and provides a positive focal point on one of the key junctions within Camberley town centre.
Policy TC20: The Granary	The AAP identifies that this area, comprising the Granary building, could be redeveloped for new residential flats, with potential for commercial/retail uses at ground floor level to help reinforce the commercial character of Knoll Road and Portesbery Road.

2.32 The progress made on these key investments and projects since the AAP is reviewed in more detail below.

THE REGENERATION CONTEXT & DEVELOPMENT PIPELINE

- 2.33 Since the AAP was adopted in 2014 there has been significant investment in the town centre by both the Council and private sector. Good progress has been made on a number of the key development and regeneration projects identified by the AAP, including the following:

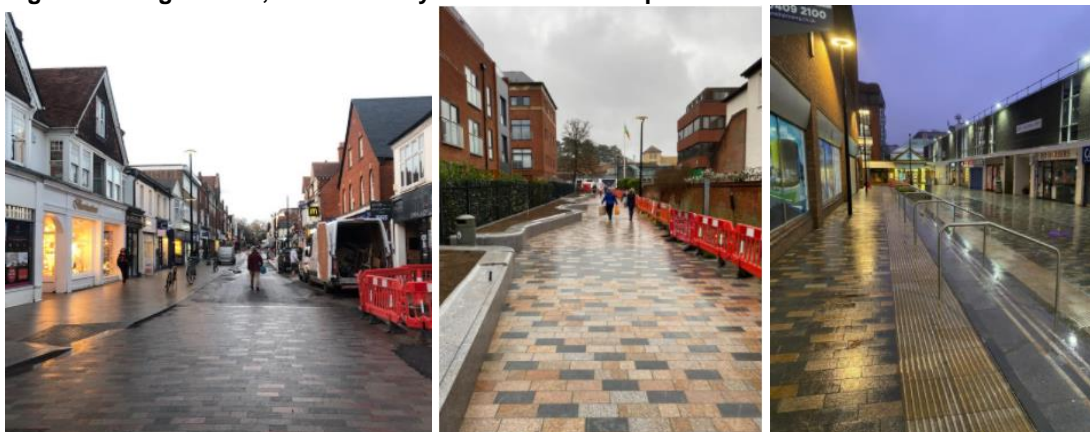
London Road

- 2.34 The redevelopment of the London Road block remains the single biggest regeneration opportunity in the town centre as identified by both the Core Strategy and AAP (Policy TC14). The Council own the majority of the 5.5 acre site and selected Kier Property as a development partner in April 2019 to help deliver a mixed-use scheme comprising residential, retail and new public realm. The intention is to create an attractive gateway to Camberley town centre, with new frontages to London Road (A30) and high quality streets/spaces that link the block with the High Street and Park Street. Proposed new residential apartments on the site will increase the town centre's catchment population in a high sustainable manner and generate significant economic benefits for local businesses and the daytime/evening economies. The redevelopment could also provide the opportunity for new civic, cultural and co-working space. At the time of preparing this study the schedule and breakdown of floorspace and uses had not been determined. Alongside the redevelopment of the London Road block, there are also wider plans to remodel London Road to improve access, including landscaping, enhancing cycling and public transport options.

The High Street, Princess Way and Knoll Walk Improvements

- 2.35 The Council and the Enterprise M3 Local Enterprise Partnership (LEP) have jointly invested some £4.4m in comprehensive public realm works along the High Street and Princess Way. The works began in January 2020 and included the provision of new paving, street furniture, lighting, bicycle racks and tree planting (see figure below). The works also include a public art scheme - '*Streets of Gold*' – which brings elements of Camberley's heritage and history to life in a series of bronze plaques embedded into the walls, pavements and planters across the High Street and Knoll Walk. '*Streets of Gold*' is a collection of statements, questions and sentiments gathered from the people of Camberley. The project was completed in early 2021.

Figure 2.4: High Street, Princess Way and Knoll Walk Improvements



Source: <https://camberleybeinspired.com/>

The Square

- 2.36 The Council acquired the 42,735 sqm (460,000 sqft) Mall Shopping Centre in 2016. It was subsequently rebranded as 'The Square' and has benefited from a circa £8m refurbishment of the

malls, providing new flooring, lighting and facades. The next wave of improvements are being rolled out across the rest of shopping centre. There are also plans for The Square to be a 5G-enabled shopping centre, which will enable virtual and augmented reality, artificial intelligence (AI) and tailored in-store signage and entertainment experiences. It will also allow for greater control and management of stock levels and the supply chain, alongside improvements to the overall shopping experience.

Ashwood House / Pembroke House

- 2.37 The Council has led the circa £30m redevelopment of these former office blocks which are identified as key opportunities by the AAP (Policies TC16 and TC17). The Council acquired Ashwood House in 2015 to safeguard the location for development. Permission was granted in 2017 to deliver new flexible retail and 116 flats in place of any empty office building and the former BHS store. Berkeley Homes is leading the residential-led redevelopment of Ashwood House (known as Lumina Camberley) and the marketing of the new one and two bedroom apartments was launched in March 2020 (price ranges from circa £207,000 up to £360,000). Uses being explored for the former BHS include a new tenant (or tenants), relocation of the library and adult education, as well as the creation of a digitally enabled co-working space.
- 2.38 Berkeley Homes is also involved in the redevelopment of Pembroke House, Frimley Road. This former office block is to be demolished and replaced with a brand new building, providing approximately 25 new affordable flats and ground floor commercial space.

Former Magistrates Court

- 2.39 Other opportunities identified by the AAP for redevelopment and regeneration include the former Magistrates Court site (Policy TC19). This vacant site is located on the corner of Portesbury Road and the High Street and sits in front of the former office building (Kings Court), which has been converted to residential use through PDR. Permission was granted for the development of the site to provide new residential flats above ground floor commercial uses²⁴; subject to the completion of a S106 legal agreement for a contribution towards the delivery of affordable housing elsewhere in the Borough, and a contribution towards Strategic Access Management and Monitoring (SAMM) measures in accordance with the requirements of the SPA SPD (adopted 2012).

Redevelopment of Former Arena Leisure Centre

- 2.40 Elsewhere in the Camberley the Council has entered into a 25-year contract with Places Leisure, to design, build, operate and maintain a £22 million leisure centre on the site of the former Arena Leisure Centre on the edge of the defined town centre. The new £22m leisure centre is due to open in 2021 and will feature a 25 metre 6-lane Pool, Learner Pool with adjustable floor, Splash Zone (interactive water confidence area), 8 Court Sports Hall, Fitness Suite, Group Exercise Studios, Adventure Play, 'Clip 'n Climb', Health Suite and café.

SUMMARY

- 2.41 In summary, national policy and guidance seeks to maintain and grow the vitality and viability of centres over time by, amongst other measures, directing new investment and development to town

²⁴ Refer to planning application references: SU/06/0930 and 2018/0033. The permission allowed for two retail units at ground floor, with a total gross floor area of 75 sqm (807 sqft) and 135 sqm (1,450 sqft) respectively, and for 31 one-bed and 18 two-bed apartments.

centres first and promoting a diverse mix of sustainable and flexible uses that meet the needs of all those who live, work, shop and visit centres for a wide range of activities.

- 2.42 Camberley Town Centre is clearly the key focus for new development and investment in the Borough, and has benefitted from significant new investment and development over recent years, principally driven and funded by the Council. There are a number of existing and proposed initiatives and projects in the pipeline that will further strengthen the town centre's overall vitality and viability over the short, medium and longer term.
- 2.43 However, this overview has also highlighted that the Council's DPDs, including the AAP, place significant weight on new retail-led development in Camberley Town Centre. This reflects the time when these documents were prepared (i.e. almost 10 years ago).
- 2.44 One of the key objectives and outputs of this study is to test the current need and market demand for new retail and town centre uses in light of the significant and dynamic trends in the retail and leisure sectors over the last decade.

3. RETAIL AND 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 which will continue to shape change in the future. It also briefly examines whether and how town centres can respond to these dynamic trends to remain competitive and enhance their overall vitality and viability in the future. It should be noted at the outset that this was written during the height of the coronavirus pandemic ('COVID-19' or 'CV-19') in 2020, including the series of lockdowns and "social distancing" measures implemented by the Government.

ECONOMIC OUTLOOK

- 3.2 In the 18-24 months prior to the COVID-19 pandemic the UK economy had been characterised by a low growth trajectory. The *Office for National Statistics* (ONS) identified that the UK's GDP increased by +0.3% (quarter-on-quarter) in the third quarter (Q3) of 2019. This represented a +1% year-on-year increase since 2018 (Q3), which was the weakest growth recorded since 2010 (Q1).
- 3.3 The impact of the COVID-19 pandemic in 2020 has seen the UK economy experience its biggest annual decline in GDP (-9.9%) for over 300 years. The latest ONS figures show the economy narrowly avoided a double-dip recession in 2020 following positive growth of +1% in the final quarter due to the loosening of the COVID-19 restrictions in the run-up to Christmas
- 3.4 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 £240.9 billion in the first eight months of 2020, and the Office for Budget Responsibility (OBR) forecast that this could reach almost £400 billion by the end of March 2021.
- 3.5 Experian Business Strategies (Experian) predict in their latest *Retail Planner Briefing Note* ('RPBN') that the economy will not recover to pre-pandemic levels until at least 2022. This is based on Experian's assumptions that the economy will return to some "normality" from mid-2021 due to the roll-out of vaccines and the end of the third lockdown. However, the unprecedented nature of the global pandemic means that all forecasts are subject to greater than usual uncertainty and volatility.

RETAIL SPENDING

- 3.6 The COVID-19 pandemic has inevitably had a dramatic impact on consumer spending and retail sales in 2020.
- 3.7 Although consumer spending has been a key driver of economic growth since the BREXIT referendum in June 2016, there had been increasing signs pre COVID-19 that growth was starting to "soften". Figures show that household spending slowed to an eight year low (+1.2%) in 2019 due principally to the impact of BREXIT on consumer confidence.
- 3.8 The latest figures show that household spending fell by over 20% quarter-on-quarter in the second quarter of 2020; the largest quarterly contraction on record. Spending on hospitality, travel and leisure was dramatically impacted during this period. Retail also suffered as businesses were forced to close; although this was partly cushioned by an increase in food and online purchases.

3.9 The latest Experian²⁵ forecasts for **retail spend per head** show:

- **Convenience goods:** The impact of COVID-19 resulted in a significant +8.4% surge in spend per head in 2020 according to Experian. This followed negative growth in 2019 (-0.9%) and for most years since 2005. As we describe below, the negative growth in convenience goods spending over the last 15 years has had a significant impact on the grocery sector and on retailer business models. Experian predict that the boost to convenience goods spending in 2020 will start to “unwind” in 2021 assuming a return to more “normal” conditions. Experian forecast a fall in convenience spend in 2021 (-6.2%), and annual (per capita) growth over the medium to long term “flatlining” at around +0.1% up to 2040.
- For **comparison goods** the figure shows year-on-year growth rates recovering from a low of -1.0% in 2009, to a high of +5.7% in 2015. Following negative growth of -8.5% in 2020, Experian predict that (per capita) growth will settle at around +3% per annum on average up to 2040. This growth forecast is significantly below the historic long term trend (1997-2019) of +5.5% per annum.

3.10 Following a dramatic -53.8% fall in **leisure spend** per head in 2020, Experian forecast a return to growth in 2021 (+64.7%) and 2022 (+14.8%). Average yearly growth is then forecast to settle at approximately +2.5% over the period 2023-2027 and +0.9% over the long term (between 2028-2040). This growth in leisure spend is consistent with the historic average growth of +1.1% per annum recorded between 2012 and 2018, and higher than long term trend (1997-2019) of -0.6% per annum.

3.11 These expenditure growth trends and forecasts have informed the assessments of retail capacity in Section 10 and leisure needs in Section 11. Clearly any further dampening of growth rates over the short to medium term due to the on-going impact of the pandemic will have implications for the viability of existing retail and leisure businesses and the demand for new space.

THE RISE OF ONLINE SHOPPING

3.12 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 shops²⁶. ONS figures show that the value of non-store retail sales (including the internet) stood at £84.2bn in 2019 (in 2016 prices). This represented a significant growth from £17.1bn in 2006.

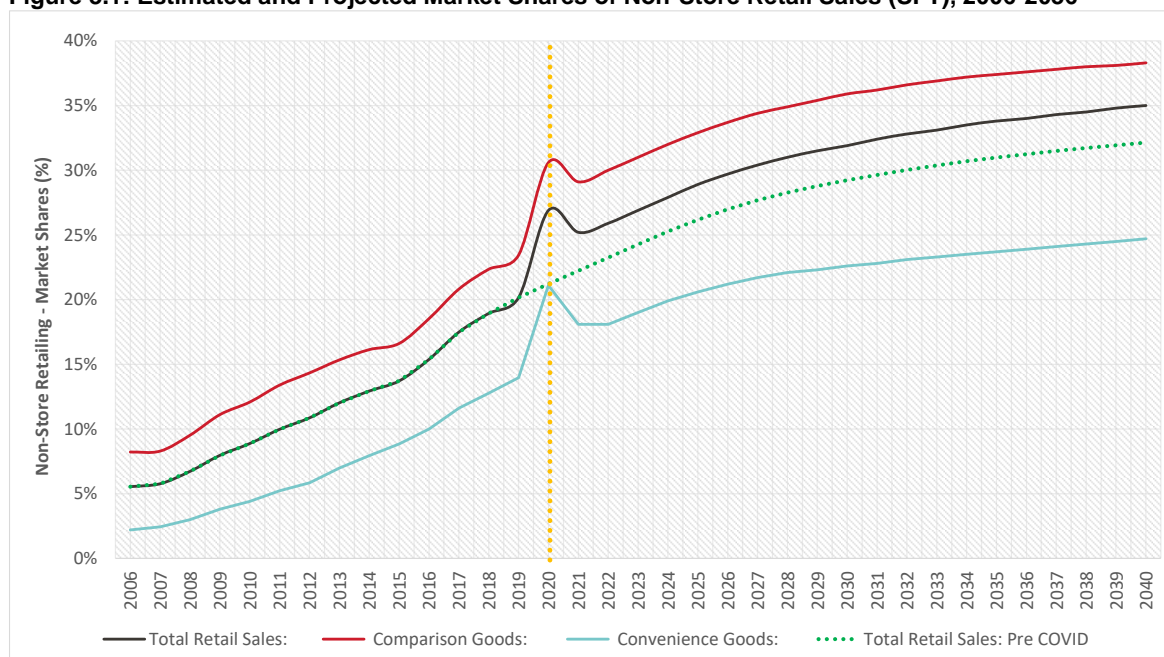
3.13 As the figure below shows, SFT’s overall market share (as a proportion of total UK retail sales) increased from 5.5% in 2006 to 20.2% in 2019. In other words online accounted for more than one in every five pounds spent on retail goods in 2019. Of this total non-store retail sales, Experian estimate that comparison and convenience goods retailing achieved market shares of 23.4% and 14.1% respectively.

3.14 The impact of COVID-19 has been to increase the market share of non-store retail sales following the series of lockdowns. Experian’s latest figures indicate that the total non-store market share increased to 26.9% in 2020; and the share of comparison and convenience goods retailing increased to 30.6% and 21.1% respectively. This compares with Experian’s previous forecasts (pre COVID-19) of 21.2% for all total retail sales, 24.5% for comparison retailing and 14.9% for convenience.

²⁵ Experian Retail Planner Briefing Note 18 (October 2020). Figures 1a and 1b

²⁶ 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).

Figure 3.1: Estimated and Projected Market Shares of Non-Store Retail Sales (SFT), 2006-2036



Source: Experian Retail Planner Briefing Note 18 (October 2020). Appendix 3

- 3.15 The latest Experian forecasts indicate that total SFT market shares will increase to 34.5% by 2038 (i.e. over one in every three pounds spent on retail in 15/16 years' time will be online). Comparison and convenience goods non-store retail sales are forecast to reach 38% and 24.3% respectively by 2038.
- 3.16 Experian predict that the pace of e-commerce growth will slow over the long term as internet use is now almost at capacity. ONS statistics show that some 91% of all UK adults have internet access and almost all of those aged between 16-44 years in 2018. 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.
- 3.17 Other research²⁷, published before the impact of the pandemic, predicted that the growth in online sales could be even faster than forecast by Experian; accounting for a substantial 53% of total retail sales by 2028. This faster growth it is argued will be driven by the significant improvements in the convenience and choice of online purchasing through further advances in smartphones, mobile/wearable technology and Artificial Intelligence (AI), alongside improved web-based platforms and social media. The expansion of 5G and fibre networks, cheaper and faster deliveries (including the potential for drone deliveries, autonomous delivery vehicles, etc.), more 'click-and-collect' options and easier return processes will also provide the platform for increasing online purchases.

²⁷ 'The Digital Tipping Point – 2019 Retail Report' (Retail Economics and Womble Bond Dickinson)

- 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.
- 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 70% 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, to 16.6% in 2020, 18.6% by 2025, 21% by 2030 and 23.2% by 2038. These market shares are higher than Experian's pre-COVID forecasts of 13.6% in 2020, increasing to 21.4% by 2038. In line with standard approaches these adjusted/recalibrated market share figures are preferred for retail capacity assessments.
- 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. The early impact of Internet shopping has been mainly concentrated on certain retail products and services (such as, for example, electrical goods, books, music and travel). In turn, this has resulted in a reduction in the number of retailers selling these types of products and services on the high street (examples being the rationalisation of HMV, Currys, GAME and other stores across the UK). However this does not mean that other comparison goods categories are immune to the impact of the internet. For example, there has been an increase in online fashion 'stores' and purchases over the last decade. The online fashion retailer Asos also purchased the Arcadia brands (including Topshop, Topman and Miss Selfridge) in February 2020 for £330m after Arcadia collapsed into administration. Asos has purchased the stock, which it will sell online, but has no interest in the store portfolio. These trends are clearly illustrated by the survey-derived SFT/internet market shares for different categories of comparison goods expenditure (see Section 9).
- 3.21 The *"digital revolution"* is also impacting on how and where people choose to spend their leisure time. For example, instead of visiting the cinema or theatre, consumers can digitally stream to their televisions a vast library of filmed entertainment on demand through say Netflix or Amazon Prime, and through new recently launched channels by Apple and Disney. Social media, Skype, Zoom, etc. are also displacing face-to-face interactions. The innovation and development of these alternative digital customer experiences has accelerated during the pandemic and is exacerbating a *'digital divide'* between, on the one hand, those well-resourced companies investing and competing in the digital arena, and on the other hand the small independent businesses that serve the day-to-day needs of their local (high street) communities. Yet the success of businesses at both ends of the 'divide' is mutually dependent, and is essential to a successful high street.
- 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. We comment later in this section on the emerging trend in convergence between physical and online retailing.

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. 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.

- 3.24 These dynamic trends are best illustrated by the changes in the grocery sector over the last decade. In the circa 25 years up to 2010 the sector enjoyed a period of strong growth, principally driven by new larger format store openings in predominantly edge and out of centre locations. Since 2010 the top-5 main grocery operators (i.e. Tesco, Sainsbury's, Asda, Waitrose and Morrisons) 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. Outside of the so-called top-5 grocers, the 'deep discount'²⁸ food operators (namely Aldi and Lidl) have significantly increased their respective market shares through new store openings. Notwithstanding this the grocery and convenience sector has been one of the biggest "winners" during the pandemic, as the majority of 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.
- 3.25 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. The table below summarises some of the higher profile "*casualties*" since 2008.
- 3.26 2019 was generally regarded as one of the hardest for the retail sector; with a net closure of some 7,550 retail units. However, this was surpassed in 2020 due to the impact of the pandemic and represented probably the worst year for retailers for over 25 years. The *Centre for Retail Research* (CRR) has identified that over 16,000 shops closed in 2020 across the UK, impacting on over 180,000 jobs, and this trend is being mirrored by the figures for 2021. 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 Kath Kidston. These impacts are being experienced by all high streets and shopping locations, including Camberley, which has lost Monsoon, Accessorise and Topshop from the town centre since March 2020.
- 3.27 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 significant number of store closures that have occurred over recent years.

²⁸ Also referred to as 'Limited Assortment Discounter' ('LADs') by the Competition Commission Report.

Table 3.1: The Largest Retailers that have gone in Administration since 2008

Year	Retailer	Stores	Employees	Sector
2020	M&Co	262	2,700	Clothing
	DW Sports	75	1,700	sportswear
	Benson Beds	242	1,900	Furniture
	Harveys Furniture	20	240	Furniture
	TM Lewin	65	600	Clothing
	Le Pain Quotidien	10	200	food and beverage
	Monsoon Accessories	35	550	Fashion & accessories
	Oasis & Warehouse	92	2,300	Clothing
	Kath Kidston	60	900	Fashion & accessories
	Brighthouse	240	2,700	Household goods
	Laura Ashley	155	2,350	Clothing
	Oddbins	56	567	off licences
	Hawkins Bazaar	22	177	toys & games
Beales	22	n/a	Department Store	
2019	Select	180	2,000	clothing
	Debenhams	165	25,000	Department Store
	Clinton Cards	332	2,500	cards, gifts
	New Look	60	1,000	Clothing
	Mammas & Pappas	32	740	Babywear, etc.
	Mothercare	79	2,500	Babywear, etc.
	Bonmarche	318	2,887	Clothing
	Thomas Cook	560	9,000	Travel Agents
	LK Bennett	41	480	Clothing
Patisserie Valerie	71	900	food and beverage	
2018	HMV	133	2,200	music, DVD, games
	House of Fraser	59	17,500	department
	Poundworld	350	5,300	discount
	Wine Rack / Bargain Booze	760	4,000	off licences
	Maplin	200	2,500	IT
	Toys 'R' Us	105	3,200	toys & games
2017	Palmer & Harvey	-	4,000	wholesaler
	Store Twenty One	76	1,080	clothing/variety chain
2016	BHS	164	11,000	clothing/variety chain
	Brantano	200	2,000	footwear
2014	Phones4U	550	5,600	mobile phones
2013	HMV	238	4,350	music
	Blockbuster	528	4,190	DVD rental
2012	Comet	236	7,000	electricals
	Game	600	6,000	video games
	Peacocks	550	9,600	clothing
	JJB Sports	250	6,300	sportswear
	Alexon	990	2,700	clothing
2011	Focus DIY	170	3,919	DIY
	Wine Rack/ Threshers/ Bottoms Up/ Victoria Wine	1,300	6,500	off licences
2009	Zavvi	150	3,500	music
	Ethel Austin	300	3,100	clothing
2008	Adams	271	3,200	children's clothing
	Woolworths	820	30,000	variety chain
	Stead & Simpson (Shoe Express/ Lilley & Skinner/ Peter Briggs)	375	3,000	footwear
	Faith Shoes	284	2,000	footwear
	Roseby's	280	2,000	furnishings
	Motor World	284	2,235	car accessories
	MFI	173	1,100	furniture
	Stylo Shoes	1,067	5,400	footwear
	Allied Carpets	273	2,300	floor coverings
	Blacks Leisure	400	2,640	outdoorwear
TOTAL:		15,330	233,305	
Source: Centre for Retail Research (2020)				
Notes: These figures relate to retail corporations that went into legal administration in the year shown. The test for inclusion is (a) administration and (b) national significance. The table does not indicate or purport to show whether the company has disappeared, such as Woolworths, or still survives in a robust manner, such as HMV or Peacocks. Appearance in the table does not imply that the brand is no longer used or does not trade. Where a retailer has suffered several failures the date used is normally the one where most assets or staff were involved. Retailers that have shrunk their businesses without going through administration are not included.				

3.28 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-focused

business model. These trends and challenges will have been further exacerbated and accelerated by the impact of COVID-19.

RISING OCCUPANCY COSTS

- 3.29 '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, staff costs, etc). Research shows that, on average, retailers' operating costs increased by +3.5% in 2018. This outpaced sales growth for many retailers, eroding profitability and resulting in more store closures.
- 3.30 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.
- 3.31 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* (RPN) prepared by Experian at the time of finalising this study provided 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 3.2: Floorspace Productivity Growth Rates (year-on-year growth %)

	2020	2021	2022	2023-27	2028-40
CONSTANT FLOORSPACE:					
Convenience Goods:	5.4%	-4.8%	0.7%	0.3%	0.3%
Comparison Goods:	-14.1%	8.6%	3.4%	2.6%	2.9%
CHANGING FLOORSPACE:					
Convenience Goods:	5.4%	-4.7%	0.8%	0.0%	0.0%
Comparison Goods:	-14.1%	10.1%	4.5%	3.0%	2.6%

Source: Experian Retail Planner Briefing Note 18 (October 2020). Figures 3b/3c and 4a/4b.

- 3.32 As Experian explain, budgetary pressures mean that retailers will have to increase efficiencies from current floorspace: including through redevelopment/repurposing of existing floorspace; adoption of new technology and innovations; more effective marketing strategies; and using 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. Experian conclude that these trends confirm the limited prospects for new retail floorspace development.
- 3.33 For these reasons we prefer to test higher '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.

RETAIL & SHOPPING CENTRE INVESTMENT

- 3.34 The rise in the number of retailer "casualties" and vacancy levels has created a challenging environment for existing retailers and investments in towns and shopping centres across the UK.

The current investment climate is becoming increasingly polarised. The top 50 shopping locations generally have the best prospects for attracting new investment and development. This is because they benefit from strong catchments and the necessary critical mass of shops, leisure facilities and other uses to remain commercially viable and attractive investment propositions.

- 3.35 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 (which includes Camberley Town Centre). This is against the backdrop of limited and falling demand for new shops and commercial space. Research shows that demand for retail space in centres across the UK has fallen dramatically since 2007, and is currently at an all-time low. 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 May 2019²⁹. Overall, retail has performed poorly compared with the other property sectors since the economic crisis in 2007/08, and this trend has been further exacerbated by the pandemic.
- 3.36 As a result 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 there was as much as 30% too much physical space in the retail sector pre pandemic. 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.
- 3.37 The shopping centre sector also has faced significant challenges over the past decade from the rise of online shopping, falling market demand and increasing retailer failures. In recent years, the response to diminishing demand from traditional retailers has been to turn to the casual dining and commercial leisure (for example, cinemas) to take up surplus space. However, this is now becoming increasingly difficult due to the pressure on disposable income and a fall in demand from food and beverage operators in an increasingly “saturated” market. A trend that has been further accelerated by the pandemic. As a result, shopping centre owners and landlords are struggling to retain existing tenants, let alone attract new retailers into vacant shops.
- 3.38 Against this backdrop, occupiers are negotiating shorter lease terms and greater incentives from landlords to continue trading in the face of increasing online competition and economic uncertainty. This will further force down rents and profits across more marginal, secondary shopping locations.
- 3.39 The demise of Intu Properties is an example of the impact of these trends on the shopping centre sector. With total debts of £4.5bn it failed to raise more capital and went into administration in June 2020. This is notwithstanding the fact that it owned some of the highest profile shopping centres in the UK (including Glasgow's Braehead Centre, Manchester's Trafford Centre, Nottingham's Victoria Centre and Norwich's Chapelfield). Intu's business model, like most shopping centre owners, relied on ever-rising rental income from its tenants, along with a year-on-year increase in the value of its property portfolio, but recent trends have had a significant adverse impact on these business models.
- 3.40 In this context, research shows that total investment activity in the first half of 2020, of circa £118.5m, was the lowest level ever seen (see figure below). Presently consumer confidence is at an all-time low due to the impact of the pandemic, which has resulted in rising unemployment, and the enforced closure of retail and leisure businesses during a series of lockdowns. All these factors are resulting

²⁹ LSH research using MSCI data

in a significant structural shift in retail property and shopping centres, and the way in which this type of floorspace will be utilised in the future.

- 3.41 At the same time as many of the traditional investors in retail and shopping centres have looked to “exit” the sector, joint research by LSH and Revo³⁰ shows that Councils invested a record £775m purchasing shopping centres between 2016-2019. The investment and business rationale for many of these purchases was to provide local authorities with more control of the planning, regeneration and management of their town centres. The funding of these purchases was also generally supported by low-cost loans from the Public Works Loan Board (‘PWLB’).
- 3.42 Surrey Heath Borough Council’s purchase of The Square in 2016 and its ongoing investment in the shopping centre is a good example of where the local authority is taking a proactive role in maintaining and enhancing the vitality and viability of its town centre. There are other examples across the UK of Councils “*taking back control*” of their town centres. However, the impact of COVID-19 on the retail and the shopping centre sectors, along with tighter restrictions on PWLB lending and higher risks generally, has inevitably impacted on Council purchases of shopping centre and retail property assets.

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. As described above, 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 deep discounters, Aldi and Lidl, who continue to seek new sites in mainly edge and out of centre locations.
- 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, Toys R Us, 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, their lower occupancy costs, extensive free parking and convenient access to the road network. This is still 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 (for example in Dover, Maidstone, Great Yarmouth, Harlow, Wakefield and Rugby). As a result, retailers who previously anchored the vitality and viability of town centres, are now competing directly with high streets for shoppers, spend and sales.

³⁰ LSH and Revo research paper published in 2019 entitled: ‘*Fixing Our Broken Town Centres*’

SUMMARY

- 3.46 In summary, 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), or they are forced out of business altogether due to failing business models and unmanageable debts (e.g. the Arcadia Group).
- 3.47 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.
- 3.48 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.
- 3.49 We consider the potential implications of these trends and the options for Camberley Town Centre in more detail in the Part 2 study, based on the key findings of the evidence-based research.

4. CAMBERLEY TOWN CENTRE: HEALTH CHECK

4.1 This section provides an overview of the relative health of Camberley Town Centre. It examines the town centre's current vitality and viability based on the key performance indicators (KPIs) set out in the Planning Practice Guidance³¹, including:

- diversity of uses
- vacancy levels (ground floor)
- customers' experience and behaviour
- retailer representation and intentions to change representation
- commercial rents and yields
- accessibility
- town centre environmental quality
- balance between independents and multiples
- evidence of barriers to new businesses opening and existing businesses expanding
- evening and night time economy offer

4.2 This health check assessment is informed by published datasets sourced from a range of providers, including Experian and PROMIS. It has been supplemented by the findings of the street interview survey described in Section 5 and the household telephone interview survey set out in Section 6. We have also carried out visits and inspections of the town centre and key sites to inform our overall assessment.

4.3 Where possible, we have highlighted the changes in some of the key performance indicators (such as, for example, vacancy levels) based on the findings of health checks carried out as part of previous retail studies for the Council in 2006, 2010 and 2011.

4.4 It should be noted that the health check assessment was finalised at the height of the pandemic. It does not therefore take account of the full impact the pandemic and the series of lockdowns on the town centre's shops and businesses. We therefore advise that the healthcheck be updated once the country returns to more "normal" conditions and the full impacts of the pandemic can be assessed.

POLICY CONTEXT

4.5 The adopted Core Strategy sets out the Vision for Camberley as a thriving town centre: *"...offering a wide range of shops, excellent leisure facilities, high quality office premises and residential opportunities, and a full range of community services for the local and wider community. There will be a high quality of design with an attractive streetscene and a range of natural and civic open spaces for use by the public. There will be easy access to the centre with a good public transport system and an emphasis on pedestrian priority."* (paragraph 5.71).

4.6 The Vision was developed with the local community, local businesses and other key partners. The Core Strategy states that the Town Centre will continue to be a focus for major growth and significant opportunities for new mixed use development and investment are identified.

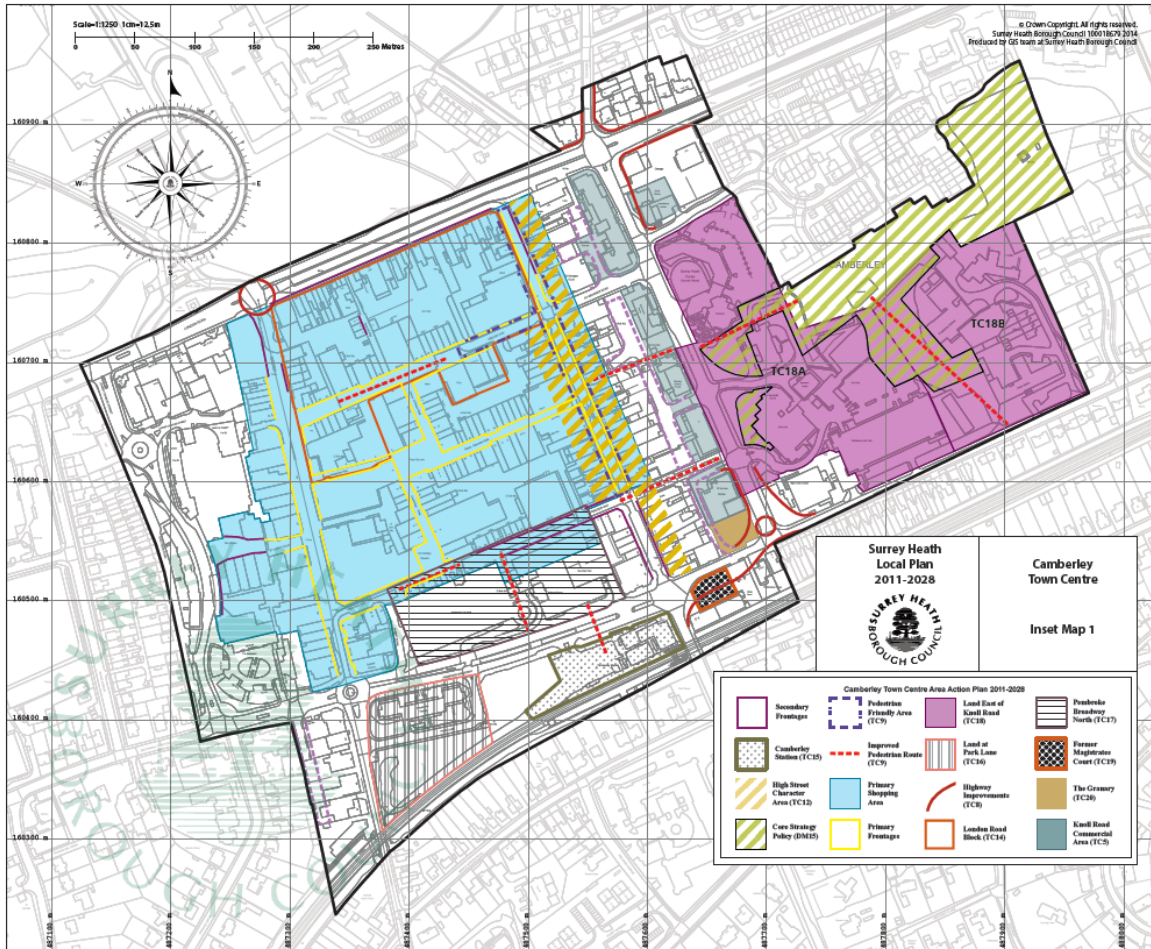
4.7 Both the Core Strategy and AAP focus on the potential to enhance the town centre's role as a successful and popular shopping destination through increases in retail floorspace (see Section 2). Opportunities for new office-based employment are also identified, along with the potential for new residential development. The opening of The Atrium in 2008 significantly strengthened the town centre's growing role as a leisure and cultural destination; aligned with the objectives of both the Core Strategy and AAP. Another main objective is to improve the town's accessibility through better

³¹ Planning Practice Guidance (July 2019). Paragraph: 006 Reference ID: 2b-006-20190722

public transport as an alternative to the car, and thereby help to reduce traffic congestion particularly at peak times.

- 4.8 The Core Strategy (Policy CP10 and Policy Map) defines the extent of the Primary Shopping Area (PSA) and Town Centre boundary, as well as primary frontages. This formed the basis for the AAP spatial strategy. The Policy Map is reproduced below for ease of reference.

Figure 4.1: Camberley Town Centre – Boundary and Primary Shopping Area



- 4.9 In summary no further development is anticipated to the west of the town centre. To the north, London Road (A30) forms a natural physical boundary, as does the railway line to the south. The northern boundary includes properties around the Knoll Road junction that may be affected by future highway improvements. The boundary to the east included the former St Tarcissius School site, which has since been developed for housing.

DIVERSITY OF USES

- 4.10 The Town Centre provides a diverse range and choice of retail, leisure, cultural and civic facilities as well as residential and business accommodation. The table below provides a breakdown of the changes in the town centre's broad retail and service composition (measured by outlets and floorspace) between 2010 and 2019 based on Experian Goad Category Reports.

Table 4.1: Camberley: Retail Composition by Outlets and Floorspace, 2010-2019

	2019			2010			Change: 2010-19
	Number of Outlets	% of Total Outlets	UK Average	Number of Outlets	% of Total Outlets	UK Average	
Convenience	16	6.3%	10.1%	10	4.1%	10.0%	60.0%
Comparison	112	43.9%	37.0%	122	50.2%	43.0%	-8.2%
Service	87	34.1%	39.0%	59	24.3%	34.0%	47.5%
Vacant	35	13.7%	12.9%	52	21.4%	12.0%	-32.7%
Other	5	2.0%	1.2%				
TOTAL	255	100%	100%	243	100%	100%	4.9%

	2019			2010			Change: 2010-19
	GOAD Floorspace (sqm)	% of Total Floorspace	UK Average	GOAD Floorspace (sqm)	% of Total Floorspace	UK Average	
Convenience	4,078	6.5%	18.6%	4,311	7.6%	17.0%	-5.4%
Comparison	31,150	50.0%	42.6%	30,166	53.0%	49.0%	3.3%
Service	17,429	28.0%	26.0%	11,371	20.0%	22.0%	53.3%
Vacant	9,244	14.8%	11.9%	11,018	19.4%	11.0%	-16.1%
Other	446	0.7%	0.8%				
TOTAL	62,347	100%	100%	56,866	100%	100%	9.6%

Source: Experian Goad Category Reports - April 2010 and February 2019. The 2010 figures are sourced from the *Surrey Heath Retail Study Update* (June 2010).

Notes: The floorspace figures are derived from Experian Goad Plans and these only show the footprint floorspace and the site area without the building lines. They should not therefore be read as a definitive report of floorspace, but do nevertheless provide a useful means of comparison between centres. Figures may not sum due to rounding.

- 4.11 There were some 255 retail and service outlets in the town centre (including vacant floorspace) in 2019, trading from a total floorspace 62,347 sqm gross. This is equivalent to an average unit size of 245 sqm (c.2,630 sqft).
- 4.12 Since 2010 the total outlets have increased by +4.9% (from 243) and the total floorspace by +9.6% (from 56,866 sqm). This is due to new development in the town centre; principally The Atrium.

Comparison Retail

- 4.13 There were some 112 comparison retail outlets in the town centre in 2019 trading from a total floorspace of 31,150 sqm gross. Although there has been a reduction in the number of outlets since 2010 (from 112 to 120), the comparison goods floorspace has increased slightly (by +3.3%) from 30,166 sqm to 31,150 sqm. This is explained by the replacement of smaller sized units by larger format units due to new development.
- 4.14 The provision of comparison outlets as a proportion of total outlets (43.9%) is above the (Experian Goad) national average of 37%. Comparison goods floorspace represented 50% of total floorspace in the town centre, which is also above the national average figure of 42.6%.
- 4.15 Although the strong provision of comparison retailing in Camberley is a positive indicator, it could also represent a weakness given current trends in the retail sector that have been further accelerated by the pandemic. Camberley could therefore be vulnerable to the loss of comparison goods space over time.

4.16 To help identify these more “*vulnerable*” categories, the following provides a breakdown of the town centre’s comparison goods offer where there is an over-provision of both outlets and floorspace benchmarked against national averages:

- books, arts/crafts, stationers
- department/variety stores
- clothing
- electrical goods
- furniture
- jewellery, watches, silver
- sports, camping and leisure goods
- telephone and accessories

4.17 There were also nine charity shops in the town centre in 2019. This represented 3.2% of total provision, which is above the national average of 2.7%. Although this is not a cause for concern, as charity shops are popular with customers and can add variety and choice to a centre’s offer, their growth should be monitored over time.

Convenience Retail

4.18 Camberley has 16 food and convenience goods outlets and representation (measured by outlets and floorspace) has consistently been below the national average figures since 2010.

4.19 The town’s convenience floorspace of 4,078 sqm is equivalent to 6.5% of total floorspace, which is significantly below the national average of 18.6%. Average unit size is 255 sqm (c.2,745 sqft).

4.20 A more detailed breakdown of the town centre’s convenience goods provision shows that it either has no outlets or an under-representation in the following categories:

- butchers (no outlets)
- fishmongers (no outlets)
- frozen food (no outlets)
- greengrocers (no outlets)
- supermarkets (1 outlet)
- grocers/delicatessens (1 outlet)
- health foods (1 outlet)
- off licenses (1 outlet)
- shoe repairs (1 outlet)
- convenience stores (3 outlets)

4.21 This under-provision indicates that there could be potential to increase and improve the quality of the town’s offer subject to market demand.

Services

4.22 The number of leisure and financial services has increased significantly by +47.5% since 2010, from 59 to 87 outlets. This is reflected by the +53.3% growth in floorspace to 17,429 sqm in 2019. Notwithstanding this growth, the provision of service outlets as a proportion of the town’s total outlets of 34.1% is below the national average figure of 39%. There could therefore be potential to increase service provision. The current provision is as follows:

- **Restaurants, cafés and fast food outlets:** The 37 outlets represent 13.2% of total units in the town centre, which is below the national average of 17.9%.
- **Hairdressing, beauty and health outlets:** Provision (26 outlets / 10.2% of total outlets) in this category is also below the national average (11.6%).
- **Banks, financial services, building societies and estate agents:** There are ten banks and provision (3.9% of total outlets) is above the national average (3.3%). However, many centres across the UK are vulnerable to the closure of high street banks as they reduce their branch portfolio due to the increase in online banking.

4.23 There were no launderettes and/or dry cleaners in the town centre at the time of the audit.

MANAGED SHOPPING/ LEISURE CENTRES

- 4.24 The town centre's retail and leisure stock is varied in terms of its quality and age, but the majority appears to be in good condition. The town's main multiple retail and commercial offer is focussed in:
- **The Square Shopping Centre:** opened in 1971 and is anchored by House of Fraser and Primark, along with a number of national retailers. Its offer is complemented by small, ground floor retail units with two/three storeys or alternative uses above (residential or office) along the High Street and adjacent shopping streets. The Square was acquired by the Council in 2016 and has recently benefited from an £8m refurbishment to create a more contemporary environment.
 - **The Atrium:** owned by Aberdeen Standard Investment and opened in 2008. This Family Entertainment Venue has a total floorspace of 24,155 sqm and is anchored by a 9-screen Vue cinema and a strong mix of other leisure uses, including tenpin bowling, restaurants and cafés.

STREET MARKETS & EVENTS

- 4.25 As described in Section 3 successful street markets and market halls that are proactively managed and curated can make a significant contribution to the overall vitality and viability of town centres; helping to attract new trips, increased footfall and expenditure to the benefit of other town centre shops and businesses.
- 4.26 Aside from the positive impacts on the town centre's economy, market stalls and kiosks also provide the "seedbeds" and "incubator space" for new businesses to grow and flourish without the burden of the significantly higher occupancy costs that can erode the trading potential and profitability of businesses occupying more traditional shop units. This positive impact of markets on town centre economies is recognised by the NPPF (paragraph 85c).
- 4.27 In Camberley there is a popular 'Farmers' and Artisan Market' on Park Street that runs every third Saturday of the month from 10am until 3pm. This is characterised by a wide choice of street food, crafts and produce sourced from local farmers. However, given the current trends and support for new and refreshed street markets in towns across the UK and the introduction of market halls into repurposed buildings and vacant retail space, we consider that there is the potential for Camberley to grow its market and independent offer, subject to market demand.
- 4.28 On this point we understand that the Council is already in the process of identifying and improving the spaces needed to host high quality markets and events. The aim is to establish a year-round programme of markets, festivals and activities, ranging from book fairs to themed events and shows. These will build on the success of the 'Farmers' and Artisan Market', alongside the annual classic car event and the Camberley International Festival.

COMMERCIAL LEISURE & CULTURAL USES

- 4.29 The town centre has a relatively good choice of private and public sector leisure facilities, as well as community and cultural uses. The existing provision and need for new leisure facilities is described in more detail in Section 8 to this report. In summary, The Atrium is the main commercial leisure attraction in the town centre. Other main facilities and attractions include:
- **Gyms and Leisure Facilities:** The town has one national operator, Pure Gym, as well as smaller independent operators and specialist fitness classes. Although located outside the defined town centre boundary, the Arena Leisure Centre is an important leisure facility for the population of the town and Borough. However the centre closed in the Summer 2019 and is being redeveloped

at an estimated cost of £22m to provide new modern facilities. We understand that the Council has signed a 25-year contract with Places Leisure, who will design, build, operate and maintain the new facility. Proposals for the new centre include a 25-metre six-lane pool, learner pool, sports hall, fitness suite, group exercise studios, adventure play, clip 'n' climb, health suite and café. The London Road Recreation Ground is also located along London Road outside the defined town centre.

- **Theatres and Museums:** Camberley Theatre and Surrey Heath Museum are located off Knoll Road and are closely linked to the town's main civic area. Both the theatre and museum are owned and run by the Borough Council and add to the diversity of the town's offer.
- **Library:** Camberley Library is also located in the Knoll Road area and is managed by the County Council.
- **Food and Beverage:** As described above, there is also a good choice of places to eat and drink in the town centre. The mix of cafés, restaurants, bars and clubs support the town's daytime and evening economy.

4.30 Other community, religious and public uses in the Town Centre boundary include the Surrey Heath Borough Council offices, Ian Goodchild Centre, High Cross Church, St Tarcisius Church, St Michaels Church and Camberley Mosque located to the west of the centre. Camberley Infant School and the Camberley Adult Learning Centre also lie to the west.

VACANCY LEVELS

- 4.31 There were some 35 vacant units in Camberley Town Centre in 2019 (see Table 4.1), which represented a vacancy level of 13.7% and was slightly above the national average figure of 12.9%. The Council also conducted an audit of the town centre in December 2020 and identified a similar number of vacancies.
- 4.32 The total vacant floorspace of 9,244 sqm gross represented some 14.8% of total floorspace and is also above the national average of 11.9%. On a positive note, vacancy levels had fallen from 21.4% (as a proportion of total outlets) and 19.4% (as a proportion of total floorspace) since 2010.
- 4.33 There are a number of major vacant units across the town centre, including the former BHS (Ashwood House) which closed in July 2016, along with 160 other BHS stores following the collapse of the business. This building has since been acquired by the Council and is subject to new regeneration proposals (see Section 2).
- 4.34 We advise the Council to update their audit of the town centre on a regular basis over the next 12-24 months to monitor the impact of the pandemic on occupancy rates and vacancy levels.

RETAILER REPRESENTATION

- 4.35 The scale, mix and quality of national multiple retailers and leisure operators in a centre provides a further measure of its relative attraction and strength as a shopping location. According to Experian there are some 116 national multiples in the town centre. The number of multiples recorded in 2019 is higher than in 2006 (102) and 2010 (103), but lower than in 2012 (130)³². Current multiple representation accounts for 45.5% of total outlets, which is significantly above the national average of 27%. Although this above average representation of multiples could be regarded as a strength, it may also be an indication that the town centre could be vulnerable to impact from wider trends in the retail sector.

³² Sourced from 2006 Retail Study, 2010 Retail Study Update and 2012 Camberley Town Centre AAP: Retail Report.

- 4.36 Closer analysis indicates that comparison goods retailers account for 61 of the 116 multiples and overall representation in this category is above the national average. In contrast, the 8 convenience goods multiples represent 7.1% of total multiples in the town centre, which is below the national average of 11.4%. This provides further evidence of the relative under-provision of food and convenience goods retailing in the town centre.
- 4.37 The key national retailers and leisure operators currently represented in the town centre are set out in the table below.

Table 4.2: Key national retailers, cafés and restaurants in Camberley Town Centre

Department / Variety Stores	Key Fashion Multiples	Key Non Fashion Multiples	Food Stores	Key Cafés / Restaurants
House of Fraser	Clarks 3	3 Store	Lidl	Bella Italia
Primark	Deichmann Shoes	Argos ⁽¹⁾	Sainsbury's	Bill's
	H&M	The Body Shop		Burger King
	JD Sports	Boots		Chiquitos
	Moss Bros	Card Factory		Costa
	New Look	Carphone Warehouse		Frankie & Benny's
	Next	EE		Greggs
	River Island	The Entertainer		McDonald's
	Roman Originals	Ernest Jones		Nando's
	Sports Direct	The Fragrance Shop		Patisserie Valerie
	TK Maxx	O2 Phones		Pizza Express
		Pandora		Prezzo
		The Perfume Shop		Starbucks
		Poundland		Wagamama
		Superdrug		Zizzi
		Vodafone		
		Waterstones		
		WH Smith		
		Wilkinson		

Source: PMA PROMIS REPORT (June 2019). Updated in February 2020.

Notes: (1) Argos has relocated into Sainsbury's.

- 4.38 House of Fraser and Primark are the main department/variety stores in the Town Centre following the closure of BHS in 2016. Notwithstanding the closure of a number of House of Fraser stores across the country following its purchase by the Fraser Group in 2018, the Camberley store remains open for trading.
- 4.39 As described above, Camberley's foodstore offer is restricted to a relatively small Sainsbury's (c.1,250 sqm) in The Square and Lidl (c.650 sqm) in The Atrium. There are a number of independent food and convenience retailers, but overall the Town Centre has a relatively poor range, choice and quality of food outlets.
- 4.40 Camberley's food and beverage (including cafés and restaurants) offer has improved significantly in recent years. The cinema and bowling alley in the Atrium has given Camberley a focal point for its leisure offer, and has attracted a number of national brands, including Bella Italia, Chiquito, Estilo, Frankie & Bennys, Nando's, Prezzo and Wagamama. This has boosted the town's daytime and evening economy through increased trips, spend and dwell times.

MARKET DEMAND

- 4.41 Demand from retailers and leisure operators for representation in a centre is another important indicator of a centre's overall health and viability. The published market demand report for 2020 is set out in the table below. Whilst this dataset is not comprehensive and does not cover all retailer

and leisure requirements³³, it does nevertheless provide a ‘snapshot’ of market interest at a particular point in time.

- 4.42 As the table shows, the reported interest from operators in Camberley and/or the wider Borough area currently represents a minimum gross floorspace requirement of 6,211 sqm (66,850 sqft), up to a maximum of 14,929 sqm (160,700 sqft), after discounting the potential interest from B8 uses (i.e. Safestore and Easistore).
- 4.43 There were 12 Class A1 operators with a reported interest in taking space in Camberley in 2020, with a total floorspace requirement ranging from 1,798 sqm up to 6,197 sqm. Lidl and Pets at Home account for over two-thirds (67%) of this floorspace requirement. Pets at Home normally have requirements for edge and out of centre larger format stores. Although Lidl is represented in The Atrium, it is one of its smaller format stores and the operator may be seeking a larger format store to complement its current offer.

Table 4.3: Published Requirements from Retailers and Leisure Operators

Operator	Use Class	Size (sq ft)		Size (sq ft)	
		min	max	min	max
1 Cards Direct	A1	1,200	1,500	111	139
2 Subway	A1	200	1,200	19	111
3 Lidl	A1	10,000	30,000	929	2,787
4 Age UK	A1	1,000	7,000	93	650
5 The Fragrance Shop	A1	200	1,500	19	139
6 VPZ (vaping)	A1	500	1,500	46	139
7 Cutting Bar (barbers)	A1	750	3,000	70	279
8 Calendar Club	A1	800	2,000	74	186
9 Pets @ Home	A1	3,000	15,000	279	1,394
10 Caffé Nero	A1	900	2,000	84	186
11 ECigWizard	A1	300	1,000	28	93
12 The Perfume Shop	A1	500	1,000	46	93
13 Carpet Retailer	A2	5,000	n/a	465	n/a
14 Miller & Carter	A3	3,000	6,000	279	557
15 McMullen & Sons	A4	2,500	5,000	232	465
16 Innkeeper's Lodge	A4	n/a	n/a	n/a	n/a
17 The White Brasserie	A4	2,500	4,000	232	372
18 Safestore	B8	25,000	50,000	2,323	4,645
19 Easistore (self storage)	B8	12,000	30,000	1,115	2,787
20 Vets4Pets (South)	D1	12,000	30,000	1,115	2,787
21 Bright Horizons (Nursery)	D1	3,500	9,000	325	836
22 Snap Fitness (South East)	D2	4,000	10,000	372	929
23 InflataNation (Inflatable theme park)	D2	15,000	30,000	1,394	2,787
TOTAL:		103,850	240,700	9,648	22,362
TOTAL (excluding B8 uses):		66,850	160,700	6,211	14,929

- 4.44 The demand from other Class A1 retailers is predominantly for smaller units ranging in size from 19 sqm up to 650 sqm. The requirements list also shows potential interest from a number of café, restaurants and bar operators, a vets and nursery. There could also be demand from a budget gym operator and, interestingly, from ‘Inflata Nation’, an inflatable theme park operator (see Section 9).

³³ Although operators may have requirements for representation in a city, town, shopping or leisure locations they are unlikely to publicise the fact as it will undermine their negotiating position with landlords and agents. Furthermore, retailers who do not have requirements for a particular centre or shopping location at the current time may change their position if the right floorspace becomes available in the right locations. It is therefore difficult to ascertain a true picture of market demand without carrying out a comprehensive marketing campaign when there is new and/or extended floorspace proposed.

COMMERCIAL RENTS

- 4.45 The level of rent which retailers are prepared to pay for retail space within a centre is a useful indication of the perceived strength of a centre (although factors such as the supply of floorspace have an impact on rental value).
- 4.46 However, as described in Section 3, retail rents have fallen significantly in recent years across most of Britain's cities, towns and shopping locations, and this trend has been further accelerated by COVID-19. This fall reflects the wider malaise in the UK retail sector due to the impact of online shopping and the rising costs of operating stores in High Street locations compared with 'virtual stores', as well as out-of-centre shopping locations. These issues are particularly acute for retailers burdened with legacy store portfolios and debt. This is clearly evident in the number of store closures resulting from corporate failures, CVAs and rationalisation programmes that are impacting on the retail sector (see Section 3).
- 4.47 Recent market evidence shows rents across the town centre ranging from £20 per sqft, up to £60 per sqft. For example, we understand that most lettings on Park Street are between £20 and £25 per sqft for leisure and restaurant uses. Furthermore, we understand that the Park Row development achieved rents ranging from £16.00 to £22.50 per sqft in 2017.
- 4.48 The highest rents of £60 per sqft have been achieved in The Square. According to the PROMIS report this is approximately half of the peak rent of £120 per sqft recorded in 2007. Recent lettings indicate that lease terms are relatively short, ranging from three to ten years, and incentives are generous, including rent-free periods of 3 months or more. This reflects the current uncertainty and wider trends in the retail market, as landlords try to retain and attract new tenants into vacant space.

EVENING / NIGHT-TIME ECONOMY

- 4.49 Camberley has a good and varied evening and night-time offer. The leisure offer is mainly focussed on the cinema, bowling and food and beverage uses that form part of The Atrium's offer on the eastern side of the town, including along Park Street. This offer is balanced by the theatre on the western side of the town off Knoll Road, albeit that it does feel separate from the town's prime shopping and leisure offer. The theatre hosts a wide range of shows and events.
- 4.50 There are also a number of mainly independently owned restaurants and drinking establishments scattered across the town centre. A number of retailers are also open to 8pm every Thursday which helps to boost the town's early evening economy.
- 4.51 To further help strengthen the town's evening economy the Council has plans to open up Obelisk Way and Princess Way to reconnect the town centre's streets and create a more legible pedestrian circuit. New residential development across the town centre (planned, committed and developed) will also create a "*captive catchment population*" that is more likely to visit the town during the day and evening for a range of uses and activities, increasing spend and turnover, and ultimately boosting Camberley's local daytime and evening economy.

OUT-OF-CENTRE RETAIL AND LEISURE

- 4.52 The Meadows is Camberley's main out of centre retail destination. The scheme comprises Tesco Extra and Marks & Spencer, and has a total retail floorspace of circa 24,155 sqm.
- 4.53 The only other main out-of-centre shopping destination in the Borough is the Bagshot Retail Park, where the main tenants area Waitrose, Pets at Home, Cotswold Outdoor and a Subway.

- 4.54 Although Surrey Heath has a more limited out-of-centre retail and leisure offer than other local authorities, the results of the household survey confirm that The Meadows in particular is achieving a significant market share of comparison and convenience shopping trips and expenditure from within Camberley Town Centre's catchment (see **Section 6**).

CUSTOMER VIEWS & BEHAVIOUR

- 4.55 Both the street interview and household telephone interview surveys provide a good indication of what people "like" and "dislike" about Camberley Town Centre, and what improvements could persuade them to visit the town more frequently than they do at present. The results of the surveys are summarised in more detail in Sections 5 and 6.

PEDESTRIAN FLOWS

- 4.56 From our observations (pre-pandemic) footfall is strongest in The Square and Atrium and along Park Street. The High Street also has relatively good footfall. Although footfall levels were initially affected by the street improvement works and then by the impact of the pandemic, the improvements should help to generate increased activity along the High Street and adjoining streets.
- 4.57 Footfall levels noticeably fall away towards the edge of the town centre along Knoll Road to the east and London Road to the west. As a result the theatre and library feel somewhat isolated from the rest of the town centre.
- 4.58 The proposed London Road block redevelopment will provide a significant opportunity to reconnect the northern part of Camberley with the rest of the town centre, and create a stronger pedestrian circuit.

TOWN CENTRE ENVIRONMENT

- 4.59 The town centre's Victorian heritage and buildings reflect its development over the last century, particularly on the High Street and along London Road (A30). The present town centre was mainly developed in the 1960's when the Victorian terraces made way for the pedestrian precinct. The development of The Square shopping centre in 1990s and the more recent development of The Atrium has resulted in the loss of further areas of Victorian and Edwardian housing.
- 4.60 Knoll Road to the east of the High Street is the main location of a number of civic and community uses. The town centre's main green space is located behind the Council Offices in Camberley Park, but is poorly connected to main shopping area. The Park contains a children's play area and a wooded knoll leading up to The Obelisk, which is the only listed building in the town centre. One of the AAP proposals is to make more effective use of the green space to the east of Knoll Road and better integrate the civic area with the retail core. The 'greening' of the town centre is a key theme and objective, with soft landscaping being an important element of public realm improvements.
- 4.61 Much of the town centre is pedestrianised, which has resulted in a safer environment for shoppers and visitors. The Atrium has also resulted in the pedestrianisation of Park Street, with limited access for vehicles delivering and collecting goods. The AAP also supported further pedestrianisation schemes to give pedestrians priority where this can bring environmental benefits and does not impede the circulation of traffic. Where appropriate, these improvements will be sought as part of developments, or through developer contributions. As described above the High Street is currently the focus for significant new investment, jointly funded by the Council and LEP.

4.62 The AAP identified that Camberley currently lacks any civic spaces. This can add vibrancy to the urban environment and reinforce it as a destination of choice. New open and public spaces should therefore be introduced as part of redevelopment proposals for the town centre.

ACCESSIBILITY, MOVEMENT & PARKING

4.63 Accessibility is a key factor when considering the health and future prospects of a centre. Ease of access and the scale and quality of parking are important factors underlying the success and attraction of a centre for customers, businesses and visitors.

4.64 The AAP identified that access to and across the Town Centre is a significant local issue. The main issues focussed on traffic congestion, particularly along London Road (A30), a limited bus network and limited rail services.

4.65 Although Camberley station provides direct rail services to London, these are at peak hour only and generally regarded as slow. As a result many residents drive to Farnborough Station and use the faster more direct service to London³⁴. Connections to other lines and centres are poor, and although bus services do stop outside the Station the AAP identified that there is a lack of integration between bus and rail services.

4.66 The Surrey Transport Plan (STP)³⁵ has identified that buses have a key role for improving local public transport to Camberley town centre. Congestion and the infrequency of some services still make the car a more attractive option for many visitors. The STP has identified a number of measures based around improving reliability and punctuality of services and encouraging new initiatives from bus operators.

4.67 A number of cycling routes are also proposed by the County Council as part of their Cycling Strategy that will be implemented mainly through developer contributions.

4.68 The AAP also identified that Camberley Town Centre suffers from poor permeability (ease of movement) and poor legibility (the ability to understand your position within the urban environment). Key to improving the public realm is achieving improved movement corridors across the town centre in an east/west direction particularly along both Obelisk Way and Princess Way, and opening up improved connections to the London Road frontage to the north and public transport to the south. A comprehensive signage strategy will aid movement around the town centre.

4.69 In summary the AAP (paragraph 7.3) identified a series of key improvements to help the town centre's accessibility and connectivity, including:

- Improved facilities for a transport interchange at Camberley station.
- A network of cycle routes and improved cycle parking.
- Facilitating improvements to bus services, with bus lanes and facilities, and park and ride facilities to be provided where appropriate.
- Improved provision for taxis and community transport.
- Improvements to the existing highway network including junction improvements where appropriate.
- Making better use of parking capacity.

³⁴ Source: The Core Strategy, paragraph 2.34

³⁵ The Surrey Transport Plan TP3 produced by Surrey County Council, April 2011.

- Promoting the management of transport demand including Travel Plans.
- The pedestrianisation of part of the High Street.
- Improving pedestrian links and access for people with disabilities within and to the town centre.

HOUSING

- 4.70 The AAP identified that the amount of housing in the town centre had increased at the time following the provision of 217 flats as part of The Atrium scheme and the conversion of St Georges Court from offices into 23 flats. Other office buildings in the town centre have since been converted to residential development through the PDR process and some of the vacant premises above shops have been re-occupied as flats.
- 4.71 Housing in the town centre will make an important contribution toward the overall housing need for the Borough, and specifically to the 860 units identified by the Core Strategy (Policy CP3) for the Camberley area. In considering proposals for net new residential development regard will need to be made policy CP14B of the Core Strategy which sets out the Councils policy in respect of European sites (see Section 2). At the time of the AAP sufficient avoidance measures existed to ensure that at least 200 new homes could be provided within Camberley town centre. In particular, capacity at Blackwater Park SANGs is specifically ring-fenced to provide for new development within Camberley town centre.

EMPLOYMENT

- 4.72 Surrey Heath is located in the growth area around the western fringe of London, including areas such as Basingstoke, Guildford, Reading and Woking. A market review³⁶ of the current supply of employment land in the Blackwater Valley area has shown that the Borough has the lowest supply of office floorspace in the study area. Furthermore the demand for office space is declining as new and better located office parks are constructed in the Hart and Rushmoor areas. Thus there is likely to remain a surplus of office floorspace over the plan period.
- 4.73 The town centre's economic role has previously been focussed on retail and office based employment. It has seen persistently high levels of office floorspace vacancy rates for a number of years. Vacancy rates are the highest in the study area at 21%. As a result a number of former office buildings have been converted to residential uses through the PDR process. There is, however, a need to maintain the role of the town centre as an employment centre to reflect its strategic role. As a result existing office floorspace will need to be retained and "refreshed", and/or more flexible workspace provided as part of new developments that can be adapted to meet future demand.

SUMMARY

- 4.74 In summary, the health check has identified a number of Camberley's strengths and weaknesses, the opportunities for potential growth, and threats to its future development. Apart from the impacts of the COVID-19 pandemic on its overall vitality and the viability, the headlines are:
- It has a relatively strong comparison goods offer, but it could be vulnerable to closures over the short, medium and long term in line with national and regional trends.
 - The Square Shopping Centre has benefitted from significant investment and accommodates the town's main fashion and comparison goods retailers.
 - Camberley has an under-provision of food and convenience stores.

³⁶ Surrey Heath, Hart and Rushmoor Employment Land Review November 2009

- The monthly Farmers' Market is popular, but in line with national trends the town centre could potentially support a high quality weekly market or potentially an indoor Market Hall subject to the availability, suitability and viability of sites/buildings.
- The Atrium is a major leisure destination and, along with The Square, is a major anchor and draw for the town centre's daytime and evening economy.
- The town has a 13.7% vacancy level, which is slightly higher than the (Experian) national average of 12.9%. At the time of finalising this study there was no evidence of a spike in vacancies and business failures in Camberley due to the impact of the pandemic, but we strongly recommend that occupancy and vacancy levels are carefully monitored by the Council during 2021-23 (preferably every quarter).
- There is a good mix of multiple and independent businesses, but multiple representation is significantly above the national average which means the centre could be vulnerable to potential closures.
- There is some market demand, albeit limited from retailers and leisure operators for representation in the Borough and town.
- The town centre environment is good, but would benefit from new investment and the introduction of more public and green space.
- The current investment in, and pedestrianisation of the High Street should have a significant positive impact on the town centre environment, and help to better connect different streets and areas.
- There is significant potential to improve the sustainability and viability of the town centre by introducing more new residential uses "*on top of*" and "*on the edge of*" the town, through the repurposing and/or redevelopment of existing buildings and sites.
- The London Road Block provides a significant opportunity to provide a high quality mixed use residential and commercial scheme at an important northern gateway to the town off the A30. It also provides the opportunity to strengthen the town's pedestrian circuit.
- The theatre and library are a key town centre uses and attractions, but they are located away from the prime shopping streets. The theatre is popular, but currently has a limited impact on the town centre's wider evening economy in terms of generating linked trips and expenditure to the benefit of other cafés and restaurants.
- The town would benefit from improvements to its overall connectivity by rail, bus and bike.

5. CAMBERLEY - STREET SURVEY

- 5.1 This section briefly sets out the key headline findings of the face-to-face street interview surveys conducted in Camberley Town Centre in May-June 2019³⁷. These survey results provide further robust evidence as to the relative attraction, performance, vitality and viability of Camberley for those people who live, work, shop and use the town centre for a wide range of activities.
- 5.2 In this case the street interview surveys were conducted before the impact of the COVID-19 pandemic and therefore provide a snapshot of consumer trends and preferences at a specific point in time. The real value in this key performance indicator – as for others – will be to carry out the street interview survey on a regular basis (i.e. on an annual or biennial basis) to help monitor the impacts of the pandemic, and of new investment and regeneration schemes on Camberley Town Centre’s performance (including, for example, the impact of the high street improvements), etc. We therefore recommend that street interview surveys be incorporated, where feasible, into the Council’s *Annual Monitoring Reports (AMRs)*.

SURVEY METHOD

- 5.3 NEMS Market Research was commissioned in April 2019 to conduct an independent face-to-face survey amongst a sample of visitors to Camberley Town Centre to help inform the findings of the health check assessment. The interviews were conducted between Friday 17th May and Saturday 8th June 2019 by trained professional interviewers. In total some 204 face-to-face interviews were carried out at different pre-determined locations across the Town Centre, as agreed with the Council. The main aims and objectives of the survey were wide-ranging and included identifying:
- respondents’ main purpose for visiting the town centre on the day of their interview;
 - what they “liked” most about the centre;
 - what they “disliked”; and
 - what improvements, if any, would make them visit the centre more often.
- 5.4 The research method, survey questionnaire and detailed tabulations are set out in Appendix II to this report. The results have been cross-tabulated by each gender, age and socio-economic profile.

RESPONDENT PROFILE

- 5.5 Of the 204 people interviewed, 135 (66.2%) were female and 69 (33.8%) were male.
- 5.6 As Figure 5.1 shows, there was a good distribution across the different age groups. Some 20% of respondents were aged 65 years or more, 15% were aged between 18-24 years and 19% were between 25-34 years. In general terms the older and younger age profile have the highest disposable incomes.

³⁷ Please note that the street interview questionnaire and survey was originally designed, commissioned and carried out before LSH was instructed by the Council.

Figure 5.1: Age Profile of Respondents

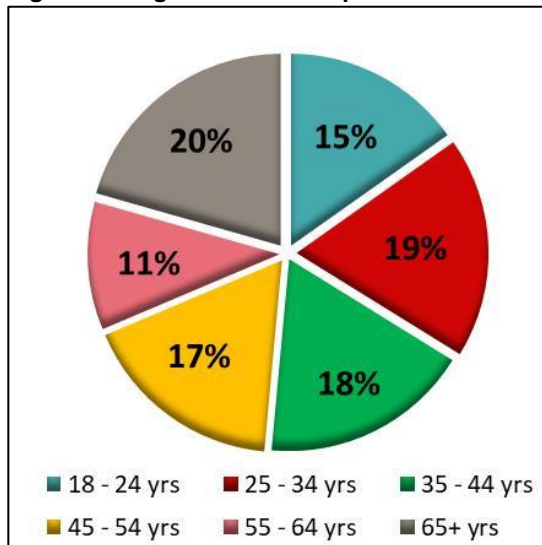
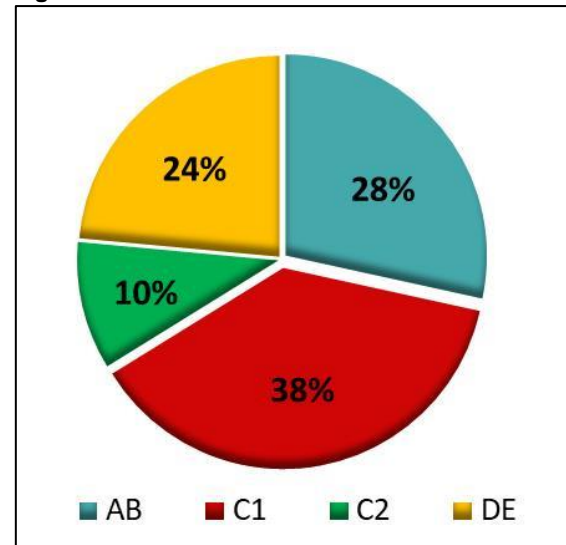


Figure 5.2: Socio-economic Profile

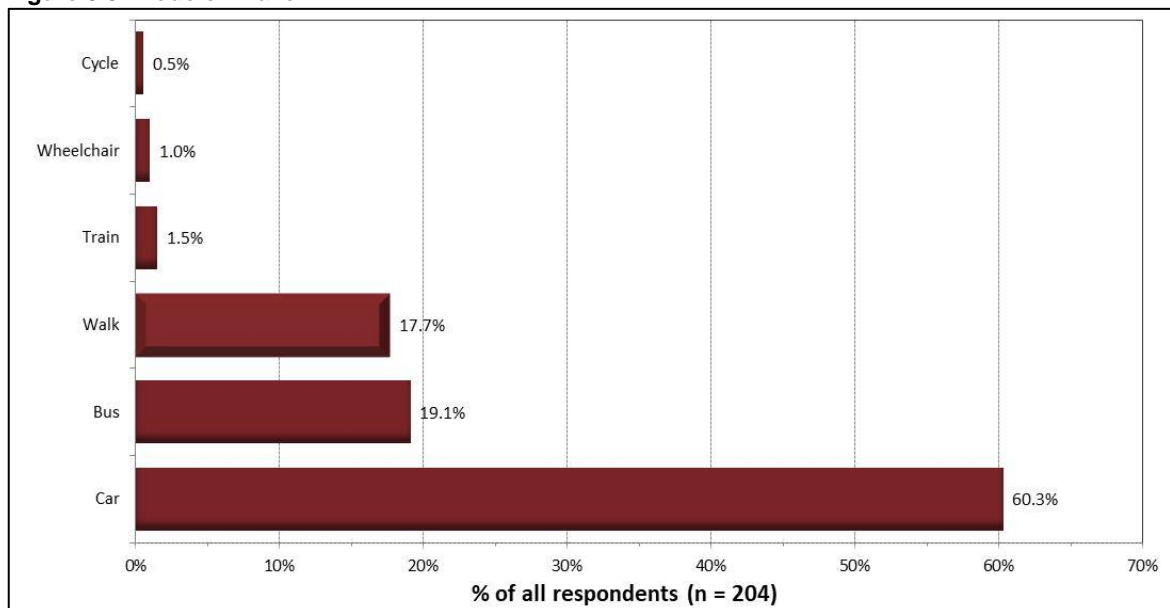


- 5.7 In terms of their broad socio-economic groupings, Figure 5.2 shows that approximately two-thirds (66%) were classified in the AB/C1 categories and 34% were classified as C2/DEs.
- 5.8 Car ownership levels amongst respondents were also high. Of those interviewed some 34% owned one car, 28% had two cars and 14% owned three or more cars. Approximately one-quarter (24%) stated that they did not own a car.

MODE OF TRAVEL

- 5.9 Not surprisingly, given the relatively high levels of car ownership, some 60% travelled to the Town Centre by car. A further 19% travelled by bus and a significant proportion walked to the centre. Only 1.5% arrived by train.

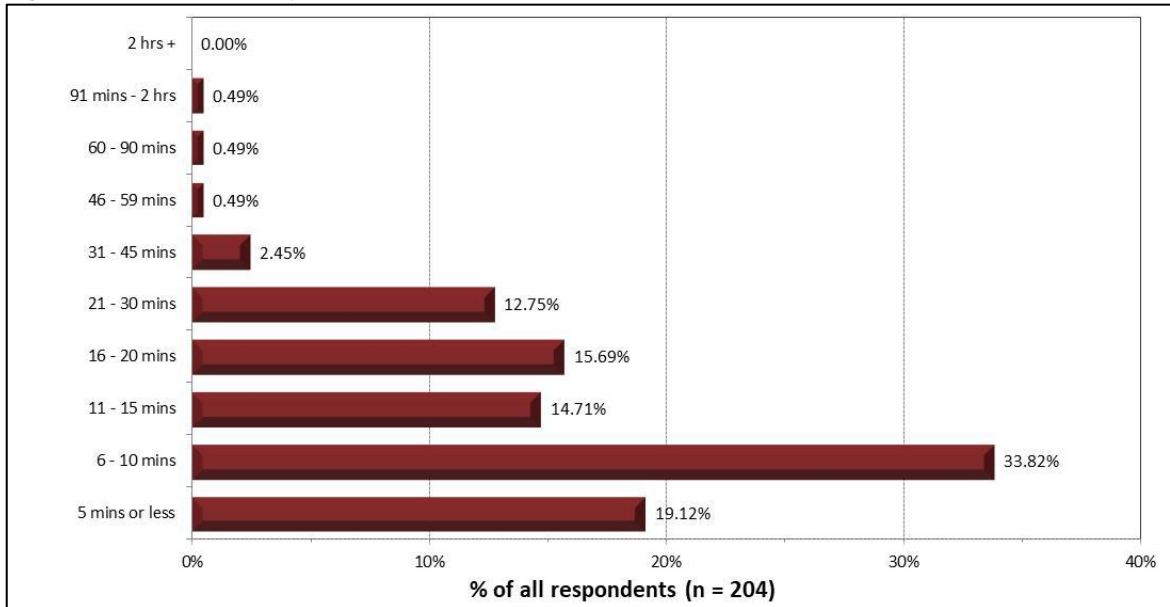
Figure 5.3: Mode of Travel



CATCHMENT & JOURNEY TIMES

5.10 The location of the respondents to the survey, based on postcodes, shows that Camberley Town Centre has a relatively localised catchment area.

Figure 5.4: Travel/Journey Times

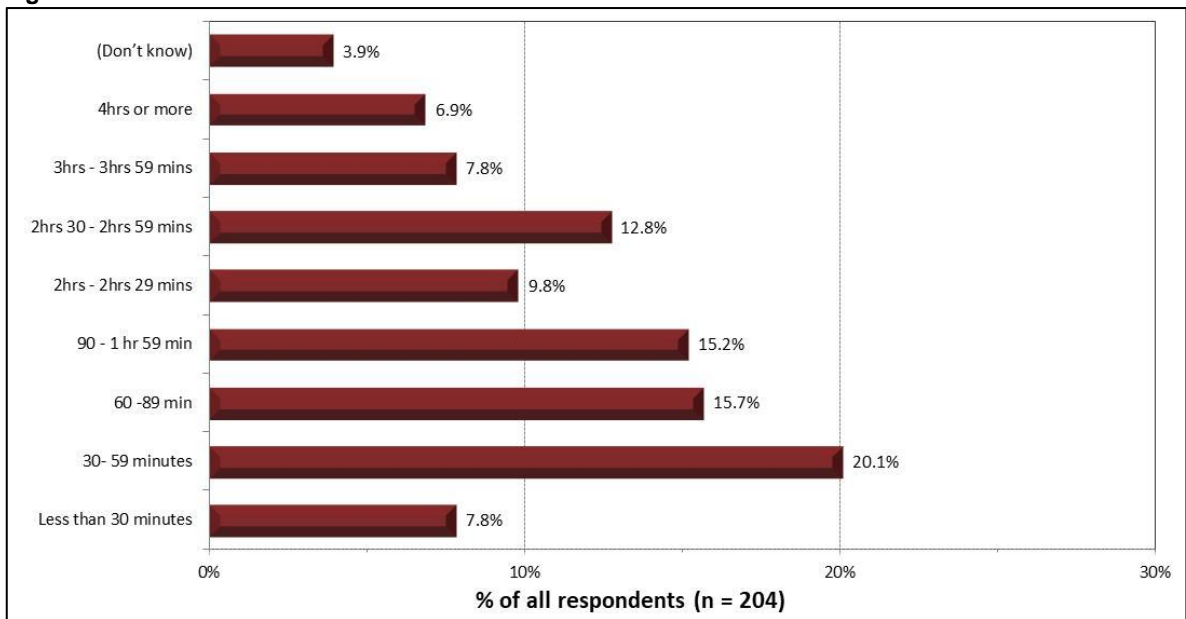


5.11 This is further confirmed by the short average journey times to the Town Centre. As the figure below shows, over two-thirds (67.7%) of respondents travelled 15 minutes or less on the day they were interviewed. For over half (53%) of respondents the journey time was ten minutes or less. Less than 4% had journey times of over 30 minutes.

DWELL TIMES

5.12 The length of time that people stay in a town or shopping centre is commonly referred to as “*dwell time*”. It provides a good indication of the relative attraction and strength of the centre’s shopping, leisure and wider offer. It is generally the case that the larger cities, towns and shopping centres with a diverse choice and mix of shops, leisure, workspace and other uses will generate longer dwell times than smaller centres. It also follows that if people spend a longer time in a centre then they will generally spend more money. The figure below shows the average dwell time of respondents to the street interview survey.

Figure 5.5: Dwell Times

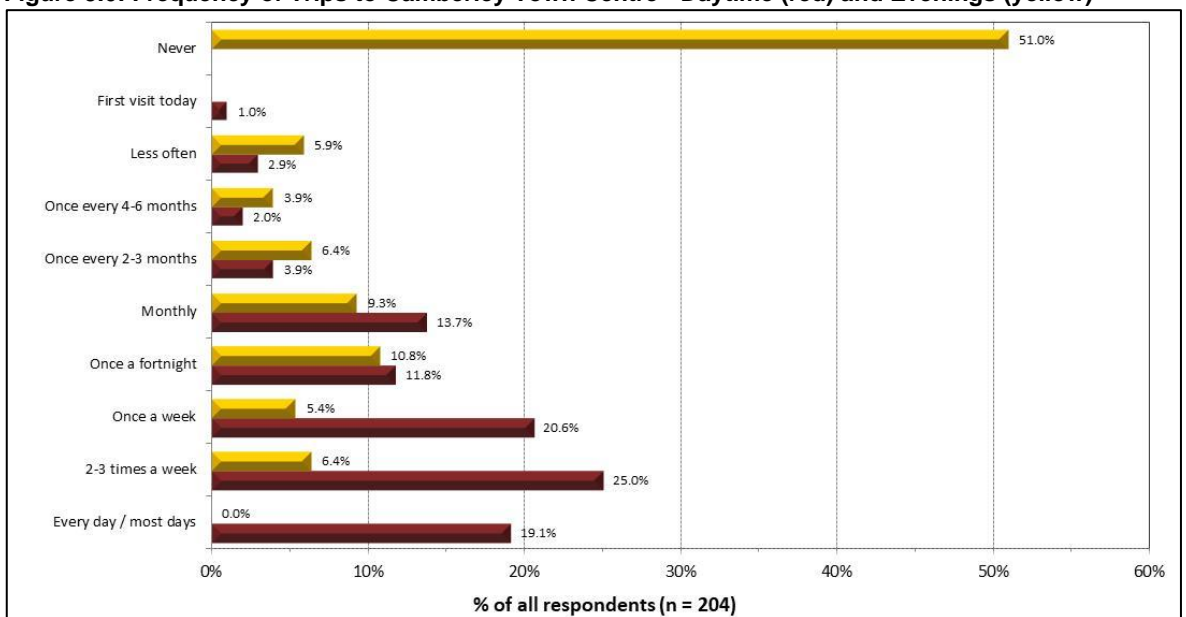


5.13 On average, 27.9% of respondents spent up to one hour in the Town Centre, 30.9% spent 1-2 hours, 22.6% spent 2-3 hours and the remaining 18.6% spent over three hours. These dwell times are relatively evenly distributed, with over two-thirds of respondents spending over one hour in the Town Centre.

FREQUENCY OF TRIPS

5.14 Respondents were asked how often they visited the Town Centre during the daytime and evenings/night-time. The figure below summarises the responses.

Figure 5.6: Frequency of Trips to Camberley Town Centre - Daytime (red) and Evenings (yellow)



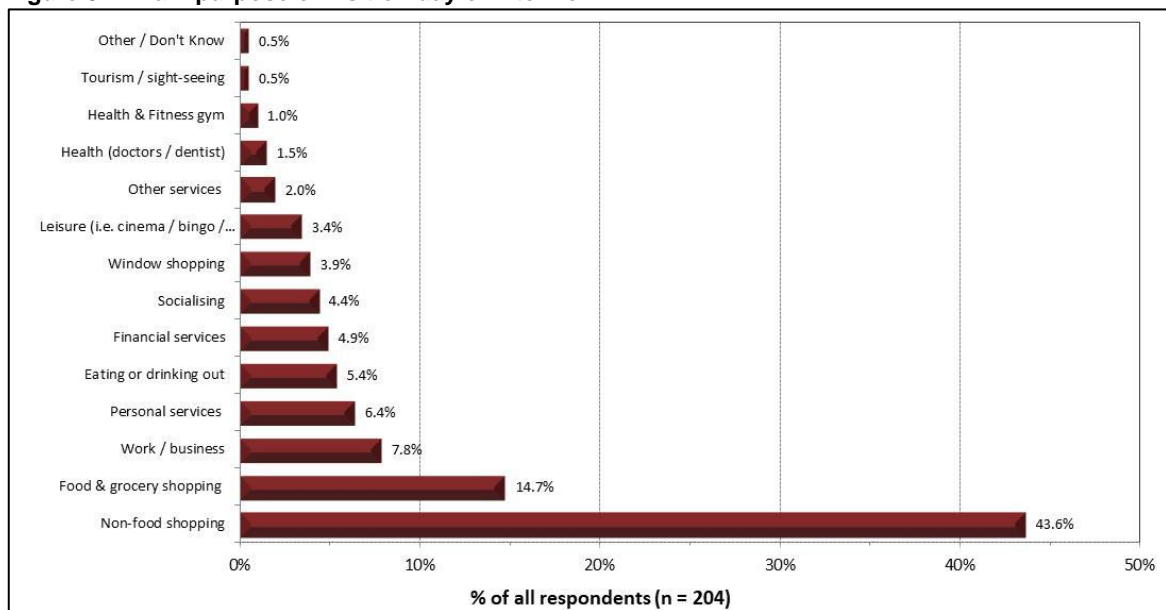
5.15 The figure confirms the higher frequency of trips to the Town Centre during the day compared with evening visits. Overall nearly two-thirds (64.7%) of those interviewed visit Camberley at least once a week during the daytime, with some 34% visiting up to three times a week. In comparison, some 11.8% visit the Town Centre at least once a week.

- 5.16 Approximately one-fifth (20.1%) of respondents stated that they visit the Town Centre once or twice a month in the evening.
- 5.17 Over half of those interviewed (51%) stated that they never visit the Town Centre in the evenings. This suggests that there could be potential to attract more people into Camberley during the early evenings and night-time, if the range of evening attractions can be developed to meet the needs of the centre’s existing daytime catchment population.

MAIN PURPOSE OF VISIT

- 5.18 For the majority of respondents their main reason for visiting the Town Centre was for non-food shopping (43.6%), followed by food/grocery shopping (14.7%). The responses confirm that shopping remains vital to Camberley’s attraction, as it helps to generate regular trips, footfall and expenditure.
- 5.19 Some 8% of those interviewed worked in the Town Centre, or were visiting for business reasons. Most of these visit Camberley every day during the working week.
- 5.20 The next most popular reasons for visiting the Town Centre were for personal services (6.4%), eating or drinking out (5.4%) and for financial services (4.9%).

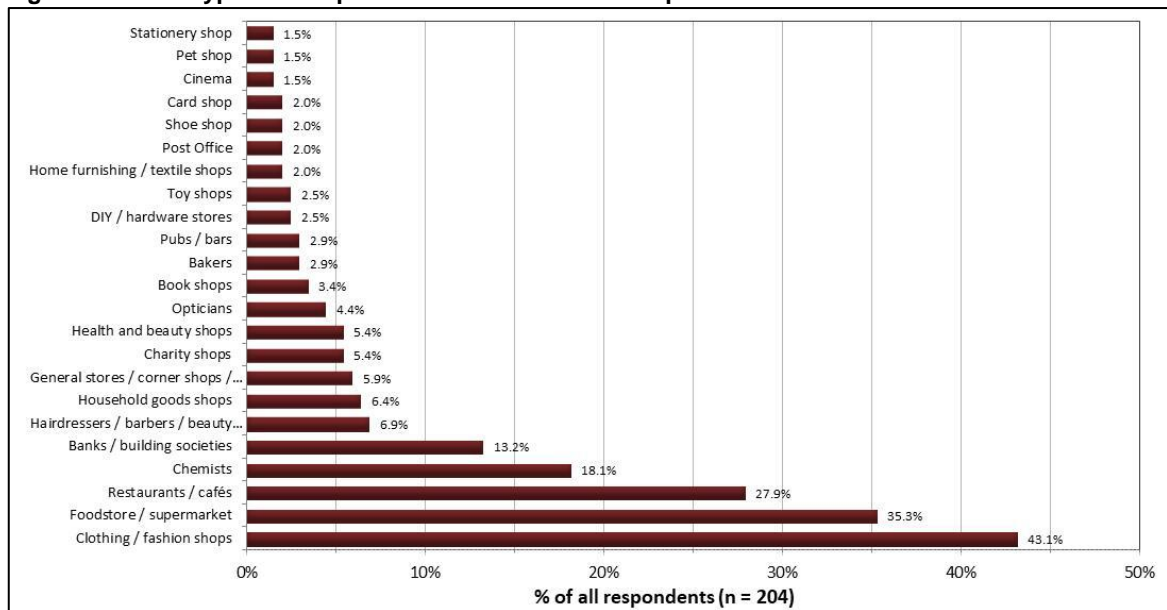
Figure 5.7: Main purpose of visit on day of interview



MAIN TYPES OF SHOPS & SERVICES VISITED

- 5.21 Some 43.1% of those interviewed indicated that they were mainly visiting clothing and fashion stores on the day of their visit to the Town Centre.
- 5.22 Over one-third (35.3%) visited one of Camberley’s foodstores and supermarkets on the day of their trip. This is a significant proportion of respondents, particularly when one considers that the health check has identified under-provision of food and convenience stores in the Town Centre (see Section 4). This further underlines the positive attraction and impact of food and convenience shops to Camberley’s overall vitality and viability.

Figure 5.8: Main types of shops and services visited on trip

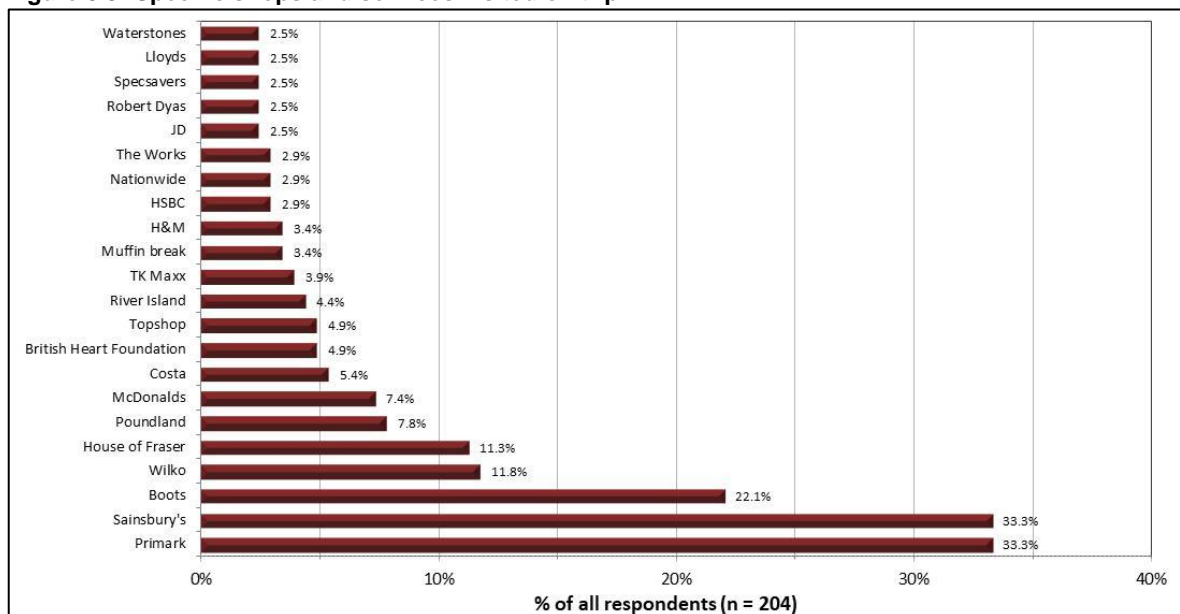


5.23 Restaurants and cafés (27.9%) were the next most popular shops/services visited by respondents, followed by chemists (18.1%), banks/building societies (13.2%) and hairdressers/barbers (6.9%). The responses also confirm the “long tail” of other shops and services visited on the day people were interviewed.

SPECIFIC SHOPS & SERVICES VISITED

5.24 When asked what specific shops and services people visited on the day of their interview (question 8), one-third identified Primark and Sainsbury’s. Boots (22.1%) was the next most popular store, followed by Wilko (11.8%), House of Fraser (11.3%) and Poundland (7.8%).

Figure 5.9: Specific shops and services visited on trip



5.25 The town’s shops are clearly a major anchor and attraction to Camberley’s overall retail and service offer. McDonalds (7.4%), Costa Coffee (5.4%) and Muffin Break (3.4%) are the most popular places for something to eat and drink. Nationwide Bank was the only other specific outlet mentioned that was not a shop or a café/restaurant/takeaway.

5.26 The table below sets out the top 20 specific non-food shops that respondents stated they normally visit (question 15).

Table 5.1: Top 20 most popular stores visited on the day of interview

Primark (51%)	TK Maxx (10.5%)	New Look (6%)	The Works (4.5%)
Boots (34%)	Post Office (7.5%)	Card Factory (5%)	H&M (4.5%)
Wilko (20%)	Topshop (7%) *	British Heart Foundation (4.5%)	Costa (4%)
House of Fraser (15%)	River Island (6.5%)	Deichmann (4.5%)	GAME (4%) *
Poundland (11%)	Sainsbury's (6.5%)	Robert Dyas (4.5%)	Holland & Barrett (4%)

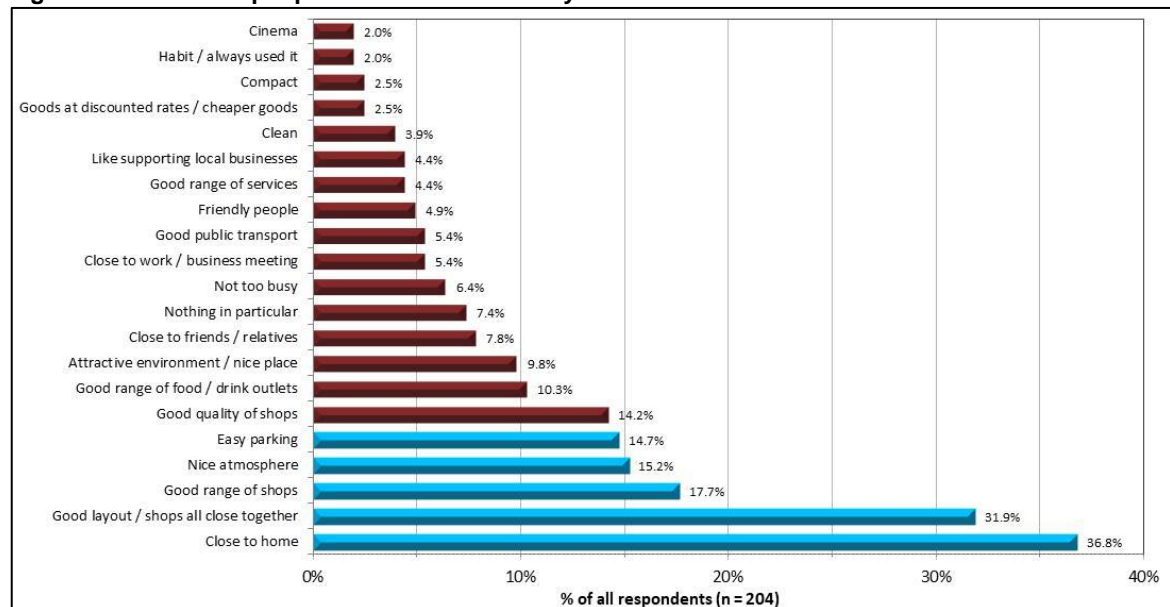
Notes: *Topman closed following the collapse of the Arcadia Group and GAME relocated into Sports Direct in Nov. 2020

5.27 It confirms the popularity of Primark and its role as a key anchor store for the Town Centre, followed by Boots, Wilko, House of Fraser and Poundland.

WHAT DO PEOPLE LIKE ABOUT CAMBERLEY

5.28 The figure below sets out the headline results of what people most “like” about Camberley Town Centre (responses to question 23).

Figure 5.10: What do people like about Camberley Town Centre?



5.29 Respondents mainly “liked” the Town Centre because it is close/convenient to where they live (36.8%), to friends/relatives (7.8%) or to work (5.4%). Respondents also “liked”:

- the layout of shops and the fact that it is a relatively compact Town Centre (31.9%);
- the “good range” and “good quality” of shops was also mentioned by 17.7% and 14.2% of respondents respectively;
- approximately 10% identified the good range and choice of places to eat and drink;
- the “nice atmosphere” (15.2%) and “attractive environment” (9.8%) were also popular with respondents; and
- some 14.7% also mentioned “easy parking”.

WHAT DO PEOPLE DISLIKE ABOUT CAMBERLEY

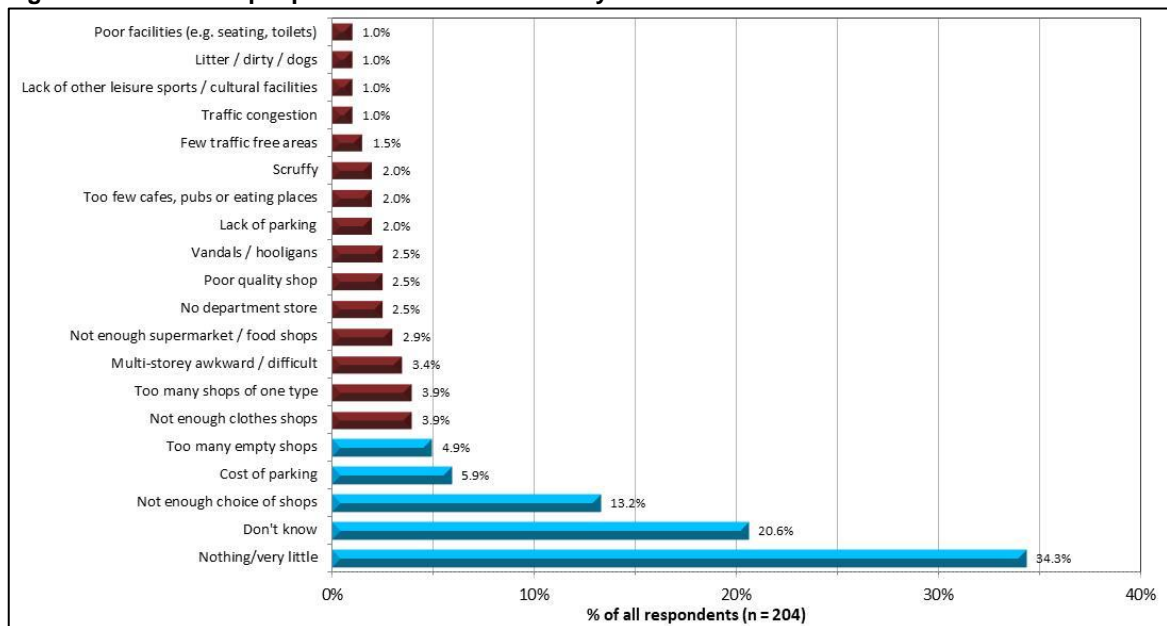
5.30 The figure below sets out what people “dislike” about Camberley Town Centre (Q24).

5.31 In summary, more than half of respondents (54.9%) identified there was “nothing”/“very little” they disliked (34.3%), or they “didn’t know” (20.6%). Of the remainder, the main “dislikes” included:

- **Shops:** poor choice of shops (13.22%), not enough clothes shops (3.9%) or supermarkets/ food stores (2.9%) and no department stores (2.5%). Others mentioned that there were too many empty shops (4.9%), too many shops “of one type” (3.9%) and “poor quality shops” (2.5%);
- **Parking:** The cost of parking (5.9%), the difficulty of parking in the multi-storey car parks (3.4%) and the lack of parking (2%); and
- **Leisure:** not enough cafés, pubs and eating places (2%).

5.32 A small proportion of respondents did not like the town centre environment generally and some were concerned by safety/security measures.

Figure 5.11: What do people dislike about Camberley Town Centre?



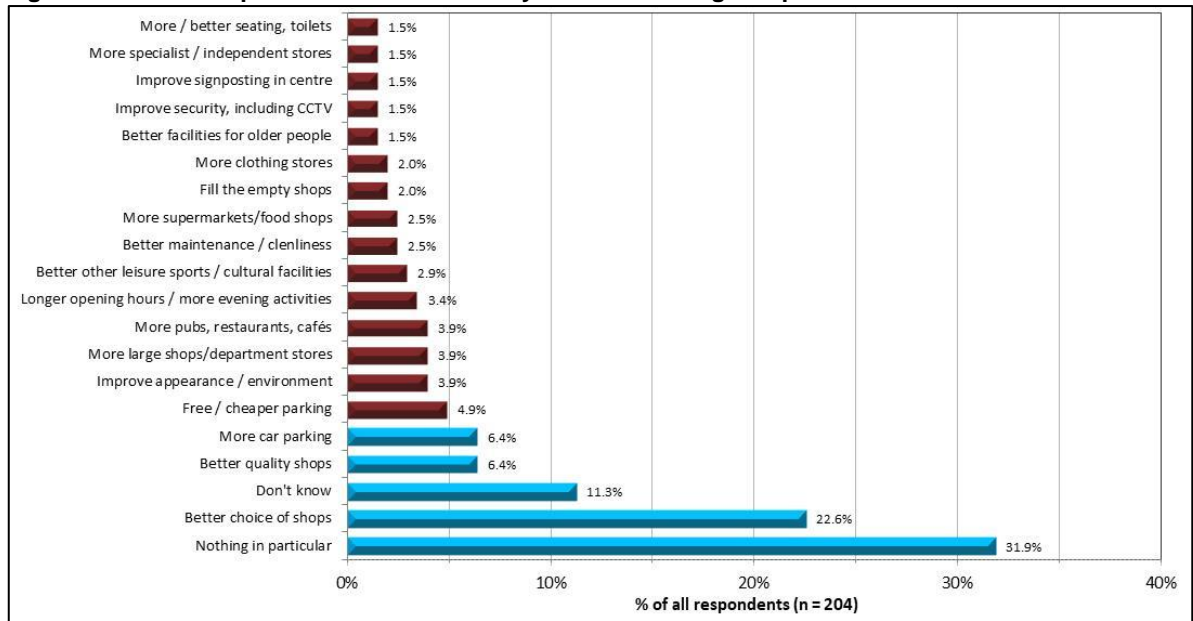
WHAT IMPROVEMENTS COULD MAKE PEOPLE VISIT MORE OFTEN

5.33 The figure below shows the headline responses to question 25, which asked respondents what improvements to Camberley would potentially make them visit the Town Centre more often than they currently do.

5.34 In summary, some 31.9% of respondents identified there was “nothing in particular” that would make them visit the town more often than they currently, and a further 11.3% “didn’t know” (20.6%). Of the remainder, the main “improvements” identified included:

- **Shops:** A better choice of shops (22.6%), better quality shops (6.4%), more large shops/department stores (3.9%), more supermarkets/food stores (2.5%), more clothing stores (2%) and more specialist/independent stores (1.5%).
- **Parking:** more parking (6.4%) and free/cheaper parking (4.9%).

Figure 5.12: What improvements to Camberley would encourage respondents to visit more often?

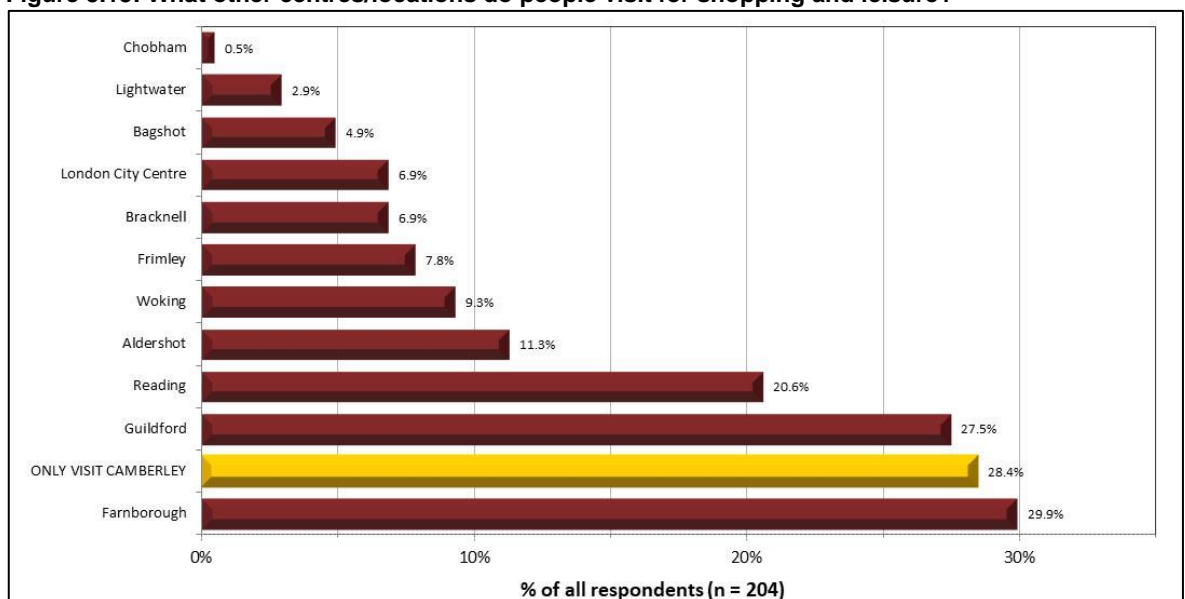


- **Environment:** improvements to the town centre's appearance/environment (3.9%), better maintenance/cleanliness (2.5%), "fill the empty shops" (2%) and more/better seating/toilets (1.5%).
- **Leisure and Evening Economy:** more cafés/pubs/restaurants (3.9%), longer opening hours and more evening activities (3.4%), and better other leisure, sports and cultural activities (2.9%).
- **Security and Signage:** the need for improvements to security (including CCTV), and to signposting was each mentioned by 1.5% of respondents.
- **Other:** most mentioned responses included better facilities for older people (1.5%)

WHERE ELSE DO PEOPLE VISIT FOR SHOPPING & LEISURE

5.35 The figure below shows which other centres respondents regularly visit apart from Camberley Town Centre (question 28).

Figure 5.13: What other centres/locations do people visit for shopping and leisure?



- 5.36 Some 28.4% indicated that they only visit Camberley, which is a positive indicator of the Town Centre’s “captive” catchment.
- 5.37 The main competing centres in terms of market share are Farnborough (29.9%), Guildford (27.5%) and Reading (20.6%). Other centres such as Aldershot (11.3%), Woking (9.3%), Frimley (7.8%) and Bracknell (6.9%) are achieving a lower market share of trips.
- 5.38 Question 29 asked which specific shops, businesses or services respondents visited in all the centres mentioned above and the responses are summarised below. The highest responses are highlighted in yellow and the second highest in green.
- 5.39 In summary, people are mainly visiting Guildford, Reading, Woking and Bracknell for clothing and fashion shopping. This reflects the relative scale and quality of their offer compared with Camberley.
- 5.40 Farnborough is drawing a similar proportion of respondents for both fashion and food shopping purchases.

Table 5.2: What specific shops, services and businesses do respondents visit in other centres

	Farnborough	Guildford	Reading	Aldershot	Woking	Frimley	Bracknell	Bagshot	Lightwater
	Q29E	Q29G	Q29I	Q29A	Q29J	Q29F	Q29C	Q29B	Q29H
% of Respondents:	29.9%	27.5%	20.6%	11.3%	9.3%	7.8%	6.9%	4.9%	2.9%
Sample Size (n):	n=61	n=56	n=42	n=23	n=19	n=16	n=14	n=10	n=6
Bakers	3.3%	0.0%	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Banks / building societies	11.5%	1.8%	7.1%	26.1%	0.0%	18.8%	0.0%	10.0%	0.0%
Betting shops	0.0%	0.0%	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Book shops	0.0%	0.0%	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Butchers	1.6%	0.0%	0.0%	4.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Carpet / floorcovering shops	1.6%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Charity shops	6.6%	0.0%	2.4%	4.4%	5.3%	6.3%	7.1%	0.0%	0.0%
Chemists	3.3%	1.8%	4.8%	13.0%	0.0%	18.8%	14.3%	10.0%	16.7%
Cobblers	0.0%	0.0%	4.8%	0.0%	0.0%	0.0%	21.4%	0.0%	0.0%
Clothing / fashion store	42.6%	80.4%	83.3%	13.0%	63.2%	12.5%	57.1%	20.0%	16.7%
DIY / hardware stores	4.9%	3.6%	0.0%	4.4%	0.0%	0.0%	0.0%	0.0%	16.7%
Estate agents	0.0%	1.8%	0.0%	0.0%	0.0%	0.0%	7.1%	0.0%	0.0%
Ethnic / foreign food shops	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Foodstore / supermarket	54.1%	10.7%	16.7%	69.6%	36.8%	50.0%	21.4%	80.0%	50.0%
General stores / corner shops / newsagents	1.6%	3.6%	2.4%	13.0%	10.5%	12.5%	0.0%	20.0%	0.0%
Greengrocers / fruit & veg shops	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Hairdressers / barbers / beauty shops	1.6%	3.6%	4.8%	0.0%	5.3%	0.0%	7.1%	0.0%	16.7%
Health and beauty shops	0.0%	1.8%	9.5%	4.4%	5.3%	0.0%	0.0%	0.0%	0.0%
Health food shops	0.0%	1.8%	4.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Home furnishing / textile shops	1.6%	10.7%	9.5%	0.0%	5.3%	0.0%	0.0%	0.0%	0.0%
Household goods shops	3.3%	7.1%	9.5%	0.0%	5.3%	6.3%	0.0%	0.0%	0.0%
Jewellers	1.6%	1.8%	2.4%	0.0%	5.3%	0.0%	14.3%	0.0%	0.0%
Opticians	0.0%	0.0%	4.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Post Office	0.0%	1.8%	0.0%	13.0%	0.0%	6.3%	7.1%	20.0%	0.0%
Pubs / bars	3.3%	5.4%	0.0%	17.4%	5.3%	0.0%	0.0%	0.0%	0.0%
Restaurants / cafes	24.6%	37.5%	33.3%	17.4%	36.8%	6.3%	35.7%	10.0%	33.3%
Shoe shop	1.6%	5.4%	9.5%	0.0%	0.0%	6.3%	7.1%	0.0%	0.0%
Sports good shops	4.9%	1.8%	2.4%	0.0%	0.0%	0.0%	7.1%	0.0%	0.0%
Takeaways	1.6%	0.0%	0.0%	8.7%	0.0%	6.3%	0.0%	0.0%	0.0%
Toy shops	4.9%	1.8%	4.8%	4.4%	5.3%	0.0%	0.0%	0.0%	0.0%
Other (incl. Cinema/Gym)	0.0%	0.0%	0.0%	4.4%	0.0%	6.3%	0.0%	0.0%	0.0%

Source: In-Centre Survey. Responses to question 29.

- 5.41 Aldershot, Frimley, Bagshot and Lightwater are alternative choices for food shopping. This reflects the limited food and convenience offer in Camberley Town Centre.
- 5.42 Guildford, Reading and Woking are also popular with respondents for the quality and mix of places to eat and drink.

6. CATCHMENT, COMPETITION & MARKET SHARES

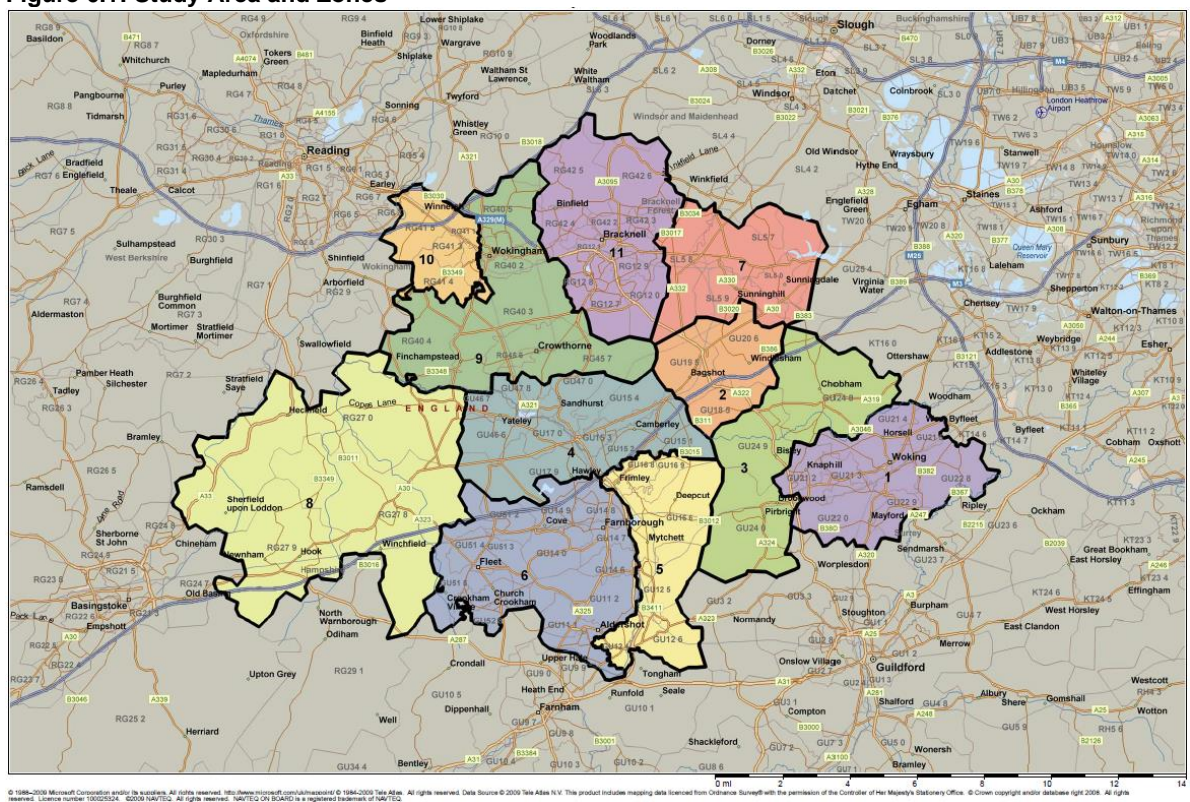
- 6.1 Building on the findings of the Camberley Town Centre health check assessment and the street interview survey, the section describes the headline results of the telephone interview survey which helps to identify where households normally shop for different types of convenience ('food') and comparison ('non-food') goods. Please note that the analysis of respondent's preferences for different types of commercial leisure activity is set out in detail in Section 8 to help inform the leisure needs assessment.
- 6.2 This section first sets out the extent of the defined catchment study area/zones that provide the framework for the household telephone interview survey and analysis, including the catchment population. It then describes the main competing centres within the defined catchment area, and the extent to which Camberley Town Centre and the Borough's other main centres are drawing shoppers and spend for different types.

CATCHMENT PROFILE

Catchment (Study) Area Definition

- 6.3 The definition of a robust Catchment (Study) 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. The figure below shows the extent of the Study Area and Zones³⁸.

Figure 6.1: Study Area and Zones



³⁸ Please note: the household survey was originally commissioned by Avison Young in April 2019, before LSH was instructed to carry out this study in November 2019. LSH therefore had no input to the design of the questionnaire or the study area definition.

6.4 The Study Area was disaggregated into 11 zones for the purpose of this assessment to allow for a “finer grain” analysis of shopping patterns, leisure preferences and expenditure flows. The postcode sectors and number of interviews per zone are set out in the table below.

Table 6.1: Study Area and Zones

ZONES	AREA	POSTCODE SECTORS	NUMBER OF INTERVIEWS
Zone 1	Woking	GU21 2, GU21 3, GU21 4, GU21 5, GU21 6, GU21 7, GU21 8, GU22 7, GU22 8, GU22 9, GU22 0	100
Zone 2	Bagshot, Windlesham, Lightwater	GU18 5, GU19 5, GU20 6	100
Zone 3	Chobham, West End, Pirbright	GU24 8, GU24 9, GU24 0	100
Zone 4	Camberley	GU15 1, GU15 2, GU15 3, GU15 4, GU17 9, GU17 0, GU46 6, GU46 7, GU47 8, GU47 9, GU47 0	100
Zone 5	Frimley, Mytchett	GU12 4, GU12 5, GU12 6, GU16 6, GU16 7, GU16 8, GU16 9	100
Zone 6	Farnborough, Fleet, Aldershot	GU11 1, GU11 2, GU11 3, GU14 6, GU14 7, GU14 8, GU14 9, GU14 0, GU51 1, GU51 2, GU51 3, GU51 4, GU51 5, GU52 6, GU52 7, GU52 8, GU52 9	101
Zone 7	Sunninghill, Ascot	SL5 7, SL5 8, SL5 9, SL5 0	100
Zone 8	Hook, Hartley Wintney, Heckfield	RG27 8, RG27 9, RG27 0	100
Zone 9	Crowthorne, Eastheath, Finchampstead	RG40 1, RG40 2, RG40 3, RG40 4, RG40 5, RG45 6, RG45 7	50
Zone 10	Wokingham	RG41 1, RG41 2, RG41 3, RG41 4, RG41 5	50
Zone 11	Bracknell	RG12 1, RG12 2, RG12 7, RG12 8, RG12 9, RG12 0, RG42 1, RG42 2, RG42 3, RG42 4, RG42 5, RG42 6, RG42 7	100
TOTAL:			1,001

6.5 A total of 1,001 telephone interviews were conducted by NEMS between Friday 3rd May 2019 and Wednesday 22nd May 2019. The NEMS method statement is explained in full in Appendix C to this study³⁹.

6.6 The Study Area and Zones cover the Borough and a wider area. It broadly approximates to the primary catchment areas for Camberley Town Centre and the Borough’s main District and Local Centres (i.e. the areas from they draw the majority of their shoppers and trade). To help inform our analysis and commentary we have grouped the 11 zones into the following broad geographic/catchment areas.

- **Zones 2 and 4:** cover what we have defined for the purpose of this assessment as Camberley Town Centre’s ‘Core Catchment Area’ (CCA). This CCA also includes Bagshot District Centre, along with Windlesham and Lightwater Local Centres.
- **Zones 3, 5 and 6:** form the ‘South Catchment Area’ (SCA) for the purpose of this assessment. The main Borough centres in this area are Frimley District Centre, along with Deepcut and Mytchett Local Centres. The major centres in the SCA, but located outside the Borough, are Farnborough, Fleet and Aldershot.
- **Zones 7-11:** together form what we have defined as the ‘North Catchment Area’ (NCA). The main centres in the NCA are all located outside Surrey Heath Borough and principally comprise Wokingham (Zone 9), Crowthorne (Zone 9) and Bracknell (Zone 11).
- **Zone 1:** is defined separately as the ‘Woking Zone’. This is because Woking Town Centre dominates shopping and leisure patterns in this zone with limited penetration by other centres.

³⁹ NEMS conducted the interviews during the day and evenings using their in-house CATI (Computer Assisted Telephone Interviewing) Unit. As part of their standard approach NEMS also put a number of measures in place to ensure the sample 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.

Catchment Population and Expenditure Profile

- 6.7 The base year catchment population and available retail (comparison and convenience) expenditure by zone has been sourced using LSH's in-house Experian *Micromarketer Generation 3* (MMG3) Geographic Information System (GIS).
- 6.8 All comparison and convenience goods expenditure figures are expressed in 2017 prices. No allowance is made at this stage for the market share of 'Special Forms of Trading'⁴⁰ (SFT), including online expenditure.
- 6.9 The detailed population and expenditure estimates are set out in **Appendix A** and summarised in the table below for the main 'catchment' areas.

Table 6.2: Catchment Population and Available Retail Expenditure (£m) at 2019

	2019 Population	Available Retail Expenditure (£ million) including Special Forms of Trading		
		Comparison	Convenience	TOTAL
Zones 2 & 4: Core Catchment Area:	102,613	£512.6	£246.7	£759.3
Zones 7-11: North Catchment Area:	212,526	£1,077.8	£524.7	£1,602.5
Zones 3/5/6: South Catchment Area:	202,168	£906.8	£453.2	£1,360.1
Zone 1: Woking	88,294	£400.9	£205.5	£606.4
STUDY AREA TOTAL:	605,601	£2,898.2	£1,430.1	£4,328.3

Source: Experian Business Strategies - MMG3 Geographic Information System (GIS) 'Retail Area Planner Population & Expenditure Datasets' (see Appendix A2, Tables 1-5). Expenditure forecasts are informed by Experian's Retail Planner Briefing Note 17 (January 2020), Figures 1a/1b (see Section 3)

- 6.10 As the table shows, there are some 605,601 people living in the wider Study Area in 2010. Of this total population, some 17% (102,613) are resident in the CCA, 35% in the NCA and 33% in the SCA. Overall the Study Area population are generating a substantial £4.3bn of retail (convenience and comparison) expenditure. Section 7 describes the forecast growth in the Study Area population and expenditure by zones in more detail as part of the economic capacity assessment.

COMPETITION / COMPARATOR CENTRES

- 6.11 A review of the offer and influence of Camberley Town Centre's immediate competing centres is important to help understand how Camberley can position itself in the future in terms of its retail, leisure and culture offer.
- 6.12 The table below shows the main centres that are closest to Camberley and exert an influence, to varying degrees, on the shopping patterns and leisure preference of household's living within the defined catchment area of the Town Centre.

Table 6.3: Main Centres Closest to Camberley Town Centre

Centre	Distance	Centre	Distance
Farnborough	4½ miles	Wokingham	10 miles
Aldershot	8½ miles	Woking	11 miles
Bracknell	9 miles	Guildford	14½ miles

- 6.13 To help inform the assessment of their relative influence the table below provides a high level overview of each centre's retail, leisure and service offer compared with Camberley.

⁴⁰ Special Forms of Trading comprises sales via the internet, mail order, stalls and markets, door to door and telephone sales.

Table 6.4: Comparisons with other centres

Destination	Total Floorspace (sq metres)	Estimated Prime Zone A Rent (£ per sqft)	Cafes / Restaurants	Pubs / Bars / night clubs	Shopping Centres	Key Fashion Retailers	Convenience	Leisure/ Culture
Camberley	62,347	£60	Good provision of chains, from cafes to affordable dining, including Bella Italia and Prezzo.	A number of bars, pubs and one night club.	The Square (350k sqft) and the Atrium (260k sqft). Department stores include House of Fraser and Primark.	Mostly lower middle and middle income retailers.	Lidl Sainsburys	<ul style="list-style-type: none"> • Camberley Theatre • PureGym • The little gym • Sporting Ring boxing • Mind Body and Pole • Tenpin Camberley • Vue Cinema • Arena Leisure Centre
Farnborough	50,168	£40	Chains are mostly fast food operators. Other than this, it's independents.	A number of pubs.	The Mead Shopping Centre (430k sqft) and Princes Mead Shopping Centre (100k sqft). Debenhams is the only department store.	Mostly lower income retailers.	ASDA Iceland food Sainsburys	<ul style="list-style-type: none"> • Vue Cinema • The Gym • Village Gym • Farnborough Library • Farnborough Bowl • Gymfinity Kids
Aldershot	66,890	£35	Mostly fast food chains. Other than this, independent cafes and take-aways.	Mostly pubs with a few bars.	Wellington Centre (145k sqft) with extension planned (+9k sqft). No department stores.	Limited key fashion multiples – mostly lower middle income retailers.	Iceland foods Quality Superstore Morrisons	<ul style="list-style-type: none"> • Buzz Bingo • Cineworld • Studio 1 gym • Anytime fitness • NKB Fitness • Princes Hall Theatre
Bracknell	61,316	£100	Good provision of chains, such as TGI Fridays and GBK, with a number of independents.	Mostly pubs and a few bars.	The Lexicon (87k sqft) and Prices Square Shopping Centre (n/a). Two department stores – Fenwicks and M&S	Good offer – mostly middle income retailers.	Waitrose Sainsburys M&S Foodhall Morrisons	<ul style="list-style-type: none"> • Cineworld • Odeon Bracknell • Hollywood Bowl • KL Dance Steps • The Acoustic Couch CIC

Destination	Total Floorspace (sq metres)	Estimated Prime Zone A Rent (£ per sqft)	Cafes / Restaurants	Pubs / Bars / night clubs	Shopping Centres	Key Fashion Retailers	Convenience	Leisure/ Culture
Wokingham	35,303	£60	Mostly independent cafes and restaurant, with some presence of chains such as Nandos and	Mostly pubs, with a couple of bars.	None.	Very little key fashion multiples; Fatface, Wallis, and New Look. Mostly charity shops.	Waitrose Co-op	<ul style="list-style-type: none"> • Carnival Pool & Fitness • Nuffield Health • Wokingham Library • Curves Womens gym • Wokingham superbowl
Woking	78,038	£80	Good range of chains, from cafes to affordable dining, including Cote Restaurant, and Café Rouge.	A couple of bars and pubs.	The Peacock's centre (333k sqft) and Walsey Place Shopping Centre (220k sqft). Department stores include Debenhams and Primark.	Mostly lower middle and middle incomes retailers.	M&S Simply food Morrisons Sainsbury's Tesco-Express	<ul style="list-style-type: none"> • Anytime fitness • Beatbox gym • The Big Apple (bowling) • New Victoria Theatre • Ambassadors Theatre • Rhoda McGaw Theatre
Guildford	95,690	£290	High presence of chains, such as Bill's, The Ivy and Nandos, as well as a number of independents.	A number of bars, clubs and a casino. Boilerroom is situated here, a renowned music establishment.	The Friary Shopping centre (150k sqft), Tunsgate Quarter (98k sqft) and White Lion Walk (46k sqft). Range of retailers present, from middle to upper middle. Anchor stores are limited for size of centre – comprises House of Fraser,	Strong fashion offer. Mostly upper middle retailers such as Whistles and Jack Wills.	Sainsbury's Local M&S Foodhall	<ul style="list-style-type: none"> • Odeon Cinema • The Gym • Nuffields Health • Activ Zone Gym • Fitness Space Guildford • Yvonne Arnard Theatre • The Electric Theatre • Guildford Spectrum leisure

6.14 As the table shows, Camberley is located in close proximity to a number of other centres that have a strong retail and leisure offer.

6.15 **Farnborough** is the closest centre to Camberley. It has two shopping malls – Princes Mead and The Meads - that comprise of mostly lower income and independent retailers, and their offer is principally focused on personal goods and services, as well as food and beverage. In terms of its leisure offer, Farnborough has a good choice of facilities for a centre of its size, including gyms, a cinema and a bowling alley. The town is also served by three retail parks – Farnborough Gate, Horizon Shopping Park and Solarton Retail Park – which accommodate a mix of “bulky” and fashion retailers. The mix of uses is relatively similar to that of Camberley, and although it mainly serves the

needs of its more local catchment, the larger format stores and retail parks do draw shoppers from further afield.

- 6.16 **Aldershot** is a similar size to that of Farnborough and has one main shopping centre. There are proposals to extend the offer at Wellington Shopping Centre, and further plans to redevelop the Galleries, a disused Shopping Centre. The current offer comprises mostly lower to mid income key fashion multiples, with a greater proportion of food and beverage, and personal services. The leisure offer is relatively locally-focused.
- 6.17 **Bracknell** has a substantially larger town centre offer. There is an ambitious, on-going regeneration programme in place for the town, following the development of the Lexicon shopping centre in 2017. The new shopping centre has transformed the town's retail, food and beverage offer and includes a cinema. Later phases of the programme will see a new civic quarter and market square. Bracknell also has a unique leisure offer which includes Coral Reef Water world, an Ice Skating rink, and Go Ape. These attractions are not located within the town centre boundary, but combined with the new town centre offer, Bracknell could be viewed as a "*major day out destination*".
- 6.18 **Wokingham** has a much smaller, locally-focused offer. The town centre mix is skewed towards independent food and beverage and personal services, with very little fashion multiples. Similar to Bracknell, there is a regeneration programme for Wokingham town centre. The programme is in its early phases and importantly, the strategy differs in that it does not seek to compete with major destination town centre like Bracknell, but ultimately provide a more "*intimate boutique and independent feel*". The ambition is to deliver greater retail floorspace alongside housing, a hotel and a cinema. Wokingham's existing leisure offer is good for a centre of its size and includes a Laser Quest.
- 6.19 **Woking's** existing offer comprises two shopping centres with a similar mix of fashion retailers and food and beverage operators to that of Camberley. The leisure offer is limited to gyms and a bowling alley, but unusually there are three small theatres. Similar to the neighbouring centres, there is an ambitious residential-led regeneration programme which will transform Woking's offer to deliver retail, a hotel and sky bar, with public plazas and public realm improvements. The programme ultimately seeks to change the perception of Woking, to become a destination town centre and a place to live.
- 6.20 Finally, **Guildford** town centre's offer is extensive. There are three shopping centres providing mid-range to high-end fashion retailing and other non-food shopping. A farmers market runs monthly in the centre. The town also has a wide variety of restaurants, both casual dining chains and mid-upper market independents, with a number of bars, clubs and theatres that together create a diverse night time offer. Like other neighbouring centres, there is a similar range of leisure options, including a cinema, leisure centre and gyms. Currently, there is a regeneration programme to improve the town centre, but delivery is in its early stages. Guildford is "*major day out destination*" in the sub-region.

MARKET SHARE ANALYSIS

6.21 The NEMS method statement and full ‘weighted’ survey results are set out in **Appendix C** to this study. The survey findings are used to inform the baseline market share analysis and the centre/store turnover estimates that underpin the quantitative retail capacity assessment (see **Section 8**). The market share analysis is set out in Appendix A3 for convenience goods and Appendix A4 for comparison goods. As described above, at this stage of the analysis the market shares include expenditure on ‘*Special Forms of Trading*’ (SFT), including online shopping, and exclude all ‘null’/‘void’ responses⁴¹.

Comparison Goods

6.22 Comparison goods are generally defined as items purchased less frequently and include clothing, footwear, household and recreational goods. For the following main categories of non-food expenditure⁴² each respondent was asked where they did most of their household’s shopping, and “*where else*” they shopped.

Table 6.5: Main Categories of Comparison Goods Expenditure

Household Survey Question:	Where do households normally shop for:	See Appendix A4
Q07	Clothing and footwear (fashion) items	Table 2
Q09	Furniture, carpets and other floor coverings	Table 3
Q11	Household textiles and soft furnishings	Table 4
Q13	Domestic appliances (e.g. fridges, freezers, cookers and washing machines)	Table 5
Q15	Audio-visual electrical goods (e.g. TVs, computers and cameras)	Table 6
Q17	Glassware, china, tableware and kitchen utensils	Table 7
Q19	DIY goods and decorating supplies	Table 8
Q21	Jewellery, watches and clocks.	Table 9
Q23	Books, CDs and DVDs	Table 10
Q25	Chemist goods and health/beauty products	Table 11
Q27	Recreational goods, pet-related products, including bicycles, games, toys, sports and camping equipment and musical instruments	Table 12
Q29	Garden products, plants and flowers	Table 13

6.23 Table 1 (Appendix A4) sets out the total combined market shares for all comparison goods expenditure allocated to the main centres and stores, weighted by the different expenditure categories.

6.24 In summary the market share analysis shows **Special Forms of Trading** (including internet purchases) accounts for a 25% market share of all comparison goods expenditure within the widely defined Study Area. This ranges from 23.9% in the SCA, to 26% in the CCA and up to 27.2% in the NCA. These market shares are all higher than the national average figure of 23.4% as set out in the latest *Experian Retail Planner Briefing Note (RPBN)*⁴³.

⁴¹ SFT is excluded for the economic capacity assessment in line with standard approaches (see Section 8).

⁴² As defined by Experian Business Strategies

⁴³ *Experian Retail Planner Briefing Note 17* (February 2020). Figure 5: page 18. See Section 3 for a more detailed commentary.

6.25 The market shares for the different retail expenditure categories are summarised in the table below and highlight the different impacts of online shopping on different types of goods and purchases across the Study Area (see Appendix A4: Tables 2-13).

Table 6.6: SFT Market Shares by Retail Expenditure Category

Table		CCA	SCA	NCA	TOTAL:
2	Clothing and footwear (fashion) items	29.4%	33.7%	27.1%	28.6%
3	Furniture, carpets and other floor coverings	17.5%	14.7%	18.0%	16.7%
4	Household textiles and soft furnishings	17.5%	20.6%	20.8%	20.8%
5	Domestic appliances (e.g. fridges, freezers, cookers)	47.3%	45.0%	38.6%	42.3%
6	AV electrical goods (e.g. TVs, computers)	33.2%	36.8%	33.4%	34.4%
7	Glassware, china, tableware and kitchen utensils	19.5%	16.2%	7.8%	12.7%
8	DIY goods and decorating supplies	7.5%	3.8%	2.7%	4.2%
9	Jewellery, watches and clocks.	37.1%	27.0%	22.6%	26.4%
10	Books, CDs and DVDs	70.1%	61.0%	67.4%	66.3%
11	Chemist goods and health/beauty products	6.1%	7.8%	11.0%	8.7%
12	Recreational goods, pet-related products, etc.	36.1%	23.2%	53.0%	35.2%
13	Garden products, plants and flowers	5.6%	1.9%	3.7%	3.7%
1	TOTAL:	26.0%	23.9%	27.2%	25.0%

Source: Appendix A4: Tables 1-13

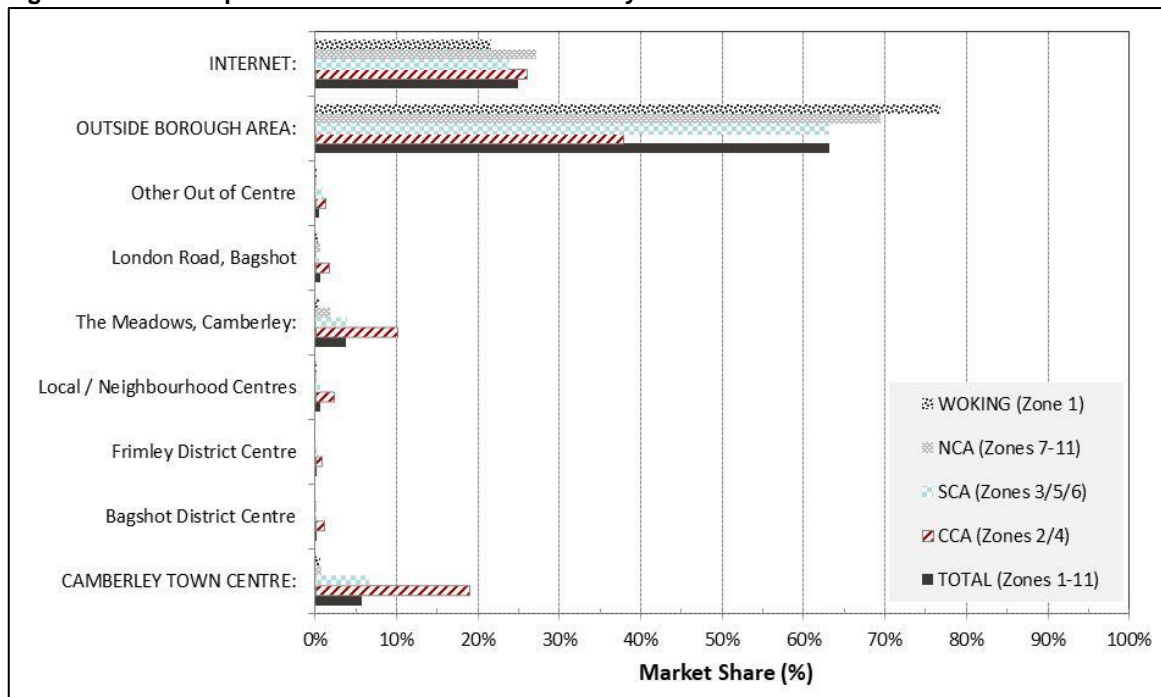
6.26 As the table shows SFT/online shopping accounts for the highest market shares of expenditure on the following broad expenditure categories: books and recording media; domestic appliances; recreational goods; and audio-visual electrical goods. This explains the decline in (physical) retailers selling these types of goods from traditional high streets and shopping locations over the last decade (see Section 3).

6.27 SFT/online shopping also accounts for over one-quarter of total available expenditure on clothing and footwear (28.6%) and jewellery and watches (26.4%).

6.28 In contrast, SFT/online currently accounts for a smaller proportion of total expenditure on DIY/decorating/garden products and personal care/medical products/etc. The latter is important to the relative health of smaller district and local centres, as they generally include a pharmacy amongst their retail and service offer.

6.29 The figure below summarises the market shares for all comparison goods shopping across the total Study Area. It also shows the different market shares for centres and stores in the core, south and north catchment areas.

Figure 6.2: All Comparison Goods - Market Share Analysis



Source: Appendix A4, Table 1

6.30 The main headlines for the Borough's centres and stores are as follows:

- Camberley Town Centre:** is achieving a 5.8% market share across the total Study Area. Its market share is highest within its CCA (19%), but falls away in the SCA (6.6%) and particularly in the NCA (0.8%) due to the impact of competing centres and shopping locations. The town centre also has a limited market share in the 'Woking' zone (0.6%).
- District Centres:** both Frimley and Bagshot District Centres are achieving market shares of 0.2% within the Study Area. Their highest market shares are in the CCA; 1.2% for Bagshot and 0.8% for Frimley. They have limited market shares in the SCA and no market penetration in the NCA and 'Woking' zone. This reflects their primary roles and functions as serving the more frequent convenience/food and service needs of their local catchment populations, and their limited comparison goods offer.
- Local and Neighbourhood Centres:** have a limited market share (0.6%) across the Study Area. As for Bagshot and Frimley this reflects the fact that these smaller centres have an even more limited comparison goods offer and mainly serve the more frequent convenience and service needs of their local residential communities within easy walking distance. Lightwater has the highest market share of all the smaller centres in the Study Area (0.3%); its penetration is highest in Zone 2 (7.9%) and Zone 3 (1.5%). Windlesham and Chobham are achieving their highest market shares in Zone 2 (3.8%) and Zone 3 (2.2%) respectively (i.e. in the zones where they are located).
- The Meadows Shopping Centre:** dominates the Borough's out-of-centre retail offer. Together Tesco Extra and Marks & Spencer are achieving a 3.8% market share across the Study Area, which is only slightly below the 5.8% recorded by Camberley Town Centre. The Meadows has a 10.1% market share in the CCA, compared with 19% for the town centre. Its market penetration in the SCA (3.9%) and NCA (1.9%) is more limited.
- Other Out-of-Centre Stores:** have a more limited combined market share of 1.3% in the Study Area and an estimated 2.9% in the CCA. The main comparison goods market shares are being achieved by Sainsbury's on Blackwater Valley Road; the Pets at Home store off the London Road in Bagshot and the neighbouring Waitrose store; and the Next off London Road in Camberley.

- 6.31 Overall the Borough's centres and stores are achieving a 11.9% market share across the defined Study Area, with the majority of this accounted for by Camberley Town Centre (5.8%) and The Meadows (3.8%). After taking account of the market share of SFT/internet shopping in the Study Area (25%), this effectively means that some 63.1% of expenditure is going to other centres and stores located outside the Borough.
- 6.32 In the CCA the Borough's centres and stores are inevitably achieving a higher 'retention level' of 36.3%. The outflow (or "leakage") to centres/stores located outside the Borough is 37.8% after taking account of the market share of SFT/internet (26%). The market share for all the Borough's centres and stores falls to 12.9% in the SCA, 3.4% in the NCA and 1.6% in the 'Woking' zone.
- 6.33 The total comparison goods market shares of the main competing centres and shopping locations are detailed in Table 1 of Appendix A4. In summary the table shows:
- **Bracknell's** town centre and out-of-centre shops are achieving the highest market share (10.4%) of all the competing centres and shopping locations in the Study Area. Bracknell's highest share is in the NCA where it is located (27.4%) and it has a more limited share in the CCA (1.5%).
 - **Woking** is achieving the next highest market share across the Study Area (7.7%), although its penetration is highest in Zone 1 (44.7%) where it is located.
- Guildford's** town centre and out-of-centre shops are achieving a market share across the total Study Area of 4.2% and 2.4% in the CCA
- **Farnborough:** has the fourth highest market share in the Study Area of all the competing centres of 13.6%. Of this total market share the town centre is achieving a share of 6.1% and the out-of-centre stores have a 7.5% share. It also has the highest market share in the CCA of 17.2%, with the out-of-centre stores achieving a 11.3% share. This reflects its proximity to Camberley Town Centre and the fact that it is a convenient shopping location for a number of the households living in the CCA and wider area.
 - **Reading:** is achieving a market share of 6.9% in the Study Area and after Farnborough is achieving the second highest market share in the CCA of 4.7%.
- 6.34 The market share analysis also confirms that Aldershot (2%), Basingstoke (2.1%), Farnham (1%) and Wokingham (1.4%) have a more limited market penetration in the CCA.
- 6.35 The table below shows the market shares of Camberley Town Centre within its Core Catchment Area (CCA) for the different categories of comparison goods expenditure. It also shows the competition from other out-of-centre stores in the Borough, from centres and stores outside the Borough and from internet shopping.
- 6.36 The table shows that Camberley Town Centre is achieving a relatively good market share (i.e. above 25%) in the following categories: jewellery, watches and clocks (40.6%); clothing and footwear (fashion) items (35.4%); and pharmaceutical and health and beauty products (27.3%). In contrast its market shares across the following comparison goods expenditure categories are relatively low:
- Household textiles and soft furnishings (14.0%);
 - Glassware, china, tableware, etc. (15.3%);
 - Furniture, carpets and other floor coverings (3.7%);
 - DIY goods and decorating supplies (1.1%); and
 - Garden products, plants and flowers (1.9%),

Table 6.7: Camberley - Market Shares for Different Comparison Goods Purchases in the CCA

Table		Camberley Town Centre	Borough: Out of Centre	Centres/Stores Outside Borough	SFT/ Internet
2	Clothing and footwear (fashion) items	35.4%	14.0%	20.8%	29.4%
3	Furniture, carpets and other floor coverings	3.7%	5.0%	70.6%	17.5%
4	Household textiles and soft furnishings	14.0%	22.0%	46.5%	17.5%
5	Domestic appliances (e.g. fridges, freezers)	2.7%	6.5%	41.9%	47.3%
6	AV electrical goods (e.g. TVs, computers)	4.6%	4.9%	57.1%	33.2%
7	Glassware, china, tableware, etc.	15.3%	40.7%	24.3%	19.5%
8	DIY goods and decorating supplies	1.1%	3.3%	86.8%	7.5%
9	Jewellery, watches and clocks.	40.6%	1.5%	16.5%	37.1%
10	Books, CDs and DVDs	10.3%	12.9%	5.9%	70.1%
11	Chemist goods and health/beauty products	27.3%	22.0%	31.1%	6.1%
12	Recreational goods, pet-related products, etc.	16.9%	7.3%	32.1%	36.1%
13	Garden products, plants and flowers	1.9%	50.8%	31.4%	5.6%
1	TOTAL:	19.0%	13.0%	37.8%	26.0%

Source: Appendix A4: Tables 1-13

- 6.37 Given that the highest market shares in these categories are being achieved by the Borough's out-of-centre stores and centres/stores outside the Borough, rather than by the Internet per se, it does indicate that there could be potential for the town centre to increase its offer and market share across these different comparison goods expenditure categories.

Convenience Goods

- 6.38 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.).
- 6.39 The total survey-derived market share (%) analysis for all convenience goods shopping is set out in Table 1 (Appendix A3). These market shares have been derived from the assessment of the ('primary') responses as to where people normally shop for their main ('bulk') and 'top up' grocery purchases. Furthermore, to prevent food shopping patterns being 'skewed' by larger superstores and food stores in the Study 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).
- 6.40 The market shares for the different types of main and top-up food shopping are set out in detail in Tables 2-5 (Appendix A3).
- 6.41 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 the following reasonable weightings informed by the survey findings and other studies conducted by LSH over a number of years:

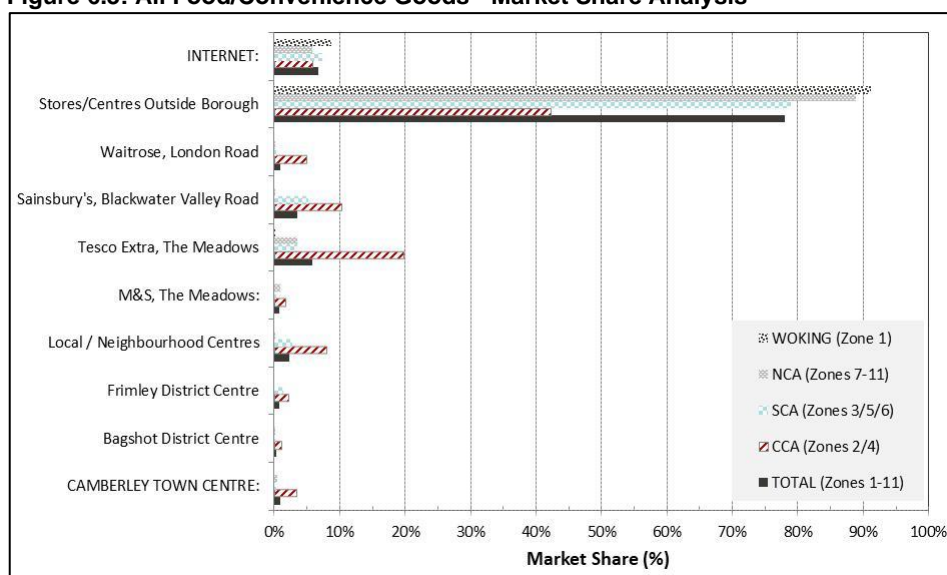
- 60% for main 'bulk' shopping;
- 20% for primary 'top-up' shopping;
- 10% for secondary main 'bulk' shopping
- 10% for secondary 'top-up' shopping

- 6.42 In summary the market share analysis for all convenience goods shows **Special Forms of Trading** (including internet purchases) accounts for a 6.7% market share within the Study Area. This ranges

from 5.8% and 5.9% in the SCA and CCA respectively, up to 7.4% and 8.7% in the NCA and 'Woking' zone. These market shares are all lower than the national average figure of 14% in 2019 as set out in the latest *Experian Retail Planner Briefing Note (RPBN)*⁴⁴.

6.43 The figure below summarises the market shares for all main and 'top-up' food shopping across the total study area. It also shows the market shares for centres and stores in the CCA, SCA, NCA and 'Woking' zone.

Figure 6.3: All Food/Convenience Goods - Market Share Analysis



Source: Appendix A3, Table 1

6.44 The main headlines are as follows:

- **Camberley Town Centre:** is only achieving a 0.9% market share across the total Study Area and just 3.5% within its CCA. This reflects its relatively limited food and convenience offer as highlighted in Section 4. The main 'anchor' stores in the town are Sainsbury's and Lidl.
- **District Centres:** Bagshot and Frimley are achieving market shares of 0.2% and 0.8% respectively within the Study Area. Their market shares are higher in the CCA at 1.1% and 2.2%.
- **Local and Neighbourhood Centres:** the Borough's smaller centres have a combined market share of 2.3% in the Study Area and 8.1% in the CCA. Of these centres Lightwater has the highest market share of 0.8% in the Study Area and 4.1% in the CCA (with a 17.9% market share in Zone 2). Chobham has the next highest market share of 0.3% in the Study Area, with a 7.2% market share in Zone 3.
- **Out-of-Centre Stores:** are achieving a total combined market share of 11% from within the wider Study Area. Their market share increases to 36.9% in the CCA, with more limited penetration in the SCA (9.4%), NCA (4.6%) and 'Woking' zone (0.1%). Of these out-of-centre stores, Tesco Extra/M&S in The Meadows Shopping Centre are achieving the highest market share of 6.5% in the Study Area and 21.6% in the CCA. Sainsbury's on Blackwater Valley Road has a total market share of 3.5% in the Study Area and 10.3% in the CCA. Waitrose on London Road, Bagshot, has a lower market share of 1% and 5% respectively in the Study Area and CCA.

6.45 Overall the Borough's food and convenience stores are achieving a 15.2% market share across the widely defined Study Area. Within the CCA the Borough's stores are achieving a 'retention level' of 51.8%, with a 42.4% outflow ("leakage") of expenditure to stores outside the Borough, after taking account of the market share of SFT/internet (5.9%).

⁴⁴ Experian Retail Planner Briefing Note 17 (February 2020). Figure 5: page 18. See Section 3 for a more detailed commentary.

6.46 In our judgement this is a relatively low ‘retention level’ and provides further evidence that there could be latent potential to increase the Borough’s food and convenience goods offer subject to market demand. Any need and market demand generated should be provided in the Town Centre and smaller District and Local Centres as a priority to help maintain and strengthen their vitality and viability, in compliance with national and local plan policy objectives.

6.47 The main competing food shopping locations are shown in the table below:

Table 6.8: Market Shares of Competing Centres and Shopping Locations

Centre / Stores	CCA	SCA	NCA	Woking Zone	TOTAL
Aldershot	0.0%	17.1%	0.0%	0.0%	5.4%
Bracknell	3.5%	5.7%	20.6%	13.4%	11.9%
Farnborough	2.0%	22.2%	0.4%	0.0%	7.5%
Hook (Tesco Extra)	0.0%	0.0%	6.6%	0.0%	2.4%
Sandhurst (incl Waitrose):	12.0%	0.0%	0.4%	0.0%	2.2%
Sunningdale (incl Waitrose)	1.9%	1.2%	3.9%	0.0%	2.1%
Woking	0.1%	1.6%	1.2%	42.0%	7.0%
Wokingham	0.8%	0.0%	12.4%	0.0%	4.7%
Yateley	9.0%	0.1%	0.9%	0.0%	1.9%
All Other:	13.2%	31.0%	42.4%	35.8%	32.8%
TOTAL:	42.4%	78.9%	88.9%	91.2%	78.1%

Source: Appendix A3, Table 1

6.48 In summary the market share analysis shows:

- **Bracknell:** is achieving the highest market share (11.9%) in the Study Area and has the highest share in the NCA (20.6%). Notwithstanding its distance from Camberley (circa 10 miles), its market share in the CCA of 3.5% is the same as for Camberley Town Centre.
- **Farnborough:** has the next highest market share in the Study Area of 7.5% (and the highest penetration in the SCA of 22.2%). However its market share in the CCA is more limited at 2%.
- **Woking:** has a 7% market share in the Study Area (9.3%), but its greatest penetration is mainly concentrated in Zone 1 (42%) where it is located.
- **Sandhurst, Sunningdale and Yateley:** together are achieving a 22.9% market share in the CCA. This reflects the fact that Waitrose stores anchor all three centres.
- **Aldershot:** is achieving a 5.4% market share across the total Study Area and 17.1% within the SCA, but has no market share in the CCA.

SUMMARY

6.49 In summary, Camberley is facing strong and growing competition for food and non-food shopping purchases from larger neighbouring centres (including Reading, Guildford and Bracknell), out-of-centre stores and shopping destinations (principally The Meadows Shopping Centre), and from online shopping.

6.50 The market share analysis shows that 42.4% of available convenience goods expenditure in the CCA is effectively “leaking” to other competing food and convenience stores outside the Borough area. For some of the Borough’s residents these competing stores will inevitably be more convenient and accessible to whether they live and/or work, and particularly for those living towards the edge of the Borough. Notwithstanding this, the market share analysis does highlight a potential qualitative ‘gap’ in the Borough’s foodstore and convenience provision, and particularly for Camberley Town

Centre; which is achieving less than a 1% share of spend across the wider Study area and just 3.5% within its CCA.

- 6.51 Online shopping has also had a significant impact on shopping habits across the Study Area, and particularly on comparison goods purchases. This is underlined by the fact that online shopping accounted for a 26% market share of non-food spend in the CCA in 2019 (pre-pandemic). This was higher than Camberley Town Centre's market share of comparison goods spend in the CCA (19%). The impact of the pandemic will have inevitably increased the market share of online shopping for food and non-food purchases.
- 6.52 Notwithstanding this significant competition, Camberley is achieving relatively good market shares for purchases of different comparison goods expenditure categories, including clothing and footwear, within its CCA. There could be potential to increase the town centre's offer and market share in certain comparison goods categories to help "*claw back*" expenditure from competing out-of-centre locations, and from centres and shopping locations outside the Borough. However achieving this will inevitably be dependent on market demand.

7. FRIMLEY & BAGSHOT DISTRICT CENTRES: OVERVIEW

- 7.1 As described in Section 2, the Core Strategy (Policy CP9) defines Bagshot and Frimley as District Centres. They sit below Camberley in the Borough's network and hierarchy of centres, but above the five smaller local centres of Chobham, Deepcut, Frimley Green, Lightwater and Windlesham.
- 7.2 In general terms Bagshot, Frimley and the Borough's smaller local centres and neighbourhood parades⁴⁵ provide a mix of retail and services that cater more for the day-to-day convenience and service needs of their local resident catchment populations.
- 7.3 To varying degrees the District and Local Centres also contain a variety of non-retail uses that contribute to their overall variety and viability; including healthcare, library facilities and other community uses as well as financial services, employment opportunities, eating and drinking establishments and residential accommodation. They therefore fulfil an important role in the Borough's network and hierarchy of centres and are vital to achieving sustainable patterns of behaviour.
- 7.4 The following provides an overview of the relative vitality and viability of Frimley and Bagshot District Centres only based on the available evidence. This is because all the key performance indicators (KPIs) for District Centres are not as readily available as for larger towns, such as Camberley. It is therefore not possible to assess Frimley and Bagshot against all of the NPPF/PPG criteria. Our assessment therefore draws on the available published data, the monitoring carried out by the local planning authority, our own audits and the results of the household survey.

POLICY CONTEXT

- 7.5 By way of policy context, the Core Strategy Vision states that:

“Frimley and Bagshot will continue in their roles as important local service centres and offer some opportunities for new development. The smaller centres of Frimley Green and Mytchett will maintain their current roles. New development will continue to be in the form of infill and redevelopment on previously developed land within the existing settlement areas” (paragraph 4.6).

- 7.6 Policy DM12 of the adopted Core Strategy seeks to support and enhance the overall vitality and viability of the smaller centres as identified on the Proposals Map. It prevents the over proliferation of non-retail uses and resists the loss of retail uses where this will result in adverse impacts on their overall vitality, viability and retail function. However, it is recognised that where units have been vacant for long periods it would be preferable to bring them back into use. In these circumstances, evidence will be required which supports such an exception (for example, length of time on the market, type of lease offered and rent levels requested). The Borough Council will also explore opportunities to extend the boundaries of centres and parades as well as securing environmental improvements. This policy supports strategic objectives 1 & 14 and Core Policy CP1 and CP9.

FRIMLEY DISTRICT CENTRE

- 7.7 Frimley is located some 2 miles (3 km) south of Camberley and is separated from the town by the M3 Motorway. It is classified as a District centre in the Core Strategy and has a relatively good

⁴⁵ Neighbourhood Parades in the Borough are often a small row of retail and non-retail uses with a few essential convenience stores and occasionally post office services. The NPPF (Annex 2: Glossary) states that references to “**town centres**” in policy apply to city centres, town centres, district centres and local centres, but “*exclude small parades of shops of purely neighbourhood significance*”.

choice of shops and services on the High Street that mainly serve the day-to-day needs of its local resident catchment population and passing trade. There is also a secondary school and it benefits from its proximity to Frimley Park Hospital, which is a major sub-regional health facility and the biggest employer in the Borough. Other major employers in the town include BAE Systems, which occupies a building off Lyon Way. Siemens also opened its main UK headquarters in Frimley in 2007.

- 7.8 The Core Strategy identifies Frimley as District Centre and a sustainable location, but with limited potential for housing growth. Employment growth will be largely focussed on the Core Employment areas off Frimley Road, within Frimley Town Centre, other large employment sites close by and at Frimley Park Hospital.

Diversity of Uses

- 7.9 The tables below provide a breakdown of the District Centre's broad retail and service composition (measured by outlets and floorspace) in 2019, and the changes in the centre's composition for outlets only (please note that comparable floorspace data was not available for 2010).

Table 7.1: Frimley District Centre: Retail Composition by Outlets and Floorspace, 2010-2019

	2019			2010			Change: 2010-19
	Number of Outlets	% of Total Outlets	UK Average	Number of Outlets	% of Total Outlets	UK Average	
Convenience	4	7.0%	10.1%	4	7.0%	9.5%	0.0%
Comparison	15	26.3%	37.0%	21	36.8%	42.8%	-28.6%
Service	29	50.9%	39.0%	29	50.9%	34.1%	0.0%
Vacant	7	12.3%	12.9%	3	5.3%	12.4%	133.3%
Other	2	3.5%	1.2%				
TOTAL	57	100%	100%	57	100%	100%	0.0%

2019			
	GOAD Floorspace (sqm)	% of Total Floorspace	UK Average
Convenience	2,100	26.4%	18.6%
Comparison	2,035	25.6%	42.6%
Service	2,824	35.6%	26.0%
Vacant	910	11.5%	11.9%
Other	74	0.9%	0.8%
TOTAL	7,943	100%	100%

Source: Experian Goad Category Reports - April 2010 and February 2019. The 2010 figures are sourced from the *Surrey Heath Retail Study Update* (June 2010).

Notes: The floorspace figures are derived from Experian Goad Plans and these only show the footprint floorspace and the site area without the building lines. They should not therefore be read as a definitive report of floorspace, but do nevertheless provide a useful means of comparison between centres. Figures may not sum due to rounding.

- 7.10 As the tables show there are 57 outlets in the centre trading from a total (Experian Goad) floorspace of 7,943 sqm. There has been no change in total outlets since 2010. The average unit size is 140 sqm (1,500 sqft).
- 7.11 The centre's retail, leisure and service offer mainly comprises of independent businesses. The twelve multiple outlets recorded in the centre represent 21% of total outlets, which is below the national average of 27%. Waitrose and Boots are the main multiples.

7.12 The following provides a more detailed summary of the centre's retail (comparison and convenience goods) and service provision.

Convenience Goods

7.13 There are four food and convenience goods outlets in the centre trading from a total floorspace of 2,100 sqm. Waitrose anchors Frimley's food offer. The store has a total estimated (Experian Goad) floorspace of circa 1,802 sqm. It is located off the High Street and is a popular destination for both 'bulk' and 'top-up' food purchases for the centre's catchment. It also generates linked trips and expenditure that benefits other shops, services and facilities in the District Centre. Apart from Waitrose there are three smaller convenience stores in the centre, including Martin McColl's Newsagents and Aryana Express. There is no butcher, baker, greengrocer, fishmonger or off licence. Although this represents a clear 'gap' in the District Centre's offer, the lack of representation in these categories is probably explained by the presence of Waitrose.

Comparison Goods

7.14 There are 15 comparison goods outlets in Frimley trading from a total floorspace of 2,035 sqm. The average size of units is small, at circa 136 sqm. This reflects the fact that the centre's offer is mainly characterised by smaller independent businesses. Comparison goods retailing represents some 26.3% of total outlets and 25.6% of total floorspace, which is below the national average figures of 37% and 42.6% respectively. Table 7.1 also shows that the number of comparison goods outlets has fallen from 21 in 2010 to 15 at present.

7.15 A more detailed breakdown of Frimley's comparison goods retailing shows that charity shops account for one-third (five outlets) of total provision. There are also two chemists/pharmacies and two opticians. There is limited or no provision in the other main comparison goods categories. The main multiple retailers include: Lloyds Pharmacy and Boots Opticians, along with Oxfam, Help the Aged and Age UK.

Leisure, Financial Services and Other Uses

7.16 Frimley has a strong provision of leisure and financial/business service. This reflects its role and function in the Borough's network of centres as mainly a convenience and service destination serving the day-to-day needs of its local resident catchment population, and passing car-borne trade. As Table 7.1 shows, there are 29 service outlets in the District Centre with a total floorspace of 2,824 sqm. The average size of units is 97 sqm. The number of service outlets has been constant since 2010.

7.17 Current service provision represents 50.9% of total outlets in the centre and 35.6% of total floorspace, which places Frimley above the national average figures of 39% and 26% respectively. The main breakdown of retail and leisure services is as follows:

- **Restaurants, cafés and fast food:** there are 12 food and beverage outlets in the centre, which together provide a relatively wide choice for Frimley's catchment population. These include two cafés, four restaurants and six fast food and take-away outlets. The provision is mainly dominated by local independent businesses, but also includes a Subway.
- **Public houses:** The Railway Arms and the White Hart are the two main pubs in the centre.
- **Hairdressers, beauty and health:** there are 10 businesses in this category, including PS Hairdressing, Main Street Barbers, Cabello Hair Salon and Vys Nails.

- **Banks and financial services:** both Barclays and NatWest closed their banks on the High Street in 2018. This mirrors similar closures in smaller centres across the country due to the impact of online and mobile banking. The Post Office (94 High Street) now provides the main over-the-counter cash and banking services, and there is an ATM in the Waitrose store.
- 7.18 In addition to its commercial offer, Frimley has a doctor's surgery at Station Road. Although the centre does notably lack a dental practice and library facilities, its overall offer is consistent with its role and function as a district centre.

Vacancy Levels

- 7.19 There were seven vacant outlets in Frimley in September 2018. This was equivalent to 12.3% of total outlets and was below the national average figure of 12.9%. The vacant floorspace of 910 sqm at the time represented 11.5% of total floorspace and was also slightly below the national average figure of 11.9%. As Table 7.1 shows the number of vacant units has increased from three in 2010. However, a more recent audit of Frimley identified a fall in the number of vacant outlets to four, which is equivalent to a vacancy level of 7%. Two of the vacant outlets at the time were previously occupied by NatWest and Barclays banks.

Accessibility & Environment

- 7.20 Frimley railway station provides good access to Guildford, Ascot and London Waterloo. Frimley Lodge Park Railway (a tourist attraction) is also nearby. The town is also situated close to the junction of the A325 Farnborough Road and A331 Blackwater Valley Relief Road, which provides a link to the M3 Motorway (junction 4).
- 7.21 If there is a weakness in the centre it is the environmental quality which is poor compared to other centres. Parts of the town are dominated by traffic, particularly at the northern end near Waitrose where the road is three lanes wide. Also, the physical appearance of much of the building stock is uninspiring and in places looks tired and in need of investment.

Summary

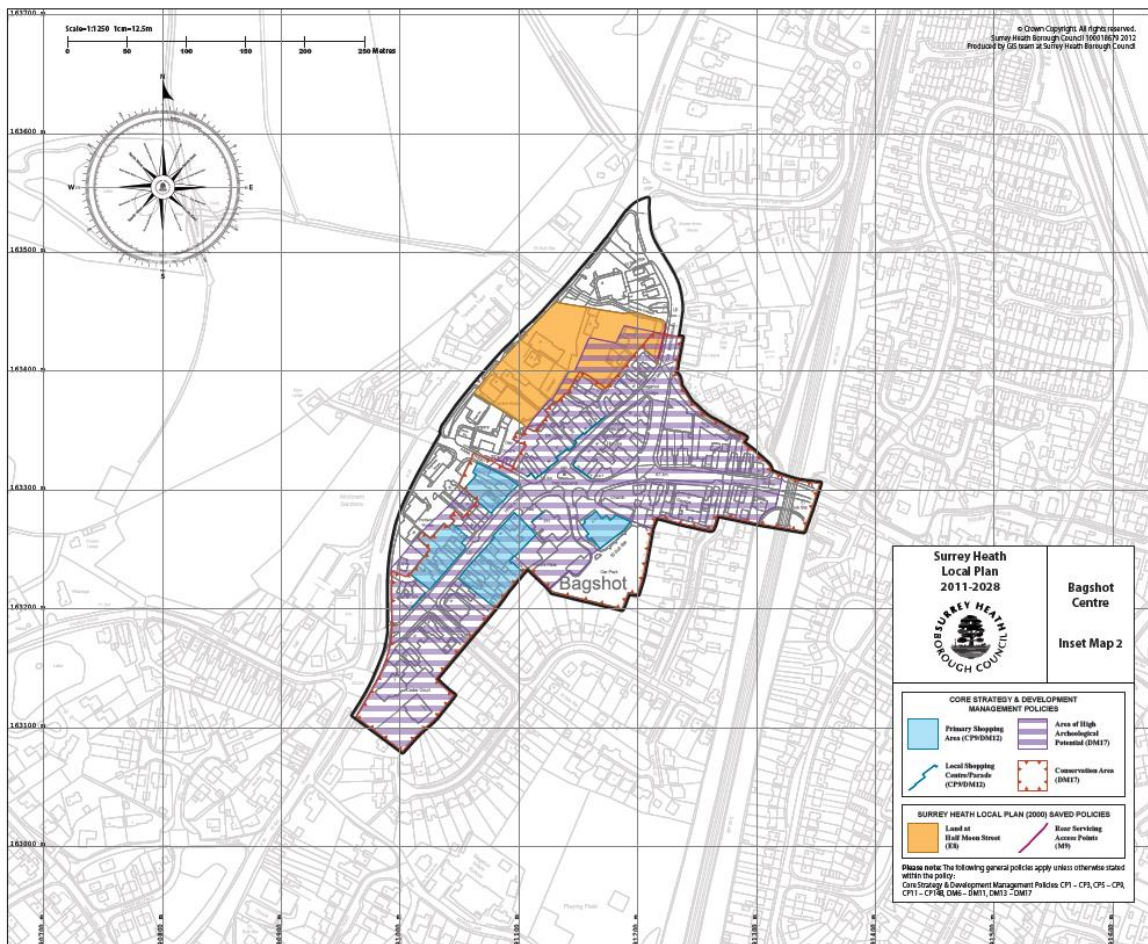
- 7.22 In summary Frimley has a good mix of retail, leisure and service outlets. It functions as a District Centre in the Borough's hierarchy and network of centres, and predominantly serves the day-to-day needs of its local resident catchment population, as well as passing car-borne trade.
- 7.23 Waitrose anchors the centre's food and convenience offer, and is critical to Frimley's overall vitality and viability both as a key shopping destination in its own right, but also in terms of generating linked trips, footfall and expenditure to the benefit of the centre's other shops, businesses and facilities.
- 7.24 Vacancy levels in the centre are also relatively low, which is a positive indicator. Although vacancies increased from three to seven between 2010 and 2018, they have since fallen back to four outlets. This is equivalent to a vacancy level of 7% and is below the national average of 12.9%.
- 7.25 Frimley's comparison goods offer is more limited. The number of outlets has fallen from 21 in 2010. This reflects the wider trends impacting on the retail sector. Although charity shops account for one-third of its comparison goods retailing this is not a cause for concern as they help to generate trips and activity on the high street. More of a concern would be if Frimley were to lose its other comparison shops, particularly the chemists/pharmacies in this case as they help to generate daily trips to the centre.

- 7.26 The recent closure of the two main banks in the centre - namely Barclays and NatWest - is a cause for concern. This underlines the important role of the Post Office (94 High Street), which now provides the main over-the-counter cash and banking services. There is also an ATM in the Waitrose store.
- 7.27 Overall Frimley appears to be performing well in its role and function as a District Centre. However, its future vitality and viability would be vulnerable to the closure of key 'anchor' retailers and services; principally Waitrose and the Post Office in this case. The centre's environment would also benefit from investment and improvements.

BAGSHOT DISTRICT CENTRE

- 7.28 Bagshot is located in the northwest corner of Surrey Heath Borough, close to the border with Berkshire and midway between Camberley and Sunningdale. It is situated some 4.5km to the north-east of Camberley and 6.5km from Frimley. The centre is surrounded by Green Belt land and land predominantly owned by the Ministry of Defence. The centre benefits from good connections to the road network, located off the A30 and with goods access to junction 3 of the M3 motorway. It is also served by a railway station and local bus network.
- 7.29 The Core Strategy (Policy CP1) classifies Bagshot as a District Centre. Like Frimley it predominantly meets the day-to-day convenience retail and service needs of its local resident catchment population. The figure below reproduces the Policy Map for Bagshot from the Core Strategy and shows the extent of the centre's boundary and its defined Primary Shopping Area ('PSA')

Figure 7.1: Bagshot District Centre: PSA and Centre Boundary



7.30 Although there may be potential for future growth - as improvements to rail and bus services could increase the attraction of the centre for commuters - there is limited physical capacity to accommodate new development in the centre and any growth would have to be achieved primarily through redevelopment of existing sites.

Diversity of Uses

7.31 The tables below provide a breakdown of the District Centre's broad retail and service composition (measured by outlets and floorspace) in 2018, and the changes in the centre's composition for outlets only (comparable floorspace data was not available for 2010).

Table 7.2: Bagshot: Retail Composition by Outlets and Floorspace, 2010-2018

	2018			2010			Change: 2010-19
	Number of Outlets	% of Total Outlets	UK Average	Number of Outlets	% of Total Outlets	UK Average	
Convenience	3	5.6%	10.1%	4	7.5%	9.5%	-25.0%
Comparison	15	27.8%	37.0%	20	37.7%	42.8%	-25.0%
Service	30	55.6%	39.0%	25	47.2%	34.1%	20.0%
Vacant	5	9.3%	12.9%	4	7.5%	12.4%	25.0%
Other	1	1.9%	1.2%				
TOTAL	54	100%	100%	53	100%	100%	1.9%

2018			
	GOAD Floorspace (sqm)	% of Total Floorspace	UK Average
Convenience	1,022	14.6%	18.6%
Comparison	2,462	35.2%	42.6%
Service	3,029	43.4%	26.0%
Vacant	353	5.1%	11.9%
Other	121	1.7%	0.8%
TOTAL	6,987	100%	100%

Source: Experian Goad Category Reports - April 2010 and February 2019. The 2010 figures are sourced from the *Surrey Heath Retail Study Update* (June 2010).

Notes: The floorspace figures are derived from Experian Goad Plans and these only show the footprint floorspace and the site area without the building lines. They should not therefore be read as a definitive report of floorspace, but do nevertheless provide a useful means of comparison between centres. Figures may not sum due to rounding.

7.32 As the tables show there are 54 outlets in the centre trading from a total (Experian Goad) floorspace of 6,987 sqm. Bagshot is therefore only slightly smaller than Frimley in terms of total outlets (57) and floorspace (7,943 sqm).

7.33 The centre's retail, leisure and service offer mainly comprises of independent businesses. The nine multiple outlets recorded in the centre represent 16.7% of total outlets, which is below the national average of 27%. Co-op and Lloyds Pharmacy are the main multiples in Bagshot.

7.34 The following provides a more detailed summary of the centre's retail (comparison and convenience goods) and service provision.

Convenience Goods

- 7.35 There are three food and convenience goods outlets in the centre trading from a total floorspace of 1,022 sqm. Co-op is located off The Square and is the main food anchor (Somerfield was the anchor in 2010). Although it is a relatively small convenience store that predominantly serves the day-to-day 'top-up' food shopping needs of the local resident catchment and passing trade, it does help to generate linked trips and expenditure to other shops, services and facilities in the District Centre. It is served by some seven car parking spaces (including family and disabled spaces) to the front of the store, and an ATM. The two other smaller convenience stores in the centre are Bagshot Local and the Post Office. Like Frimley there is no butcher, baker, greengrocer, fishmonger or off licence. This represents a 'gap' in the District Centre's offer.

Comparison Goods

- 7.36 There are 15 comparison goods outlets in Bagshot (the same as in Frimley), trading from a total floorspace of 2,462 sqm. The average size of units is small, at circa 164 sqm, but slightly larger than for Frimley (136 sqm). This reflects the fact that the centre's offer is mainly characterised by smaller independent businesses. Comparison goods retailing represents some 27.8% of total outlets and 35.2% of total floorspace, which is below the national average figures of 37% and 42.6% respectively. Table 7.2 also shows that the number of comparison goods outlets has fallen from 20 in 2010 to 15 at present.
- 7.37 A more detailed breakdown of Bagshot's comparison goods offers shows that there are two charity shops (RSPCA and Woking Hospice), two general clothing stores (Samsara Boutique and Smocks and Frocks), two furniture and carpet stores (Angold's Carpets and Bagshot Carpets), a pharmacy (Lloyds Pharmacy) and a cycle shop (Spokes). There is limited or no provision in the other main comparison goods categories.

Leisure, Financial Services and Other Uses

- 7.38 Bagshot has a strong provision of leisure and financial/business service. Like Frimley, this reflects its important role and function in the Borough's network of centres as mainly a convenience and service destination serving the day-to-day needs of its local resident catchment population, and passing car-borne trade. As Table 7.2 shows, there are 30 service outlets with a total floorspace of 3,029 sqm. The average size of units is 101 sqm. Bagshot also has slightly more outlets (29) and floorspace (2,824 sqm) than Frimley. The number of service outlets has increased from 25 in 2010.
- 7.39 Current service provision represents 55.6% of total outlets and 43.4% of total floorspace, which is above the national average figures of 39% and 26% respectively. The main breakdown of retail and leisure services is as follows:
- **Restaurants, cafés and fast food:** there are 15 food and beverage outlets in the centre. This represents 27.8% of total outlets and is significantly above the national average of 17.9%. Provision includes 3 cafés, 4 restaurants and 8 fast food and take-away outlets. The offer is mainly dominated by local independent businesses (for example, Jack's Fish and Chips, Miller and Carter, Mogul, Belvedere, etc), but also includes a Domino's takeaway. There are two cafés in the centre (Roost and Village Café), compared with just one in 2010.
 - **Public houses:** The Cedar Tree, Kings Arms and Three Mariners are the main pubs in the centre.
 - **Hairdressers, beauty and health:** there are 10 businesses in this category, including PS Hairdressing, Main Street Barbers, Cabello Hair Salon and Vys Nails.

- **Banks and financial services:** there are no banks, building societies or financial services in Bagshot following the closure of Nationwide at The Square in 2009/10. Like Frimley, the Post Office provides the main over-the-counter cash and banking services, and there is an ATM in the Co-op store.

7.40 The other services in Bagshot include three estate agents and a launderette.

7.41 In addition to its commercial offer, Bagshot has the Village Eye Clinic, the Park House Surgery and the Windle Valley Centre, which offers a range of activities and services for older residents. There is also the Bagshot Village Community Library that is open 14.00-17.00 Mondays to Wednesdays and Fridays, and 10.00-13.00 on Thursdays and Saturdays. Its wider offer and services are consistent with its role as a District Centre.

Vacancy Levels

7.42 There were five vacant outlets in Bagshot in September 2018, which represented a slight increase from the four recorded in 2010. The 2018 vacancy level was equivalent to 9.3% of total outlets, and was below the national average figure of 12.9%. The vacant floorspace of 353 sqm represented 5.1% of total floorspace and was also significantly below the national average figure of 11.9%.

7.43 A more recent audit of Bagshot conducted in 2019 by the local authority identified that the number of vacancies had fallen back to four outlets. Some of the vacant outlets recorded in 2018 have since been occupied, by Samsara Boutique (41 High Street), One Touch Services (24 High Street) and Imperial Hong Kong Takeaway (15 High Street).

7.44 However there are number of units that have been vacant for some time towards the western end of the high street (i.e. 65-71 High Street). This reflects the fact that these units lack visibility on to The Square and the day-to-day footfall needed to help support business viability. If they continue to fail to attract market interest then the best option in our view would be to convert them back to residential and/or more flexible uses.

Accessibility, Parking & Environment

7.45 Bagshot benefits from good accessibility by road and public transport. The centre's railway station is served by trains operated by South Western Railway and is on the Ascot to Guildford line, some 32 miles (51.7 km) from London. The centre also has relatively good on-street and off-street parking provision. The car park at The Square has some 95 spaces and parking is free for the first two hours.

7.46 Bagshot's retail and service offer runs along the High Street (B3029) and is focussed around The Square. It is 'anchored' at the western end of the High Street by the attractive Cedar Tree public house and by the Co-op at the eastern end. The Square is a strong focal point for the centre, but the environment is dominated by the car. For example, the area directly outside the Co-op could provide an attractive opportunity for improvements to the public realm and the provision of new green space to act as a focal point for the centre, but it is currently set aside for parking.

7.47 The overall environment was clean at the time of our visit and the pavements were relatively uncluttered. The street furniture (e.g. bins, hanging baskets, benches, etc.) and pavements are generally in good condition. There is however potential to reduce the dominance of the car by improvements to the streetscape and public realm.

Summary

- 7.48 The 2010 Retail Study (paragraph 6.48) concluded that Bagshot was “*still just about worthy of retaining its district centre status*” but there were “*serious concerns as to whether this will still be the case when this study is next reviewed*”. The study found that the centre was “*not as vital and viable as it could be at the time, given the excellent physical layout of the centre and the general affluence of the area*” (paragraph 6.48).
- 7.49 Based on our review and audit of Bagshot, we conclude that it has a relatively good mix of retail, leisure and service outlets. Vacancy levels in the centre are also low and the number of vacant units has fallen from five in September 2018 to four in 2019. This is a positive indicator of the relative health of the centre and the good take-up of premises by new businesses. However there is a cluster of longer term vacancies in the centre at 65-71 High Street where the best option could be to convert them back to residential and/or more flexible uses.
- 7.50 Bagshot does lack a major foodstore anchor. The smaller Co-op predominantly serves the day-to-day ‘top-up’ food shopping needs of its local resident catchment population, with larger ‘bulk’ food purchases carried out in larger stores both within and outside the Borough (including the Waitrose on London Road), or via the internet. The presence of the out-of-centre Waitrose will limit the potential demand for new food and convenience stores in Bagshot. It is therefore vital that the vitality and viability of the Co-op is maintained, as it is a critical anchor underpinning the centre’s role and function as a District Centre.
- 7.51 Although Bagshot’s comparison goods offer has also fallen from 20 in 2010 to 15 in 2018, this generally reflects the wider trends impacting on the retail sector. Bagshot’s offer is dominated by independent businesses mainly targeted at the local resident catchment population. However there are a number of businesses that function as “*destination shops*” (for example, Spokes and Diamond Days) that have an attraction and draw that extends beyond their local resident catchments.
- 7.52 Like Frimley, Bagshot does not have any banks or building societies. This underlines the important role of the Post Office, which now provides the main over-the-counter cash and banking services. There is also an ATM in the Co-op store.
- 7.53 Overall Bagshot appears to be performing well in its role and function as a District Centre. However, its future vitality and viability would be vulnerable to the closure of key ‘anchor’ retailers and services; principally Co-op and the Post Office.

LOCAL CENTRES

- 7.54 The Borough’s smaller local centres of Chobham, Deepcut, Frimley Green, Lightwater and Windlesham all sit below Camberley, Frimley and Bagshot in the Borough’s network and hierarchy of centres. They predominantly function as service centres, with more limited retail and leisure uses, serving the day-to-day needs of their smaller residential catchment populations.
- 7.55 In most cases the Core Strategy (Policy CP1) identifies that these smaller Local Centres – apart from Deepcut - have limited opportunities and sites to accommodate new development and, where capacity does arise, this will be achieved primarily through the redevelopment of existing sites and buildings.
- 7.56 Although the scope of this study does not extend to a detailed audit and analysis of the composition of these centres, the following provides a brief overview of these smaller local centres by way of context:

- **Frimley Green:** has a good range of local shops and services focussed around an attractive “village green”. Its offer includes two smaller supermarkets operated by One Stop and Spar that serve the more frequent day-to-day needs of the local catchment population. Other shops and services include hairdressers, takeaways (e.g. Domino’s Pizza and Fish & Chips), estate agents, funeral directors (operated by Co-op) and small DIY/decorating outlet. There is also a primary school, a library and doctors surgery in or close to the village centre. Like Frimley and Bagshot there is no bank in the centre, but there is a ‘hole-in-the-wall’ ATM in both the supermarkets.
- **Mytchett:** lies to the south of Frimley Green and is served by a primary school, a doctor’s surgery and a small range of local shops and services (predominantly restaurants and takeaways) that run along the busy B3411. Railway stations at Ash Vale and North Camp (Farnborough) are within relatively easy walking distance. There is also a M&S Simply Food in the BP garage.
- **Lightwater:** was originally a largely Victorian village based around local farms, but today very little of the original character remains. The centre’s shops and services are situated along Guildford Road and include a butchers, two pharmacies (Boots and Lightwater Pharmacy), an opticians, newsagent, takeaways (e.g. Papa John’s Pizza) and estate agents. There is a Co-op supermarket and an M&S Simply Food in the BP Garage that mainly serve the ‘top-up’ shopping needs of the local catchment population and passing car-borne trade. The village has no bank or railway station, but does benefit from regular albeit infrequent bus services.
- **Deepcut:** this small settlement lies to the east of Frimley Green and originally evolved to serve the military establishment. The Local Centre has a shopping parade that comprises a small supermarket and a range of shops, but requires environmental improvements. The centre benefits from regular, albeit infrequent bus services. There is no bank or doctors surgery in the centre. The Ministry of Defence (MoD) owns large tracts of land around the village as part of its training estate, and some new housing has already been provided on surplus land. The Princess Royal Barracks is also identified for disposal and development. The Core Strategy (Policy CP1) identified the potential for a major redevelopment opportunity to enlarge the village and provide a major new housing area as well as the opportunity to improve local services, and there is permission now for 1,200 homes at Deepcut. The outline permission includes for a foodstore (max 2,000sqm with a sales area of 1,400 sqm), and a parade of local shops with a maximum combined floor area of 180 sqm.
- **Windlesham:** forms one of a number of smaller rural settlements in the east of the Borough (including Bisley, Chobham and West End). These smaller villages are within the Green Belt and therefore have limited capacity to accommodate new development other than through the redevelopment of existing sites and buildings. Windlesham Village’s offer includes a café, pharmacy, estate agents, convenience store and post office counter, a butchers and barbers. There are also a number of schools in or close to the village centre.
- **Chobham:** has a small high street area, specialising in traditional trades and motor trades. Chobham has no railway line; it is approximately midway between London-terminating services at Woking and Sunningdale, just under 5 miles (8.0 km) away.

7.57 In our judgement the Borough’s smaller Local Centres are, to varying degrees, vital and viable and appear to be fulfilling their principal role and functions in the Borough meeting the more frequent day-to-day service, leisure and shopping needs of their local (walkable) catchment populations. There is limited potential for new development and expansion of these smaller centres, apart from Deepcut.

8. RETAIL CAPACITY ASSESSMENT

- 8.1 This section sets out the results of the economic retail capacity ('need') assessment for new retail (comparison and convenience goods) floorspace in the Surrey Heath Borough area and its main centres, but particularly focussing on Camberley Town Centre. The forecasts cover the period from 2019 (the year when the household survey was carried out) to 2038 (the period covered by the emerging new Local Plan). The forecasts are broken down further into the following timelines: 2024, 2029, 2034, 2036 and 2038.
- 8.2 As explained in Section 1, this economic assessment updates and supersedes the capacity findings of the Council's previous evidence-based studies that forecast a substantial need for new comparison retail floorspace.

THE CREAT^e MODEL

- 8.3 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 over many years. It has also withstood critical review and examination at numerous appeal, Examinations in Public (EIP) and CPO inquiries.
- 8.4 In brief, the **CREAT^e** (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.
- 8.5 At the outset it has necessarily been assumed for the purpose of the capacity assessment that the local retail market in Surrey Heath Borough 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 and surveys covering Camberley Town Centre and the Borough's other main centres and shopping locations. For example, vacancy levels are above the national average in Camberley Town Centre and there is no evidence of strong market demand from retailers for representation in the town centre. In this case there is no evidence to suggest a strong latent demand or capacity for new retail floorspace across the Borough as a whole or Camberley Town Centre specifically. In fact, the main challenge and focus for the Town Centre over the short/medium term in response to market trends and the impact of COVID-19 will be to retain existing occupiers and to redevelop/repurpose vacant retail floorspace to attract new businesses and uses.
- 8.6 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 floorspace⁴⁶.
- 8.7 It is important to restate that medium to long term forecasts should be treated with caution, as they will be influenced by changes in economic, demographic and market trends. As a result we advise

⁴⁶ Section 3 sets out the forecast growth in annual 'productivity' levels based on the latest Experian Retail Planner Briefing Note.

that greater weight should be placed on the short term forecasts carried out over a **five-year period** (in compliance with paragraph 004 of the *Planning Practice Guidance*⁴⁷). Notwithstanding this, it is also accepted that in preparing their town centre strategies local authorities will also need to take account of the forecast capacity for new retail floorspace over the plan period to inform its policy-making and site allocations. The NPPF (paragraph 85) states that local planning authorities should meet the need for retail and town centre uses, **looking at least 10 years ahead**. Therefore, whilst this study assesses retail capacity up to 2038, it follows that greater weight should be placed on forecasts over the next five to ten-year period (i.e. to 2024 and 2029).

- 8.8 The updated capacity forecasts set out in this section will provide the Council with a broad guide to assess the (quantitative) need for new retail (comparison and convenience goods) floorspace in the Borough and its main centres. In turn, this will inform the need to identify and allocate additional sites (over and above those already identified) to meet any forecast need over the lifetime of the development plan. This is in accordance with the advice set out in the NPPF (paragraph 85). It follows that the allocation of sites will depend on a range of key considerations, including: the suitability, viability and availability of sites in or on the edge of existing centres; and if there are not suitable site, whether there is the potential to expand existing centres and town centre boundaries to accommodate the forecast needs.
- 8.9 The key steps in the retail capacity assessment, and the main assumptions and forecasts underpinning the **CREAT**[®] Model are described below.

POPULATION PROJECTIONS

- 8.10 The standard starting-point for economic capacity assessments is to use the 'baseline' population estimates and projections provided by Experian Business Strategies (EBS) and based on ONS *Sub-National Population Projections*.
- 8.11 Following a detailed review of Experian's population figures and projections, Surrey Heath Borough Council confirmed that they broadly represent the likely scale and distribution of population growth across the Borough Area over the forecast period.
- 8.12 Appendix A2 (Table 1) sets out the total estimated growth in the study area population based on Experian's population projections. The table below summarises the forecast growth for the total Study Area and the four defined catchment areas.

Table 8.1: Population Projections – Total Study Area and Zones (2019-2036)

	2019	2024	2029	2034	2036	2038	Growth: 2019 to 2029		Growth: 2019 to 2038	
							%	No.	%	No.
Zones 2 & 4: Core Catchment Area:	102,613	105,302	107,547	109,611	110,439	111,332	4.8%	4,934	8.0%	8,719
Zones 7-11: North Catchment Area:	212,526	220,720	226,965	232,600	234,775	237,250	6.8%	14,439	10.6%	24,724
Zones 3/5/6: South Catchment Area:	202,168	206,409	210,306	214,260	215,838	217,429	4.0%	8,138	7.1%	15,261
Zone 1: Woking	88,294	90,767	92,721	94,749	95,597	96,473	5.0%	4,427	8.6%	8,179
STUDY AREA TOTAL:	605,601	623,198	637,539	651,220	656,649	662,484	5.3%	31,938	8.7%	56,883

Source: Experian Business Strategies - MMG3 Geographic Information System (GIS) 'Retail Area Planner Population & Expenditure Datasets'. See Table 1 (Appendix A2).

- 8.13 The total Study Area population is forecast to increase by +8.7% (+56,883 people) between 2020 and 2038 to 662,484. The population growth in the CCA area (Zones 2/4) is +8% (+8,719 people) over the same period.

⁴⁷ PPG Reference ID: 2b-004020190722

AVERAGE EXPENDITURE LEVELS & FORECASTS

- 8.14 Tables 2 and 4 (Appendix A2) set out the average expenditure per capita figures and forecasts for convenience and comparison goods respectively. The 2019 average expenditure per capita figures have been sourced from LSH's in-house Experian MMG3 GIS⁴⁸. The year-on-year growth in expenditure levels by zone draws on the latest forecasts published by Experian in *Retail Planner Briefing Note 18* (RPBN18) (October 2020).
- 8.15 Aligned with good practice we have made an allowance for the market share of Special Forms of Trading (SFT) on average retail (convenience and comparison) expenditure levels across the Study Area over the forecast period.
- 8.16 For the purpose of this assessment we prefer to use Experian's SFT market shares set out in RPBN18, as we consider that Experian's shares better reflect the impact of COVID-19 on online shopping purchases.
- 8.17 As described in Section 3, the SFT market shares have then been adjusted to reflect the fact that a proportion of online convenience and comparison retail sales are sourced from traditional ('physical') stores rather than from dedicated ('dot com') warehouses⁴⁹.
- 8.18 In summary we have assumed the following SFT market shares based on Experian's forecasts:
- **Convenience goods:** the market share of 4.2% in 2019 is forecast to increase to 6.3% in 2020 due to the impact of COVID-19, before falling back to 5.4% in 2021 and growing steadily thereafter to 7.3% by 2038.
 - **Comparison goods:** Experian's SFT market share of 17.6% in 2019 is forecast to increase to 22.9% in 2020 and is then predicted to fall back to 21.8% in 2021. Over the study period Experian estimate that SFT's market share will increase to 28.5% by 2038.
- 8.19 It follows that if SFT's baseline market share and/or the growth up to 2038 is higher than assumed then this will *reduce* the total residual expenditure capacity available to support existing and new floorspace over the forecast period (i.e. more retail expenditure will go to 'virtual' than to 'physical' stores). Alternatively if the growth in SFT market shares is not as strong as predicted, then it will potentially increase the forecast residential expenditure capacity.

TOTAL AVAILABLE EXPENDITURE

- 8.20 Tables 3 and 5 (Appendix A2) set out the current and forecast growth in total available expenditure for convenience and comparison goods respectively within the total Study Area and Zones. As the tables show:
- **Convenience goods expenditure:** is forecast to increase by +9.1% (+£124.6m) between 2019 and 2038 within the total Study Area. The CCA is forecast to benefit from a +8.1% (+£19.2m) growth in convenience goods expenditure over the same period.
 - **Comparison goods expenditure:** is forecast to increase by +52.5% (+£1,253.9m) within the total Study Area and a +51.2% (£216.1m) in the CCA.
- 8.21 In summary the forecast growth in comparison goods expenditure significantly outstrips convenience goods over the study period. It follows that there could therefore be greater residual expenditure capacity to support new comparison goods floorspace; although this will depend on the level of retail

⁴⁸ All expenditure and turnover figures are expressed in 2017 prices.

⁴⁹ Experian assume 25% of SFT's market share for comparison goods and 70% for convenience goods are sales sourced from "physical" stores. See Appendix 3 for a more detailed commentary.

commitments in the pipeline and the forecast growth in the 'productivity' of existing floorspace, as this will have a "first call" on the residual growth in expenditure (see below).

MARKET SHARE ANALYSIS (EXCLUDING SFT)

- 8.22 In accordance with good practice, the (%) market shares reported in Section 6 have been recalibrated to exclude SFT from both the convenience goods (Table 1, Appendix A5) and comparison goods (Table 1, Appendix A6) expenditure figures.
- 8.23 The expenditure allocated to existing centres, stores and floorspace at 2019 (Table 2) has then been projected forward to 2024 (Table 3), 2029 (Table 4), 2034 (Table 5) and 2038 (Table 6) assuming constant market shares⁵⁰.
- 8.24 Table 1 (Appendix A7) summarises the convenience goods expenditure allocated to the main centres and stores over the forecast period (excluding 'inflow') based on the recalibrated market share approach. Table 1 (Appendix A8) summarises the (£m) market share analysis for comparison goods.

'INFLOW' / TRADE DRAW

- 8.25 In order to provide a complete picture of the current and likely future trading (turnover) performance of the main centres and stores in the Borough we have necessarily made informed judgements with regard to the likely 'inflow' (trade draw) from outside the widely defined study area.
- 8.26 The assessment of inflow is not an "*exact science*" due to the complex nature of overlapping catchments and shopping patterns. In this case our assumptions take account of:
- the scale, quality and mix of each centre's retail (convenience and comparison) offer based on the results of the healthchecks;
 - the scale, offer and location of all other centres and stores in Surrey Heath Borough, including out-of-centre shopping locations, and in neighbouring local authority areas;
 - the likely competition from centres, stores and shopping facilities outside the study area, 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 tourists, visitors and those on business); and
 - the likely extent of each centre's catchment. For Camberley Town Centre, for example, this is informed, in part, by the results of the in-centre surveys detailing the origins of people visiting the centre and whether they live inside or outside of the defined Study Area.
- 8.27 Where the evidence exists we have also taken account of previous studies and retail assessments to help inform our judgements. In summary for the purpose of this economic capacity assessment we have assumed for:
- **Comparison goods:** Camberley Town Centre draws approximately 5% of its total trade/turnover from outside the widely defined Study Area. In our judgement The Meadows will have a much wider attraction and is estimated to be drawing approximately 10% of its total turnover from outside the Study Area. In contrast, the Borough's smaller District and Local Centres will draw the majority of their trade from their more local resident catchments, and for this reason we have assumed no 'inflow' from outside the study area.
 - **Convenience goods:** the market share analysis confirms that households normally carry out their main and top-up food purchases at their more local and accessible stores, and do not

⁵⁰ It should be noted that the 'constant market share' approach is standard practice for retail capacity assessments.

generally travel longer distances for food purchases. In our judgement, Camberley's limited foodstore offer means it does not draw significant trade from outside the defined Study Area; in this case we have only assumed a 1% "inflow" to allow for potential expenditure by people who live outside the Study Area but who regularly work and visit the Town Centre. Based on the location, scale, choice and quality of out-of-centre foodstores in the Borough we estimate that they will have wider catchments and will draw between 5% and 10% of their total turnovers from outside the defined Study Area.

TOTAL FORECAST TURNOVER

8.28 The assessment of the total turnover of all the main centres/stores within the Study Area is based on the expenditure allocated to these centres/stores according to their 2019 survey-derived market shares, and our judgements as to the total "inflow" of trade to these centres/stores from outside the defined study area.

8.29 The total estimated **convenience goods turnovers** of the Borough's main food and convenience stores by location are set out in Table 2 (Appendix A7). The table shows:

- **Camberley Town Centre:** was estimated to be achieving a convenience goods turnover of £12.7m in 2019. This is forecast to increase to £13.8m (+8.3%) by 2038 based on 'constant market shares'.
- **District Centres:** Frimley and Bagshot had respective turnovers of £11.8m and £3.5m in 2019, which reflects the scale of their food and convenience offer.
- **Local Centres:** Lightwater Local Centre (£11.6m) was estimated to be achieving a comparable turnover to Frimley in 2019. The other local centres were achieving much lower turnover levels.
- **Out-of-centre stores:** Tesco Extra (£95.2m) in The Meadows, Sainsbury's at Blackwater Valley Road (£54.2m) and Waitrose on London Road (£15.1m) achieved the highest turnover levels in the Borough in 2019.

8.30 The total **comparison goods turnovers** of the Borough's main centres, stores and shopping locations are set out in Table 2 (Appendix A8). In summary the table shows:

- **Camberley Town Centre:** its comparison goods turnover is forecast to increase from £194.9m in 2019 to £294.2m (+51%) by 2038.
- **District Centres:** Bagshot's turnover is forecast to increase from £7.8m to £11.8m between 2019 and 2038, and Frimley's turnover is forecast to increase from £7m to £10.6m.
- **Local Centres:** Lightwater was estimated to be achieving a higher turnover than Bagshot and Frimley in 2019 of £11m. The other local centres have much lower turnovers. This reflects their more limited non-food offer and their primary roles as meeting the more frequent food/convenience, service and community needs of their local populations.
- **Out-of-centre stores:** are forecast to increase their total comparison turnovers from £179.1m in 2019 to £271.1m in 2038.

FLOORSPACE PRODUCTIVITY

8.31 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) and 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 COVID-19 pandemic. For these reasons we have tested Experian's higher "productivity" growth rates⁵¹.

RETAIL COMMITMENTS

- 8.32 The next step in the retail capacity assessment takes account of all the major Class A1 (food/non-food) floorspace commitments and policy-led floorspace allocations in the Borough 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 Class A1 retail.
- 8.33 At the time of preparing this study the only major known retail commitment is for a new foodstore planned as part of the wider permission for some 1,200 homes at Deepcut (known as Mindenhurst). The outline permission allows for a 2,000 sqm gross foodstore, with a net sales area of 1,400 sqm. For the purpose of this assessment it is assumed the store will be open and trading by 2024, and will achieve convenience and comparison sales of £11.3m and £1.6m respectively.

RETAIL CAPACITY ASSESSMENT

- 8.34 The Borough-wide capacity forecasts for new retail floorspace up to 2038 are set out in Table 4 (Appendix A7) for convenience goods and Table 3 (Appendix A8) for comparison goods⁵². The footnotes to the tables explain the key steps underpinning the assessment. The headline results are set out below.
- 8.35 For **convenience goods** retailing we have converted the forecast residual expenditure capacity into a net sales figure based on an average sales density⁵³ for new retail floorspace of £10,000 per sqm at the base year. This average turnover level is informed by the latest Mintel 'Retail Rankings' report and broadly reflects the higher company average turnovers achieved by the main grocers (including Tesco, Sainsbury's, Asda and Morrisons) and the Limited Assortment Discounters ('LADs') (e.g. Lidl and Aldi), compared with the lower benchmark turnovers recorded by smaller format supermarket and convenience store operators (e.g. Co-op, Nisa, Budgens, Costcutter, etc.). After allowing for the growth in the 'productivity' of existing/new floorspace and the turnover potential of the new foodstore commitment at Mindenhurst, there is no capacity for new convenience floorspace in the Borough over the forecast period up to 2038.
- 8.36 For **comparison goods** retailing we have assumed that new retail floorspace will achieve an average sales density of circa £5,500 per sqm in 2020⁵⁴. This turnover level is also informed by the published company averages of a mix of multiple and independent retailers set out in the latest Mintel 'Retail Rankings' report. After taking account of all known commitments and allowing for the growth in the 'productivity' of existing/new floorspace, there is no forecast capacity for new comparison goods floorspace in the Borough up to 2036. By 2038 there is modest capacity for 162 sqm net of new floorspace.

⁵¹ Retail Planner Briefing Note 18 (October 2020).

⁵² Please note that all quoted retail floorspace capacity figures refer to net sales area unless otherwise stated.

⁵³ Also commonly referred to as 'turnover to floorspace ratios'.

⁵⁴ It should be noted that average sales levels will vary between different locations, different retail formats and different operators. Where this is the case it will have implications for assessing the capacity for, and impact of new retail floorspace. The local planning authority will therefore need to take this into account when preparing its development plans and when it comes to assessing and determining applications for different operators and different types of retail floorspace in different locations. For example, 'DIY/bulky goods' retailers generally achieve average sales levels below the turnover figures we have tested.

SUMMARY

- 8.37 The Borough-wide forecasts have identified no potential capacity for new retail (convenience and comparison goods) floorspace. This reflects the impact of economic, market and consumer trends on the retail sector over the last decade, and principally the growth of online shopping. These trends have been further accelerated and compounded by the impact of the pandemic since March 2020.
- 8.38 Any need and demand for new retail floorspace over the plan period should be directed to Camberley Town Centre and the main District and Local Centres first in accordance with the sequential test.
- 8.39 In the case of Camberley a qualitative ‘gap’ has been identified in its food and convenience offer and sales. Locating new food or convenience stores in the town centre will help “*claw back*” shoppers and trade from the Borough’s out-of-centre stores and stores located outside the Borough, and will help meet the essential day-to-day and “bulk food” shopping needs of the town’s catchment population in the most sustainable location.
- 8.40 Finally, it should be noted that the capacity forecasts do not take account of the potential to re-occupy and re-use existing vacant retail floorspace within the Borough’s main centres. This will further reduce the need for new retail floorspace over the plan period. As reported in Section 4 (and summarised in the table below), the Experian Goad reports for Camberley, Frimley and Bagshot identified a total combined vacant floorspace of circa 10,500 sqm (113,000 sqft) at the time they were surveyed.

Table 8.4: Reported Vacant Outlets and Floorspace in the Borough’s Main Centres

Centre / Stores	Number of Vacant Outlets	Vacant Floorspace	
		Sqm	Sqft
Camberley Town Centre	35	9,244	99,500
Frimley District Centre	7	910	9,800
Bagshot District Centre	5	353	3,800
TOTAL:	49	10,507	113,100

Source: Experian Goad Centre Reports. 2018/19.

- 8.41 We advise the Council that some of the vacant better quality, larger format floorspace in prime frontages can and should be the first choice to accommodate any forecast capacity and/or market demand over the short to medium term, subject to the assessment of the suitability of this existing floorspace to meet operators’ requirements.

9. LEISURE NEEDS ASSESSMENT

- 9.1 Having assessed the capacity for new retail floorspace, this section focuses on the potential need for new leisure uses and facilities in the Borough and specifically in Camberley Town Centre.
- 9.2 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.
- 9.3 As described in Section 2, the Government issued its reforms to the Use Classes Order in July 2020, and these 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 9.1: Use Classes Order - Update

Original Use Class ⁽¹⁾ :	Revised Use Class ⁽²⁾ :	Use:	Description:
Class A3	Class E	Restaurants and cafés:	Defined as selling food and drink for consumption on the premises.
Class A4	Class E	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		gymnasiums or area for indoor recreations.
Class D2	Class F.2		Indoor our 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); ⁽²⁾ Revised Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020 (SI 2020 No.757).

- 9.4 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 and high level.
- 9.5 In this context LSH has developed robust and transparent approaches to assess the needs for new leisure uses 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 in the Borough to help identify whether there are 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
 - For some leisure uses we have applied a robust economic need assessment based on accepted approaches.

9.6 The following provides a summary of the key trends, current provision and participation for the Borough as a whole, and for the main centres and leisure facilities. It also provides a high level assessment of the potential (quantitative and qualitative) need for new uses and facilities over the plan period (refer to Appendix A9 for the economic tables). 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.

EXPENDITURE GROWTH & PARTICIPATION LEVELS

9.7 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 will not be immune to the impact of the recent economic impacts of the COVID19 pandemic and the recovery could lead to the loss of a number of established leisure operators (see below), the fact is that leisure and entertainment activities remain an important lifestyle and entertainment choice for many consumers over other areas of spending.

9.8 Against this background Tables 1-5 (Appendix A9) set out the forecasts of leisure expenditure growth across the Catchment Area and Zones based on the latest Experian-based expenditure figures and growth forecasts. These tables show:

Tables:	Description
1	Baseline population and projected growth for the period 2019 to 2038.
2	Baseline expenditure per capita figures for different leisure categories (expressed in 2017 prices), as derived from LSH's Experian-based MMG3 Geographic Information System (GIS).
3	Forecast year-on-year growth in leisure expenditure per capita based on the latest forecast by Experian set out in Retail Planner Briefing Note 18 (see Section 3).
4	Forecast growth in leisure expenditure per capita figures by category (Table 2 multiplied by Table 3).
5	Forecast growth in total available leisure expenditure by category up to 2036 (Table 1 multiplied by Table 4).

9.9 Based on Experian's forecasts - and after taking account of the likely impacts of the COVID-19 pandemic on leisure spend at the time of preparing this study – the table below shows that total available expenditure in the defined Study Area (Zones 1-11) is forecast to increase by £385m (+24%) between 2019 and 2038.

Table 9.2: Study Area - Total Forecast Growth in Available Leisure Expenditure by Category

							GROWTH (£m):	
	2019	2024	2029	2034	2036	2038	2019-2029	2019-2038
Accommodation Services	£116.3	£110.7	£125.7	£134.3	£137.8	£144.1	£9.3	£27.8
Cultural Services	£263.8	£251.2	£285.1	£304.6	£312.7	£327.0	£21.3	£63.2
Games of Chance	£115.3	£109.7	£124.6	£133.1	£136.6	£142.9	£9.3	£27.6
Personal Grooming	£94.3	£89.7	£101.9	£108.8	£111.7	£116.8	£7.6	£22.5
Recreation & Sporting Events	£137.0	£130.4	£148.0	£158.1	£162.3	£169.8	£11.0	£32.8
Food & Beverage	£882.3	£839.9	£953.3	£1,018.5	£1,045.6	£1,093.4	£71.0	£211.2
STUDY AREA - TOTAL:	£1,608.9	£1,531.7	£1,738.4	£1,857.3	£1,906.7	£1,994.0	£129.5	£385.0

Source: Appendix A9. Tables 1-5.

9.10 The 'food and beverage' ('F&B') sector accounts for over half (55%) of total available leisure spend, followed by 'cultural services' (16%), 'recreation services and sporting events' (9%), accommodation services (7%), 'games of chance' (7%) and 'personal grooming' (6%).

9.11 A more detailed analysis of Camberley's 'Core Catchment Area' ('CCA') shows that there is some £274m of total available leisure expenditure in 2019. This represents approximately 17% of the total available spend in the wider Study Area. As the summary table below shows, the total spend is forecast to increase by +£62.5m to £336.3m by 2038.

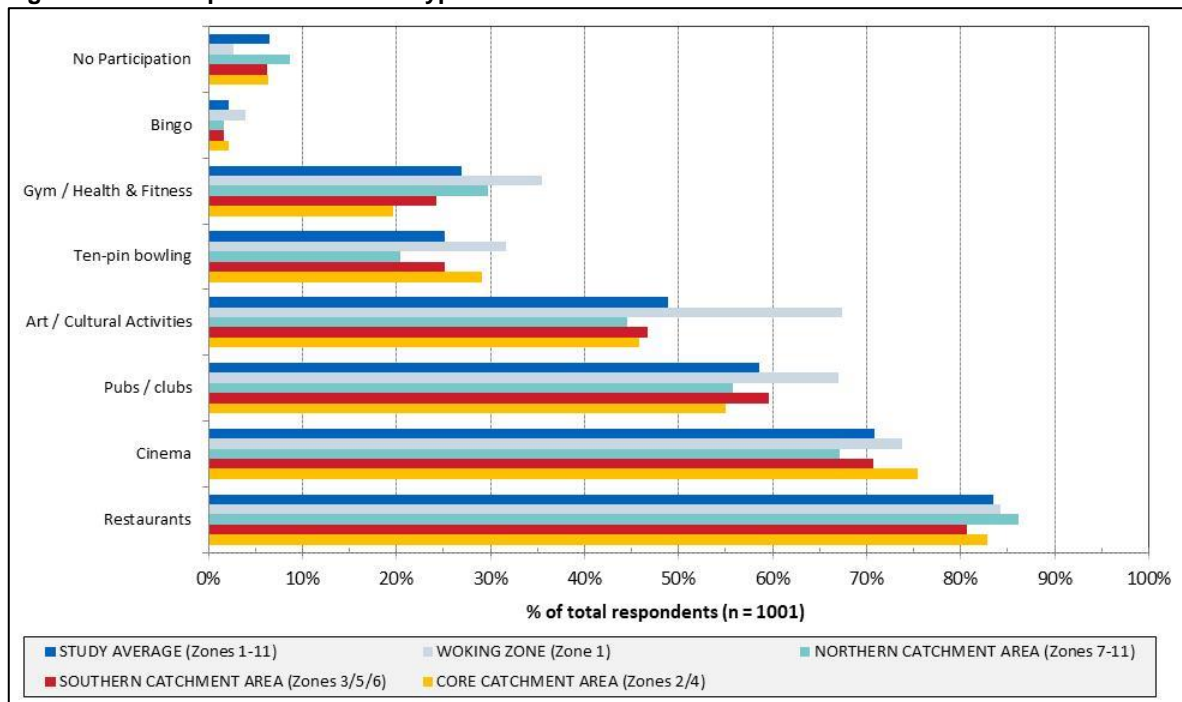
Table 9.3: Core Catchment Area - Total Forecast Growth in Available Leisure Expenditure by Category

	2019	2024	2029	2034	2036	2038	GROWTH (£m):	
							2019-2029	2019-2038
Accommodation Services	£20.4	£19.3	£21.9	£23.3	£23.9	£25.0	£1.5	£4.6
Cultural Services	£45.0	£42.7	£48.4	£51.6	£52.9	£55.3	£3.4	£10.3
Games of Chance	£20.5	£19.4	£22.0	£23.5	£24.1	£25.1	£1.5	£4.7
Personal Grooming	£16.3	£15.5	£17.6	£18.7	£19.2	£20.1	£1.2	£3.7
Recreation & Sporting Events	£23.4	£22.2	£25.1	£26.8	£27.5	£28.7	£1.8	£5.3
Food & Beverage	£148.3	£140.8	£159.5	£170.0	£174.3	£182.1	£11.1	£33.8
CORE CATCHMENT AREA - TOTAL	£273.8	£259.9	£294.4	£313.8	£321.9	£336.3	£20.6	£62.5

9.12 As for the wider Study Area, F&B spend accounts for the bulk of the available leisure spend in the CCA. Spend in this category is forecast to increase by +£33.8m to 2038. In summary, the broad leisure expenditure profile and forecasts show that the majority of the growth in expenditure will be weighted towards the food and beverage sector.

9.13 This expenditure profile is broadly reflected by the participation in different types of leisure activities by respondents to the household survey (see figure below).

Figure 9.1: Participation in different types of leisure activities across the Catchment Area



Source: Household Telephone Interview Survey (2019). Appendix C: Question 31.

9.14 The headline results show for:

- **Restaurants:** The majority of respondents in the Study Area (84%) eat out. It is the most popular leisure activity. In the Camberley CCA (Zones 2 and 4) some 83% of respondents visit restaurants.
- **Cinemas:** On average, 71% visit the cinema within the Study Area. The CCA recorded the highest participation rate of 75.5%; the 'Northern Catchment Area' (NCA) had the lowest (67%).
- **Pubs and Clubs:** On average, 58.5% of households interviewed visit pubs and clubs within the Study Area. The 'Woking Zone' achieved the highest participation rate of 67% and the Camberley CCA had the lowest rate (55%).
- **Art and Cultural Activities:** This was the fourth most popular leisure activity for households interviewed in the Study Area. The average participation rate for the Study Area is 49%. As the figure shows, the households interviewed in the 'Woking Zone' have the highest participation

rate of over 67%, whereas the lowest rate was in the NCA (44.5%). The participation rate for Camberley's CCA was 45.8%.

- **Tenpin Bowling:** Over one-quarter of respondents participated in tenpin bowling. These rates ranged from a high of 32% in the 'Woking Zone', to a low of 20% in the NCA. Some 29% in Camberley's CCA indicated that they participated in this leisure activity.
- **Gyms and Health & Fitness Clubs:** The average participation rate is 27%. The 'Woking Zone' recorded the highest rate of 35.5%, whereas Camberley's CCA has the lowest rate of 19.6%.
- **Bingo:** This was the least popular activity of all those recorded, with only 2.1% participating across the Study Area. Participation in the CCA was in line with the average, at 2.2%.

9.15 In this context, the following provides a broad assessment of the potential Borough-wide need and market demand for new leisure uses, specifically focusing on Camberley Town Centre.

CINEMAS

9.16 The UK cinema sector has evolved dramatically since the 1990s when it was largely dominated by a handful of operators. Today the sector offer ranges from larger multiplexes⁵⁵, to smaller independent operators and 'pop up' screens town centres and mixed-use venues. The table below sets out some of the main cinema operators in the UK.

Table 9.4: 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 for £921m.
Vue	93	Established in 2003, following the acquisition of Warner Village for £250m. It has since 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 for £935m.
Showcase	19	Established in 1986. Owned by National Amusements Inc
Empire	14	Established in 2005, but has its origins in the Empire on Leicester Square which opened in 1884. Formed following the purchase of 11 former UCI and Odeon cinemas for c.£50m that had to be divested by Terra Firma (see above). Cineworld acquired 5 cinemas from Empire in 2016 for £94m, including the flagship cinema in Leicester Square.
Picturehouse	25	Established in Oxford in 1989. Differentiated by its unique locations, homely atmosphere, art-house film choices and quirky features like lounge bars and rare snack options. Cineworld acquired the entire chain for £47.3m in December 2012. A new cinema is scheduled to open in Ealing in 2021.
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 cinemas, Vue sold four cinema to Reel (Fareham, Port Talbot, Burnley and Morecombe).
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.
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

9.17 Notwithstanding the greater variety and choice in the cinema sector, the three largest cinema operators still account for around 70% of total UK screens, and the six largest operators are collectively responsible for about 85% of the sector. Recent research⁵⁶ shows the significant growth

⁵⁵ 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

⁵⁶ Dodona Research; The Big Picture; BFI

in the cinema sector over the last 10-15 years, as well as the significant impact of COVID-19 on cinema attendances and revenue:

- Total admissions in 2019 stood at 176.1 million. Although this was slightly down on 2018 (177m), it was the second highest recorded admissions since 1970 (193m).
 - Admissions in 2020 fell to 44m due to the impact of the COVID-19 pandemic; the lowest level since records began (dating back to 1935).
 - UK box office receipts consistently reached their highest recorded levels in 2017 (£1.278bn), 2018 (£1.277bn) and 2019 (£1.251bn), but fell to £297m in 2020.
 - The number of cinemas has increased from 697 in 2006, to 801 in 2017 and 840 in 2019.
 - The number of cinema screens has increased from 3,741 in 2010, to 4,150 in 2015, 4,264 in 2017 and 4,564 in 2019.
 - Approximately three-quarters (78.2%) of the screens are in multiplexes.
 - The average population per screen in 2019 was estimated to be 14,529.
 - Average annual spending per head on cinema trips has increased steadily from £12.93/head in 2005 to £18.72/head in 2019, before falling to £4.37/head in 2020.
- 9.18 Although year-on-year admissions and box-office takings are notoriously volatile — driven by the appeal of individual films and principally 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 new technology, choice and flexibility (including, for example, Sky, Netflix and Amazon, and in 2020 the launch of Apple and Disney platforms).
- 9.19 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:
- Cineworld has installed ‘DBOX’ seats in selected cinemas, which ‘react’ to the film and provide a more immersive experience.
 - Vue has rolled out their innovative ‘*Evolution*’ concept in some cinemas, with luxury seating, beanbags and settees.
 - Odeon has introduced their luxury ‘*Luxe*’ branding into a number of converted and new cinemas, beginning with East Kilbride in 2017, which has 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. Some 13 other Showcase multiplexes have since upgraded to the Cinema de Lux brand.
- 9.20 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 the large auditoriums needed to accommodate traditional projectors. 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.
- 9.21 Other trends in the sector include the growth of ‘pop-up’ cinemas. Although there appears to be no reliable 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.

- 9.22 Although the impact of the COVID-19 pandemic has had a significant impact on cinema attendances and sales in 2020 - potentially leading to a period of restructuring and consolidation across the industry - we nevertheless consider that cinema attendances will begin to recover over the medium term as major new films are released. 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.
- 9.23 The responses to the household survey (question 31) show that some 71% of all households in the Catchment Area visit a cinema. This was the second most popular leisure activity after eating out (83.5%). Participation levels range from a high of 75.5% in the CCA, to a low of 67.2% in the NCA.
- 9.24 The main and only multiplex cinema in the Borough is Vue in The Atrium in Camberley Town Centre, which has nine screens and approximately 1,840 seats. As the table below shows, Vue attracts on average at least one in five cinema trips (20.1%) by households living within the wider Study Area. The cinema's market penetration is highest within the CCA at 61.4%, and ranges from 15.2% in the SCA, to 8.5% in the 'Woking Zone' and 6.7% in the NCA.

Table 9.5: Cinema Participation – Market shares by catchment area

	Camberley Core Catchment Area (CCA) ZONES 2/4	South Catchment Area (SCA) ZONES 3/5/6	North Catchment Area (NCA) ZONES 7-11	Woking Catchment Area (WCA) ZONE 1	TOTAL
Vue, The Atrium, Park Street, Camberley, GU15 3PL	61.4%	15.2%	6.7%	8.5%	20.1%
Vue, Kingsmead Shopping Centre, Queensmead, Farnborough, GU14 7SR	19.4%	47.8%	0.9%	1.5%	20.3%
Odeon, The Point, Skimped Hill Lane, Bracknell, RG12 1EN	13.4%	0.1%	31.8%	0.0%	12.7%
Showcase de Lux, Reading Road, Winnersh, Wokingham, RG41 5HG	5.0%	0.2%	28.9%	1.5%	10.5%
Ambassadors Cinema, The Peacocks Centre, Woking	0.4%	2.4%	0.1%	71.9%	12.1%
Cineworld, Eagle Way, Bracknell, RG12 1BG	0.1%	0.0%	19.8%	0.0%	6.3%
Odeon, King Street, Maidenhead, SL6 1DY	0.1%	0.0%	0.3%	0.0%	0.1%
Vue, Mustard Mill Road, Staines. TW18 4BL	0.1%	0.6%	0.2%	0.8%	0.4%
Cineworld, Westgate, Princes Way, Aldershot, GU11 1WG	0.0%	30.5%	1.6%	0.0%	10.9%
Odeon, Bedford Road, Guildford, GU1 4SJ	0.0%	0.6%	0.0%	14.3%	2.4%
Vue, Festival Way, Basingstoke, RG21 7BB	0.0%	0.5%	4.1%	0.0%	1.5%
All Other	0.0%	2.0%	5.5%	1.5%	2.7%

Source: Household Survey. Appendix C: Question 32. N=700 respondents.

- 9.25 The main competing cinema venues in the CCA are principally:
- the Vue in Farnborough, which has seven screens (approximately 920 seats) and is attracting almost one in five trips (19.4%) from the CCA.
 - the Odeon in Bracknell (ten screens) is achieving a 13.4% market share in the CCA.
 - the Showcase de Lux at Winnersh in Reading (12 screens) has a 5% market share within the CCA and 10.5% across the wider catchment.
- 9.26 The market share of other cinemas in the CCA is more limited. The Ambassadors Cinema in Woking had a 12.1% market share across the wider catchment in 2019, but its market share was almost entirely concentrated in the 'Woking Zone' (72%) where it is located. Since the survey was conducted the Ambassadors Cinema has since been subject to a major redevelopment programme funded by Woking Borough Council and Ambassador Theatre Group to provide seven screens, two bar areas and media room.

- 9.27 The high-level assessment of the potential need for new 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 6.6 screens per 100,000 people, which represents an increase from 6.1 screens in 2014. The equivalent figure for the South East region is 7.4 screens per 100,000 people. This compares with a screen density of 7.3 for London, 6.1 for the West Midlands and 5.3 for the North East.
- 9.28 On this basis the table below shows the potential quantitative need for additional cinema screens for Camberley’s CCA only. The population in the CCA is broadly equivalent (albeit slightly higher) than the Borough’s population and therefore reflects the likely catchment population and growth that could realistically sustain existing and new cinema screens in the Borough in the most sustainable manner.

Table 9.6: Indicative Capacity for New Cinema Screens in Camberley’s CCA

	2019	2024	2029	2034	2036	2038
Camberley CCA Population:	102,613	105,302	107,547	109,611	110,439	111,332
Screen density per 100,000 people:	7.4	7.4	7.4	7.4	7.4	8.4
Screen potential:	7.6	7.8	8.0	8.1	8.2	9.4
Existing screens:	9	9	9	9	9	9
INDICATIVE SCREEN CAPACITY:	-1.4	-1.2	-1.0	-0.9	-0.8	0.4

Note: The Vue in Camberley has 9-screens. The average screen density is for the South East region.

- 9.29 The forecasts show that there is no capacity to sustain new cinema screens over the forecast period based on existing provision and forecast population growth. However, the market reality is that different cinema operators are actively looking to expand their venue portfolios in the right locations. This demand is being generated by both the larger multiplexes at one end of the spectrum and by the more mid-market and ‘niche/specialist cinema operators at the other end. Therefore, subject to market demand, there could be potential to accommodate a second cinema in Camberley that complements the existing offer.
- 9.30 Any demand that does exist should be located in the town centre first to minimise any significant adverse impacts on Vue that could arise from a new cinema in an edge or out of centre location. Furthermore, although there is no clear screen capacity over the forecast period, opportunities to accommodate ‘pop-up’ cinemas and other new trends in the industry should be explored and encouraged in the town centre as and when the opportunities arise.

EATING AND DRINKING OUT

- 9.31 The food and beverage (F&B) sector includes restaurants, cafés, bars and pubs (Class A3-A5). These uses are an integral part of 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.
- 9.32 As identified above, 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 volume growth up to 2036. In theory, this expenditure growth should support the potential to enhance the scale, quality and choice of F&B uses across the Borough and in its main centres, particularly Camberley. In reality though, this growth will be determined by current and future trends in the sector

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

and market demand. The table below summarises of some of the current trends that are driving changes in the food and beverage sector.

Table 9.7: Key trends in the food and beverage sector

Use:	Headline Market Trends:
Restaurants	This sector has experienced mixed fortunes over recent years, pre COVID-19. Some of the key trends driving change included an increase in 'eating at home'. Restaurants are increasingly entering the home delivery market using online third-party delivery companies (such as Just Eat, Deliveroo and Uber Eats). Customers are increasingly basing their decisions to eat out on 'value for money', but not at the expense of quality in terms of service, food and the overall experience. COVID-19 and "social distancing" has accelerated this trend, with more households now eating from home.
Pubs and Wine Bars	Pub operators have widened their food and non-alcoholic beverage offer the last decade, resulting in the growth of so-called "gastro-pubs" and, most recently, the rise in 'micro' and 'craft' pubs. Notwithstanding this trend, the sector has also been characterised by increasing consolidation and closures. This is mainly explained by high occupancy costs (e.g. business rates) and beer duty, and changes in consumer demand and drinking habits. As a consequence there has been a significant increase in the conversion and/or redevelopment of pubs to alternative uses over the last decade; including for residential uses and/or convenience retailing. Recent research by CAMRA indicates that some 854 pubs closed in 2018 and there were approximately 41,500 pubs open in early 2019. On a positive note the number of closures slowed from 980 in 2017, which most likely reflected the impact of new planning policies and the recognition of pubs as 'Assets of Community Value' (ACV). Nevertheless, the figures for 2018 still represented more than 14 closures per week. Figures from the ONS show that the number of small pubs in the UK (defined as having under 10 employees) has almost halved since the turn of the century; from 38,830 in 2001 to 22,840 in 2018. The latest figures show a slight (+0.4%) increase to 22,925 in 2019, which also probably reflects the impact of policy changes and also the rise of 'micro pubs'.
Cafés and Coffee Shops	This sector has experienced strong growth over the last decade. Latest figures show that the UK coffee shop market comprises some 25,500 outlets and is valued at £10.1bn ⁵⁸ . Costa Coffee, Starbucks and Caffè Nero are the three largest chains in the UK, with 2,655 outlets and a total market share of 53%. The UK branded coffee shop market is estimated to exceed 10,000 outlets by 2023, equivalent to a 5-year compound annual growth rate of 5%. Notwithstanding the rise of the multiples, this sector has also been characterised by growth in independent and specialist cafés and coffee houses; particularly those serving a more luxury or specialist offer (e.g. organic, in-house roasted beans, and Fairtrade). In the specialty segment, artisan concepts continue to grow (such as 'Department of Coffee' and 'Social Affairs'). Others include London-based 'Grind' and 'Caravan'. The strong independent coffee sector has also fuelled many new start-up businesses in local centres. While many forecasters considered the café market to be saturated, the continued growth of this sector is one of the most successful in the UK economy

- 9.33 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 new technology and apps represents a further significant challenge to more traditional F&B operators. These challenges have been further accelerated by the impact of the COVID-19 pandemic.
- 9.34 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 2019⁵⁹. 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 the larger multiples and smaller independent restaurant operators have been affected. The table below shows some of the higher profile "casualties" over the last two years and the early impacts of COVID-19.

⁵⁸ Source: Allegra World Coffee 2019 (Project Café UK 2019)

⁵⁹ Research by UHY Hacker Young. Reported in The Guardian <https://www.theguardian.com/business/2019/sep/16/more-than-1400-uk-restaurants-close-as-casual-dining-crunch-bites>

Table 9.8: The “casual dining” sector – trends and “casualties”

Operator/Brand:	Headline Market Trends:
Strada	The Italian restaurant chain has just three restaurants now operating in London after closing most of its restaurants across the UK since 2017.
Jamie's Italian	Jamie Oliver's Restaurant Group which was established in 2008 went into administration in May 2019. It closed 22 out of its 25 restaurants, with the loss of over 1,000 jobs.
Byron Burger	The burger chain closed 19 outlets in 2018 under a Company Voluntary Agreement (CVA) to address escalating debts. Following administration the brand and certain assets have been sold to newly-formed company Calveton.
Prezzo	Closed over 100 outlets in 2018, equivalent to approximately one-third of the chain's restaurant portfolio, which includes Prezzo, Mexico and Cleaver brands and all 33 Chimichanga restaurants.
Carluccio's	Following a series of closures since 2018 the Italian chain collapsed in March 2020 and 30 restaurants were later brought out of administration by the Boparan Restaurant Group. However, since then 40 other restaurants have closed with the loss of over 1,000 jobs.
The Restaurant Group	The Group owns a number of different brands (including Wagamama, Chiquito, Garfunkels and Frankie & Benny's). It launched a CVA in 2020 - seeking to close 125 sites across the UK, with the potential loss of 3,000 jobs, and to negotiate lower rents for the remaining c.160 sites.
Pizza Express	Operates some 450 outlets in the UK and Ireland but had a reported debt of over £1bn in 2019. Announced proposals to close around 67 of its sites in August 2020, putting some 1,100 jobs at risk.
Gourmet Burger Kitchen (GBK)	GBK entered into a CVA in November 2018, which resulted in the closure of 24 restaurants, with the loss of c.250 jobs. The owners put the remaining 62 outlets on the market in September 2020.

Source: Various

- 9.35 It is likely that there will be an increase in business failures and closures of restaurants, bars and cafés during 2021 as the impact of COVID-19 on sales and profit margins 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.
- 9.36 Pubs and takeaway outlets should also continue to outperform restaurants as they are better positioned to satisfy the demand for lower-cost, convenient meals. For example, McDonalds reported a +5.9% year-on-year growth in global sales in 2019 and opened 40 new sites in the UK in 2019. It is committed to investing £1bn in UK over the next three years, with focus on new openings, refurbishments and improving the “*digital experience*” for customers. This includes trialling a new “*grab-and-go*” format with no seating and smaller self-order screens on London's Fleet Street.
- 9.37 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, Section 3 identified that 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 out⁶⁰. 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.
- 9.38 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 2025⁶¹. This trend has impacted

⁶⁰ Foodspark

⁶¹ ‘Future of Food Report’, Sainsbury's.

on the business models and menus of a number of the leading national restaurant and takeaway operators. For example, 'Pret A Manger' has some 400 outlets in the UK and acquired 110 outlets operated by its rival Eat in 2019. Pret plans to rebrand some of the acquired sites as 'Veggie Pret' to tap into this growth, and the first outlet opened in 2016 in Soho, London, after a month-long 'pop-up' trial.

- 9.39 There is also the potential for restaurants and pubs to tap more into the growth in home deliveries, with the potential to reach new audiences and increase turnover at quieter times. However operators will also face the challenge that commissions payable to these platforms are typically in the range of 20-25% of the total order value, with the loss of drink sales also associated with delivered food.
- 9.40 In this context it is no coincidence that 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 different 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. Examples include the Spanish 'small-plates' restaurant, Pilgrim, which started out with a six-month residency in Hackney before gaining the backing of Graffiti Spirits Group and opening their first permanent restaurant at the group's Duke Street Market in Liverpool. They have since tested the concept further with pop-ups in London and Liverpool allowing them to refine their menus and build an audience.
- 9.41 Turning to the food and beverage provision in Camberley, the table below summarises the provision (pre COVID-19) benchmarked against the Goad national average for all circa 2,500 shopping locations audited by Experian.

Table 9.9: Camberley Town Centre - Food & Beverage Provision

	OUTLETS			FLOORSPACE		
	Number	% of Total Outlets in Centre	UK Average	sqm	% of Total Floorspace in Centre	UK Average
Bars & Wine Bars	3	1.1%	1.9%	883	1.2%	2.2%
Cafés	12	4.3%	4.8%	4,562	6.0%	2.7%
Fast Food & Take-aways	5	1.8%	5.8%	799	1.0%	2.9%
Public Houses	5	1.8%	2.6%	1,886	2.5%	3.5%
Restaurants	20	7.1%	4.7%	5,063	6.6%	4.2%
FOOD & BEVERAGE - TOTAL:	45	16.0%	19.8%	13,192	17.2%	15.5%
CAMBERLEY TOWN CENTRE TOTAL:	281	100%	100%	76,598	100%	100%

Source: Experian Goad Category Report (February 2019).

Notes: The floorspace figures are derived from Experian Goad Plans and these only show the footprint floorspace and the site area without the building lines. They should not therefore be read as a definitive report of floorspace, but do nevertheless provide a useful means of comparison between centres. Figures may not sum due to rounding.

- 9.42 The figures show that Camberley has some 45 Class A3-A5 businesses trading from a total floorspace of 13,192 sqm. Although there is an under-provision of outlets (16%) benchmarked against the national average figure (19.8%), the total floorspace as a proportion of total space in the town centre (17.2%) is above the national average (15.5%). This is explained by the fact that there are a number of national restaurants and coffee shops in the town with larger sized floorplates;

principally focussed in The Atrium and along Park Street (such as, for example, Bill's, Chiquito, Nando's, Costa, Starbucks, Wagamama and Wildwood). The average size of outlets in Camberley is 295 sqm, which is also above national averages.

- 9.43 Measured by the number of outlets only, the town has a relatively good provision of restaurants, but does appear to have an under-provision of cafés, fast food/takeaway outlets, public houses and bars/wine bars.
- 9.44 The household and in-centre surveys provide a further layer of analysis to inform the robust assessment of current provision, potential 'gaps' and future needs. As described above eating and drinking out are popular leisure activities. In Camberley's CCA, for example, some 83% of respondents visited restaurants. Some 55% also visited pubs and clubs, although this was slightly below the Study Area average of 58.5%. The following provides a more detailed breakdown of the survey results:
- **Where do households go most regularly to eat out (Q36)?** Some 17.2% of respondents across the Study Areas visit restaurants in Camberley Town Centre. Bracknell (18.5%) achieved a higher market share than Camberley, and Woking is ranked third (11.1%). Unsurprisingly the town centre's market penetration is highest within the CCA (60.7%). Other restaurants achieving a relatively high penetration in the CCA are located in Bracknell (9.8%), Sandhurst (4.6%) and Woking (4.5%). Camberley's restaurants and places to eat are also achieving a 17.7% market share in the SCA, which is higher than for Aldershot (15%) and Farnborough (14.3%). They have a limited penetration in the NCA of 0.3%, as the majority of households in this area are visiting either Bracknell (47%) or Wokingham (19%).
 - **Which pubs and clubs do households visit regularly for a "social drink"?** Woking is the most popular destination across the wider catchment with a market share of 13.8%, followed by Bracknell (8.1%), Farnborough (7.4%) and then Camberley (6.3%). In the CCA, Camberley Town Centre achieves a market share of 18.4%, but this is significantly below the market shares for the village pubs/bars in Sandhurst (31.5%) and only slightly higher than for Yateley (15.5%). Camberley's pubs and bars have a limited market share in the SCA (10%) and no penetration in the NCA according to the survey results.
 - **How do people rate Camberley Town Centre's food and beverage offer (Q41)?** Some 6.1% of households across the wider Catchment Area indicated that Camberley has "good places to eat and drink", which was the 5th most popular response. For the in-centre survey, approximately one in ten respondents "liked" the good range of food and drink outlets in the town centre (see Section ?); the 6th most popular response.
 - **What improvements could potentially increase Camberley Town Centre's attraction as a place to eat and drink?** Only 0.5% of respondents to the survey in Camberley's CCA identified that improvements to its pubs and clubs could persuade them to visit more often than they currently do. A small proportion (3.9%) of respondents to the in-centre survey also identified a need for more pubs, restaurants and cafés, which compared with the call for a better choice of shops (22.6%) and better quality shops (6.4%) (see Section 5).
- 9.45 In summary, the survey results confirm that eating and drinking out are popular leisure activities for most households in the wider Study Area and within Camberley's CCA. Although "satisfaction levels" with current provision are relatively good, there nevertheless does appear to be potential to increase Camberley Town Centre's market penetration within its CCA through improvements to the range and quality of its food and beverage offer, dependent on market demand.
- 9.46 The potential need for new F&B uses/floorspace over the short, medium and long term is further supported by the forecast growth in population and expenditure in this leisure sector. Appendix A9 sets out the detailed forecasts of expenditure growth for the 11 study area zones based on the latest Experian figures and forecasts. The table below summarises the growth in available F&B spend for the four geographic catchment areas.

Table 9.10: Food & Beverage: Total available spend and forecast growth by catchment zone

	2019	2024	2029	2034	2036	2038	GROWTH (£m):	
							2019-2029	2019-2038
Zones 2 & 4: Core Catchment Area:	£148.3	£140.8	£159.5	£170.0	£174.3	£182.1	£11.1	£33.8
Zones 7-11: North Catchment Area:	£328.0	£314.9	£359.1	£384.9	£395.5	£414.2	£31.1	£86.2
Zones 3/5/6: South Catchment Area:	£270.9	£255.8	£289.1	£308.1	£316.0	£330.0	£18.3	£59.1
Zone 1: Woking	£135.1	£128.4	£145.5	£155.5	£159.8	£167.1	£10.5	£32.0
STUDY AREA TOTAL:	£882.3	£839.9	£953.3	£1,018.5	£1,045.6	£1,093.4	£71.0	£211.2

Source: Table 5f (Appendix A9)

9.47 As the table shows, total available F&B expenditure in Camberley's CCA is forecast to increase by £33.8m (+23%) up to 2038. The Experian spend per capita figures provide a further breakdown of the different types of activity in the F&B sector and show that:

- eating and drinking out in restaurants and cafés accounts for the majority (56%) of total F&B expenditure;
- drinking alcohol outside the home in pubs and bars accounts for one-fifth (20%) of spend; and
- other F&B expenditure is principally accounted for by takeaway meals eaten at home (11%) and other takeaway/snack food (12%).

9.48 Not all the forecast spend growth will be needed to support new F&B businesses. For example, some of this growth will be absorbed by the increase in home deliveries and a proportion will be needed by existing businesses to cover rising operational/occupancy costs and inflation⁶². Notwithstanding this, it is clear that there is forecast growth available within the CCA and wider Study Area to sustain new cafés, restaurants and bars, subject to market demand.

9.49 In compliance with the objectives of the NPPF, any forecast need should be directed to the Borough's town centres first, and principally Camberley, to help increase competition and consumer choice, and to underpin both daytime/evening economies.

GYMS AND HEALTH & FITNESS FACILITIES

9.50 Notwithstanding the impact of the economic downturn and Brexit on household incomes and confidence, the most recent research⁶³ shows that the UK health and fitness industry is stronger than it has ever been as measured by number of gyms, membership and market value. The headlines for the 12 month period up to the end of March 2019 show:

- The number of fitness facilities in the UK increased from 7,038 to 7,239 this year (compared with 6,435 in 2016).
- Total membership grew by 4.7% to 10.4 million.
- Total market value increased by 4.2% to £5.1 billion up from £4.4bn in 2016.
- The UK penetration rate increased to 15.6%, up from 13.7% in 2015. In other words, one in every seven people in the UK has gym membership.

9.51 Gyms and health/fitness facilities make an important contribution to the health and well-being of the population across all age levels. The structure of the UK health and fitness industry has evolved significantly over the last decade to reflect changes in consumer choice and trends. The main operators in the health and fitness sector include:

⁶² Like for retail capacity assessments, an allowance needs to be made for the increase in the turnover "efficiency" or floorspace "productivity" of existing F&B operators for them to remain profitable and viable in line with forecast increases in their underlying costs.

⁶³ *State of the UK Fitness Industry Report (2019)*. Leisure DB (formerly the Leisure Database Company). The research is compiled by independent leisure market analysts,

Table 9.11: Main gym operators in the UK

Operator/Brand:	UK Facilities	Position	
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. No fixed contract and memberships vary by location and club.
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 who paid £750m for the business in 2013.
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.
Virgin Active	43	Premium	Established in 1999 as part of Virgin Group. Acquired the Holmes Place Chain in 2006 and Esporta in 2011. Subsequently sold 25 clubs to Nuffield Health in 2016 and 15 clubs to David Lloyd in 2017.
JD Gyms	30	Mid-Market	30 gyms were operating in Spring 2020. Nine others are scheduled to open - including in Blackburn, Chatham, Glasgow, Norwich, Oldham, Sheffield and Wakefield. No contract and membership starts from £19.99/month.
Sports Direct	21	Mid-Market	Gyms in Glasgow, Cheltenham, Fareham, Guildford, Lincoln, Liverpool, Manchester and Rugby. Memberships from £9.99/month.
Fitspace	20	Specialist / Boutique	A "boutique concept" which can operate in space from 2,000 sqft. Includes gyms in Ascot, Battersea, Guildford, Epsom, Milton Keynes, Wantage and Woking.
Total Fitness	17	Mid-Market	Its 17 clubs are concentrated in northern England.
Easygym	16	Budget	Plans to open 50 new gyms in London over the next 5 years. Their business model is based on franchise partners using the brand and operating sites. Membership fees vary, but start from £8.99/month outside London.
TruGym	12	Budget	Established in 2010 in Kent, where there are 4 gyms (Folkestone, Maidstone, Chatham and Bromley). Other gyms in Uxbridge, Luton, Peterborough and Boston, Stockton and Plymouth. Membership starts from £14.99/mth
SimplyGym	11	Budget	Gyms in Bedford, Cheltenham, Coventry, Crewe, Kettering, Reading, Swindon, Walsall and Wrexham. Some gyms have spa areas, featuring saunas, steam rooms, aromatherapy and sun beds. Membership starts from £16.99/month.
Fitness4Less	9	Budget	Gyms in Bristol, Colchester, New Malden, Southwark, Worcester, Canning Town, Northampton, Watford and London Cambridge Heath. Gyms are fully staffed and include sauna/steam rooms. Memberships start from £15.99/month.

Source: Various

9.52 The value and budget gym operators have experienced the most significant growth in the sector 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 for the lockers. 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, Fitspace, TruGym, and SimplyGym). As a result the budget gym sector is becoming increasingly "crowded" and competitive, and operators are constantly striving for differentiation. Beyond further lowering membership prices, these operators are updating their training offer and technology to create better consumer experiences. For example, Energie launched a new group-based training concept called the YARD in 2017. This contrasts with Xercise4less,

which has a timetable of over 30 classes more typically expected of a premium offer. Amid this differentiation in a crowded budget fitness sector, others will have to follow suit in order to keep pace, and attract new members. As a result we anticipate that there will be some restructuring and consolidation within the budget gym sector as the market evolves, particularly post COVID-19.

9.53 The growth of the budget gym operators has ‘squeezed’ the memberships and viability of some of the 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. At the same time, the middle-ground could be further squeezed by the current London-focused dynamic of boutique, class-based studios and more upmarket offers that could expand outside of London in the right locations. 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 still plenty of opportunity for creativity and future growth.

9.54 In this context, the table below shows some of the main public and private gyms and leisure facilities in the Borough at the time of preparing this study.

Table 9.12 Camberley Town Centre – Gyms and leisure facilities

Gym / Leisure Facility		Commentary / Facilities
Arena Leisure Centre	Grand Avenue, Camberley	Operated by Places Leisure on behalf of the Council. Closed in Summer 2019 for a circa £22m redevelopment. Will provide a 25 metre (6-lane) pool and learner pool, a splash zone, 8-court sports hall, fitness suite, group exercise studios, adventure play, Clip ‘n Climb, health suite and café. Scheduled to reopen in 2021.
Tomlinscote Sports Centre	Tomlinscote Way, Frimley	Owned by the Prospect Trust. Refurbished in 2012. Facilities include a fitness suite, 4-court sports hall, gymnasium, general activity room and all weather training pitch.
Lightwater Leisure Centre	Lightwater Country Park, The Avenue	Operated by Lifestyle Fitness. Set in 143 acre country park the facilities include: gym, exercise studios, large sports hall, four refurbished floodlit tennis courts, floodlit football and [multi-sport courts, outdoor 3G 5 a-side football pitch and football and rugby pitches.
Pure Gym	The Atrium, Camberley TC	Open 24 hrs. Membership from £20.99/month. No contract. 50+ classes per week.
Sporting Ring Boxing Club	Portesbery Rd, Camberley TC	Amateur boxing club. Family run. Holds gym shows on a Sunday.
Precision Martial Arts	The Square, Camberley TC	Martial Arts club.
Mind, Body and Pole	90 Park Street, Camberley TC	Alternative studio fitness.
Evolution Project	Watchmoor Rd, Camberley	Privately owned and run fitness club.
Bridge Rd Barbell Club	Bridge Ind Estate, Camberley	Strength and conditioning gym focussed on weights and fitness.
Camberley Boxing Club	Turf Hill Rd, Camberley	Opened in early 2013 under new ownership. Facilities include a full size boxing ring and training facilities and offers boxing and fitness sessions for all levels.
Turner’s Boxing Academy	Collingwood College, Camberley	Based at Collingwood College and founded in 2009. Run by volunteers with a focus on boxing.

Curtis and Staub	Mitcham Rd, Camberley	Managed by Waterside Community Leisure. Facilities include a gym, free weights room, studio and two squash courts.
Collingwood Gymnastics Centre	Mitcham Rd, Camberley	Generation Gymnastics is run by the community in a purpose-built gymnasium with fully sprung floor and two sunken trampolines.
Maximus Gym & Martial Arts Centre	Burrell Rd, Frimley	Community run gym. Facilities include a weights room, boxing ring and bags and cardio equipment.
Snap Fitness	The Parade, Frimley High St	Franchise run, 24-hour gym. Facilities include cardio equipment, free weights and classes.
CD Fitness	Ivy House, Bagshot	Established in 2012. Offers personal and group training and classes.

Source: Various

9.55 There appears to be a relatively good choice of gyms and leisure facilities across the Borough. The Council-owned Arena Leisure Centre is currently closed for redevelopment and when it reopens it will represent a major facility serving the needs of the population in the Borough and Camberley Town Centre. There are a number of smaller independent and community run gyms, fitness studios and boxing clubs in Camberley, Frimley and Bagshot that also meet the health and fitness needs of their local communities. However it is noticeable that there are only two of the new ‘wave’ 24-hr budget operated gyms. There would therefore appear to be potential to accommodate more of these operators in the Borough and its main centres, subject to market demand. This is confirmed by recent published market demand listings, which show a requirement from Snap Fitness for gyms in the South East area including, potentially, Camberley.

9.56 The results of the household survey provide a further layer of analysis to inform the robust assessment of current participation levels in the Borough and the market share of existing facilities, as well as any potential ‘gaps’ in provision. The detailed survey results are summarised in the table below and the headlines are as follows:

- **Participation levels:** Some 27% of respondents across the total Study Area (Zones 1-11) indicated that they visit the gym and/or health and fitness clubs. Participation levels ranged from a high of 35.5% in the ‘Woking Zone’ and 30% in the NCA, to a low of 19.6% in Camberley’s CCA. In simple terms, this would appear to confirm that there is potential to increase the number and quality of gyms and leisure facilities in Camberley to help increase participation levels.
- **Where do households go most regularly to the gym (Q34)?** Approximately one out of every four (25.2%) households in the CCA visit Frogmore Leisure Centre in Yateley, located on the border of Surrey Heath Borough in Hart District Council. The most popular leisure facility in Camberley at the time of the survey (May 2019) was the Arena Leisure Centre (11.3%). However, as highlighted above, the Arena Leisure Centre closed for redevelopment in Summer 2019. Notwithstanding this, the participation levels prior to closure still showed a relatively high leakage to gyms and leisure facilities located outside of the CCA and Borough area.
- **How do people rate Camberley Town Centre’s gym and health/fitness offer?** In response to the household survey (Q41) only 0.6% of all respondents identified that Camberley has “good leisure facilities” and nobody indicated that it has poor leisure facilities (Q42). In terms of improvements to the town centre (Q43), only a small proportion in the CCA (1.5%) and across the Catchment Area (0.8%) identified the need for new and improved facilities. This was also reflected by the responses to the in-centre survey.

Table 9.13: Gyms and sports/leisure facilities – participation levels by catchment

	Camberley / Bagshot / Frimley Zone 2/4	SOUTH Zone 3/5/7	NORTH Zones 7-11	WOKING ZONE 1	TOTAL
Frogmore Leisure Centre, Potley Hill Road, Yateley, GU46 6AG	25.2%	0.0%	0.0%	0.0%	3.3%
Arena Leisure Centre, Grand Avenue, Camberley, GU15 3QH	11.3%	1.4%	0.0%	0.0%	1.9%
The Gym, Beneficial House, Easthampstead Road, Bracknell, RG12 1NS	5.2%	0.0%	15.9%	0.0%	6.7%
Nirvana Spa, Mole Road, Sindlesham, Wokingham, RG41 5DJ	4.9%	0.0%	1.6%	0.0%	1.2%
Pulse 8, Mole Road, Sindlesham, Wokingham, RG41 5DJ	4.4%	0.0%	6.8%	0.0%	3.2%
Farnborough Leisure Centre, Westmead, Farnborough, GU14 7LD	4.4%	6.5%	0.0%	0.0%	2.5%
David Lloyd, Nine Mile Ride, Bracknell, RG12 7PB	4.4%	0.3%	3.4%	0.0%	1.9%
Pennyhill Park, London Road, Bagshot, GU19 5EU	4.4%	0.0%	0.0%	0.0%	0.6%
Woking Leisure Centre, Woking Park, Kingfield Rd, Woking, GU22 9BA	4.1%	2.3%	0.4%	28.6%	6.9%
Macdonald Berystede Hotel & Spa, Bagshot Road, Sunninghill, Ascot, SL5 9JH	3.6%	0.0%	1.0%	0.0%	0.9%
Wellington Health & Fitness Club, Dukes Ride, Crowthorne, RG45 7PT	3.5%	0.0%	4.6%	0.0%	2.2%
Lifestyle Fitness, Lightwater Country Park, The Avenue, Lightwater, GU18 5RG	3.0%	0.0%	0.0%	0.0%	0.4%
Nuffield Health Fitness & Wellbeing Gym, Links Way, Farnborough, GU14 0NU	2.5%	26.2%	0.2%	0.0%	8.2%
Bracknell Leisure Centre, Bagshot Road, Bracknell, RG12 9SE	2.5%	0.0%	20.2%	0.0%	8.0%
Aldershot Garrison Sports Centre, Rawlinson Road, Aldershot, GU11 2LQ	2.5%	10.2%	0.0%	0.0%	3.4%
Everyone Active, Potley Hill Road, Yateley, GU46 6AG	2.5%	0.0%	0.0%	0.0%	0.3%
Foundation Fitness, Yorktown Road, College Town, Sandhurst, GU47 0PR	2.5%	0.0%	0.0%	0.0%	0.3%
Sandhurst Memorial Park, Yorktown Road, Sandhurst, GU47 9DP	2.5%	0.0%	0.0%	0.0%	0.3%
Blackwater Town Centre, GU17 0AB	2.5%	0.0%	0.0%	0.0%	0.3%
Lightwater Leisure Centre, Lightwater Country Park, Windlesham, Surrey, GU18 5RG	1.7%	3.0%	0.0%	1.8%	1.4%
CDE Fitness, Mulberry Court, London Road, Bagshot, GU19 5DT	1.0%	0.0%	0.0%	0.0%	0.1%
The Gym, Queensmead, Farnborough, GU14 7RT	0.6%	12.0%	0.0%	0.0%	3.6%
Village Hotel, Pinehurst Road, Farnborough, GU14 7BF	0.6%	0.8%	0.0%	0.0%	0.3%
Chobham Rugby Club, Fowlers Wells, Windsor Road, Chobham, GU24 8LD	0.6%	0.0%	0.0%	0.0%	0.1%
PureGym, Arthurs Bridge Wharf, Horsell Moor, Woking, GU21 4NR	0.0%	0.6%	0.0%	21.6%	4.4%
Hart Leisure Centre, Emerald Avenue, Fleet, GU51 5EE	0.0%	4.3%	7.3%	0.0%	4.0%
Windsor Leisure Centre, Stovell Road Clewer, Windsor, SL4 5JB	0.0%	7.6%	2.1%	0.0%	3.1%
Wokingham Town Centre, RG40 2BB	0.0%	0.0%	1.3%	13.1%	3.0%
The Coppid Beach, John Nike Way, Bracknell, RG12 8TF	0.0%	0.0%	7.4%	0.0%	2.8%
Carnival Pool & Fitness Centre, Wellington Road, Wokingham, RG40 2AF	0.0%	0.0%	7.0%	0.0%	2.6%
Ash Manor Sports Centre, Manor Road, Ash, GU12 6QH	0.0%	8.5%	0.0%	0.0%	2.5%
David Lloyd, Westfield Avenue, Woking, GU22 9PF	0.0%	0.6%	0.0%	11.3%	2.4%
The Vyne Centre for Community, Broadway, Knaphill, Woking, GU21 2SP	0.0%	0.0%	0.0%	9.5%	1.8%
PureGym, Park Street, Camberley, GU15 3PE	0.0%	3.7%	0.00%	0.00%	1.10%
Curves, Green Lane, Blackwater, Camberley, GU17 9DG	0.0%	2.9%	0.22%	0.00%	0.94%
Frimley Town Centre, GU16 7AA	0.0%	0.8%	0.00%	0.00%	0.25%
Snap Fitness, The Parade, Frimley High Street, Frimley, Camberley, GU16 7HL	0.0%	0.8%	0.00%	0.00%	0.25%
ALL OTHER:	0.0%	7.4%	20.5%	14.2%	12.7%
TOTAL MARKET SHARE:	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Household Survey. Appendix C: Question 34. N = 238 respondents.

- 9.57 In summary, the survey results show that there could be potential to increase the number and quality of gyms and health/fitness centres in the Borough to help increase participation levels in the CCA and “claw back” leakage to facilities in neighbouring facilities. That said, the current investment in the redevelopment of the Arena Leisure Centre will have a positive impact on participation levels in Camberley’s CCA when it opens, and should help to ‘claw back’ some of the leakage to Frogmore Leisure Centre and other facilities.
- 9.58 Finally, we have applied our standard forecast model to identify the potential need for new gyms and health/fitness centres in the CCA over the short, medium and long term. These forecasts are based on applying average national gym membership levels to the projected growth in the CCA’s population up to 2036, based on the survey-derived 2019 participation levels. The table sets out the forecasts and the key steps are described in more detail below.

Table 9.14: Forecast potential capacity for new gyms and health/fitness facilities in Camberley's CCA

	2019	2024	2029	2034	2036	2038
CAMBERLEY CCA - POPULATION AND PROJECTED GROWTH						
1 CAMBERLEY CCA - TOTAL POPULATION:	102,613	105,302	107,547	109,611	110,439	111,332
2 CUMULATIVE POPULATION GROWTH:	-	2,689	4,934	6,998	7,826	8,719
GYM PARTICIPATION LEVELS - MARKET SHARE (%)						
3 Gym Participation - Study Area Average Market Share:	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%
4 Gym Participation - Camberley CCA Average Market Share:	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%
5 Gym Participation - Woking Catchment Average Market Share:	35.5%	35.5%	35.5%	35.5%	35.5%	35.5%
FORECAST GYM PARTICIPATION LEVELS - MARKET SHARE OF NEW POPULATION						
6 Gym Participation - Study Area Average Market Share (2/3):	-	725	1,331	1,888	2,111	2,352
7 Gym Participation - Camberley CCA Average Market Share (2/4):	-	527	967	1,372	1,534	1,709
8 Gym Participation - Woking Catchment Average Market Share (2/5):	-	955	1,753	2,486	2,781	3,098
GYM MEMBERSHIP LEVELS:						
9 UK Average:		1,426	1,426	1,426	1,426	1,427
POTENTIAL CAPACITY FOR NEW GYMS IN CAMBERLEY'S CCA:						
		Number of Gyms:				
10 Capacity based on Study Area Participation Levels (6/9):		0.5	0.9	1.3	1.5	1.6
11 Capacity based on Camberley CCA Participation Levels (7/9):		0.4	0.7	1.0	1.1	1.2
12 Capacity based on Woking Catchment Participation Levels (8/9):		0.7	1.2	1.7	1.9	2.2

- **Steps 1-2:** the CCA's population is projected to increase by +8,719 over the forecast period.
- **Steps 3-5:** show the different survey-derived gym participation levels for households in the study area as a whole (27%), Camberley's CCA (19.6%) and for the Woking Zone (35.5%) (steps 3-5). It has been assumed for the purpose of this assessment that these participation levels will remain constant over the forecast period, although there should be a clear aspiration to raise the levels in Camberley's CCA to the average for the study area, if not higher.
- **Steps 6-8:** the baseline participation levels are applied to the population growth to derive the number of potential new gym members that should be available over the forecast period. The potential new gym members range from 527 to 955 in 2024, and increase to 1,534 to 2,781 by 2036.
- **Step 9:** current research shows that the average number of gym memberships in the UK is currently circa 1,426 per club⁶⁴. This is the figure that has been applied here to forecast the potential for new gyms in the Borough area⁶⁵.
- **Steps 10-11:** applying the average UK membership figure (step 9) to the potential new gym "population" (steps 6-8) indicates that could be potential for at least one new gym by 2038 based on current participation levels in Camberley's CCA, or for two gyms assuming the higher participation levels for the Woking Zone.

9.59 The forecasts do not show whether there is currently an under or over provision of gym and health/fitness clubs at 2019, as the information detailing current membership levels for the Borough's different facilities is not available. However based on current provision and participation levels (19.6%) for the CCA compared with the overall study area (27%) and the Woking Zone (35.5%), and the leakage of trips to facilities outside the Borough, we consider that it is reasonable to assume that

⁶⁴ State of the UK Fitness Industry. Leisure DB

⁶⁵ It should be noted that 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. Furthermore, 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.) and levels for the budget chains are higher, averaging circa 3,450 members per club.

there is an under-provision of facilities at present. Meeting any current and forecast need will necessarily depend on market interest and demand from the different gym operators.

- 9.60 Meeting needs over the plan period will also need to take account of the changes in the Borough's demographic profile. Facilities, clubs and classes will need to cater for an aging population, and the different expectations of the Millennials and Generation Z groups. 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

- 9.61 Gambling represents a significant component of the leisure industry. The main sectors of the gambling industry comprise 'games of chance', namely bingo clubs, casinos, betting shops and amusement arcades. The sector has experienced significant growth and dynamic structural changes over the last decade. The latest research⁶⁶ figures show that the gambling industry in Great Britain generated a Gross Gambling Yield (GGY) for the year end to March 2019 of £14.4bn. This represented a +4.2% growth from the 2017 GGY of £13.8m. Remote (online) gambling accounted for £5.3bn of total GGY, equivalent to a market share of 37.1%, and the national lottery accounted for a further £3.1bn. The growth of remote and online gambling, alongside changes in regulations reducing maximum stakes for slot machines, has resulted in the fifth consecutive year of decline in betting premises and a -10% fall in the GGY of casinos to March 2019. The following assesses the main trends in this sector, current provision in the Borough and the potential need/demand for new uses and facilities.

Bingo

- 9.62 The latest statistics⁶⁷ show that the Bingo sector achieved a total turnover of £1.03bn to year-end March 2019. Total turnover has fallen by almost 30% over the last decade, from £1.43bn in March 2009. The total number of licensed premises has also fallen from 710 in 2014 to 651 in 2019. Gala Leisure (129 premises) and Mecca Bingo (88 premises) are the leading operators in the UK and accounted for one-third (33%) of all premises in 2019.
- 9.63 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 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, research⁶⁸ shows that 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 new technology.
- 9.64 The growth in online gambling and gaming is reflected by the fact that there are no dedicated bingo halls in Surrey Heath, although there are more informal bingo evenings in some of the clubs and pubs across the Borough. The household survey confirmed that only 2.1% of households in the

⁶⁶ The Gambling Commission – Industry Statistics (November 2019)

⁶⁷ The Gambling Commission - Industry Statistics (November 2019)

⁶⁸ Gambling Commission (February 2019). Gambling Participation in 2018: behaviour, awareness and attitudes – Annual Report.

wider Study Area (Zones 1-11) and 2.2% in Camberley's CCA participate in Bingo as a leisure activity.

- 9.65 The main venues visited by respondents to the household survey resident in the CCA are the Lightwater Club in Lightwater, which is a social club that hosts special events (including bingo and poker nights), and Buzz Bingo in Woking. Across the wider study area the bingo venues achieving the highest market shares are:
- Buzz Bingo, HG Wells Building, Woking (28.9% market share within Zones 1-11)
 - Buzz Bingo, High Street, Aldershot (26.9%)
 - Knaphill Working Men's Club, Knaphill, Woking (8.8%)
 - Lightwater Club CIU, Guildford Road, Lightwater (8.6%)
 - Point Bingo, Skimped Hill Lane, Bracknell (8.6%)
 - Farnborough Town Centre (6.2%)
 - Gala Bingo, Easthampstead Road, Wokingham (3.7%)
 - BJ's Bingo, Gillette Way, Reading (4.9%);
- 9.66 As for other leisure sectors there is limited evidence of market demand for new bingo halls or venues in the Borough. Notwithstanding this, it is recognised as a town centre use and should demand occur over the plan period, then new investment should be directed to the Borough's town centres first, and specifically Camberley; in line with national and local plan policy objectives.

Casinos

- 9.67 The latest figures published by the Gambling Commission show that casinos achieved a GYY of £1.059bn in the year end to March 2019. Although this was 10% down on GGY for 2018, there has been a circa 85% increase over the last decade from £751.1m in 2009.
- 9.68 Casino attendances in Great Britain were estimated to be 19.24 million in 2017/18, which was down on attendances in 2014 (20.99m) and 2015 (20.44m). The figures show that London casinos had the highest attendances (5.74m), followed by the North (5m), Midlands and Wales (3.72m), the South (3.18m) and Scotland (1,45m).
- 9.69 There were some 154 casinos in 2019 and the number of venues has increased steadily from 143 in 2009. 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.
- 9.70 There are no casino venues in Surrey Heath Borough. The closest to the Borough are the Genting and Grosvenor Casinos in Reading and the choice of venues in London. Any need for new casinos in the Borough will be driven by market demand from operators and at present it is our judgement that the town does not have the critical mass of uses or catchment to support a formal Casino offer. Where demand does arise over the plan period it should be directed to town centres first, principally Camberley in this case, in line with national and local plan objectives.

Betting Shops

- 9.71 There were some 8,320 betting shops in the UK in March 2019. William Hill accounts for 27% (2,264) of all premises, Ladbrokes has a 22% share (1,828 premises), Tote's market share is 19% (1,620) following its purchase of Betfred, and Gala Coral Group's share is 18% (1,529).
- 9.72 Regulatory changes in 2015 led to a fall in revenue and profit resulting in fall in the number of active premises from 9,111 in 2014. As gambling activities continue their shift to online channels, so the demand for physical outlets will inevitably dampen in the future and betting shops will inevitably close. Notwithstanding this, the presence of betting shops in high streets is a contentious issue in any case due to the perceived social and economic impacts on households. The Government has recognised that betting shops have specific impacts and in 2016 reclassified their use from Class A2 to 'Sui Generis'. This reclassification means local authorities have greater planning powers to manage the number of outlets and therefore greater potential to limit impacts.
- 9.73 There are two betting offices in Camberley Town Centre operated by Ladbrokes and Betfred. Ladbrokes and Betfred are also represented in Bagshot and Frimley respectively, and there are other betting shops located across the Borough.
- 9.74 In our judgement, there is no demonstrable need to increase the number of betting shops to improve competition and choice at the local level. Any market demand and proposals for new betting shops will need to be determined on a case-by-case basis and should be directed to the town centres first in accordance with national and local plan policy.

FAMILY ENTERTAINMENT USES

- 9.75 Other commercial leisure facilities can be grouped together under 'family entertainment venues' ('FEV'). These FEVs appeal to adults and children and established activities in the UK include tenpin bowling, roller skating, ice skating, and similar uses.
- 9.76 The main FEV in the Borough is The Atrium in Camberley Town Centre which includes the Vue Cinema, Tenpin bowling venue, gym and other attractions, including cafés and restaurants "under one roof".

Tenpin Bowling

- 9.77 Tenpin bowling is possibly the most popular activity in the 'family entertainment' sector. After a period of decline in the 1970s, there are now 316 venues in the UK according to Mintel figures. The UK tenpin bowling market was valued at £285m in 2017. This represented a +9.7% year-on-year growth, and was higher than the +6.7% growth recorded in 2016. It also marked the fifth consecutive year of growth.
- 9.78 The growth of this sector has been largely fuelled by the development of large entertainment 'boxes' and leisure parks at one end of the spectrum, and smaller independent specialist bowling facilities at the other end. A number of the successful bowling facilities opened over the last 15-20 years 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. Most of this market growth is being driven by the following two leading operators:

- **Hollywood Bowl:** Formed in August 2010 when AMF Bowling merged with Hollywood Bowl. It is now the clear market leader in the tenpin bowling sector. It operates 59 venues under the Hollywood Bowl, AMF and Bowlplex brands. It has led the way in making bowling more family friendly, investing heavily in both product (such as VIP lanes and virtual reality) and service to reduce costs and drive sales. The bowling centres are located across the UK and some three-quarters are in retail and leisure parks. Hollywood Bowl's expansion is more orientated towards opening new sites, including new venues in Dagenham and Yeovil.
- **Ten Entertainment:** Operates 44 venues and, in contrast to Hollywood Bowl, its growth strategy is focussed more on acquisitions of distressed assets than opening new venues, and then modernising the facilities to drive growth and value. It has repositioned its business over the last six years and has transitioned away from the late night/nightclub type of operation towards more family-orientated venues. Research indicates that this strategy is working, with the market share of family trips increasing from 27% to more than 40% of visitors over this period.

9.79 There are a number of other smaller independent and specialist operators in this sector, including **All Star Lanes**, which operates five bowling venues, of which four are in London (Brick Lane, Holborn, Stratford City and White City) and the other is in Manchester (Deansgate). It is largely targeted at the corporate/private hire market. **Bloomsbury Bowl Lanes** also operates from smaller venues with sites in Bloomsbury (8 lanes) and Bristol (5 lanes). The company offers a 1950's American-themed bowling venue with ancillary karaoke rooms, venue rooms for hire, DJ booths, bars, a small cinema and a venue for bands and live performers/comedy nights.

9.80 It is estimated that the 316 venues in the UK represents approximately four venues for every one million people, which compares with 13 per 1m in the USA. This implies that there is scope for additional capacity in the UK in the right locations, subject to market demand.

9.81 The results of the household survey (question 31) show that just over one-quarter (25.2%) of respondents across the wider study area (Zones 1-11) participate in tenpin bowling. Participation levels range from a low of 20.4% in the NCA to a high of 31.6% in the Woking Zone.

9.82 In Camberley's CCA participation levels are relatively high at 29%. In other words almost one in three households take part in tenpin bowling. The table below shows the most popular destinations mentioned by the respondents to the survey and the market shares.

Table 9.15: Tenpin Bowling - Market Shares

	Camberley Core	South Catchment	North	Woking	TOTAL
	Catchment Area (CCA)	Area (SCA)	Catchment Area (NCA)	Catchment Area (WCA)	
	Zone 2/4	Zone 3/5/6	Zones 7-11	Zone 1	
Farnborough Bowl, Westmead, Farnborough, GU14 7LD	0.0%	75.2%	0.0%	0.0%	26.2%
Hollywood Bowl, Basingstoke Leisure Park, Worting Road, Basingstoke, RG22 6PG	0.0%	1.2%	4.9%	0.0%	1.8%
Hollywood Bowl, The Point, Skimped Hill Lane, Bracknell, RG12 1EN	19.5%	0.0%	59.5%	0.0%	20.8%
Tenpin, The Atrium, Park Street, Camberley, GU15 3GP	76.6%	16.9%	9.2%	17.4%	26.9%
The Big Apple, Crown Square, Woking, GU21 6HR	0.4%	1.8%	0.0%	66.9%	11.8%
Wokingham Superbowl, Wellington Road, Wokingham, RG40 2NJ	1.6%	0.0%	26.4%	0.0%	7.8%
AMF Bowling, Marine Parade, Worthing, BN11 3PZ	0.0%	1.2%	0.0%	0.0%	0.4%
Guildford Spectrum, Parkway, Guildford, GU1 1UP	0.0%	2.5%	0.0%	15.7%	3.5%
MFA Bowl, Birchett Road, Aldershot, GU11 1LZ	0.0%	1.2%	0.0%	0.0%	0.4%
Pine Ridge Bow, Old Bisley Road, Frimley, GU16 9NX	1.9%	0.0%	0.0%	0.0%	0.4%
TOTAL:	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Household Telephone Interview Survey. Appendix C: Question 35. N = 238 respondents.

9.83 Tenpin in The Atrium is the most popular bowling alley in the Borough, with a 76.6% market share in the CCA. Tenpin has some 20 bowling lanes, supplemented by food and beverage offer and other attractions. The popularity and draw of the venue is reflected by the fact that it has a 16.9% market share in the SCA and 17.4% share in the Woking Zone, notwithstanding that this areas have their own tenpin bowling venues.

9.84 The current provision and participation levels confirm that there is a good provision of tenpin bowling venues across the wider study area and the Borough's population is well served by Tenpin in Camberley. There is no evidence of a lack of choice in the Borough, or a pent-up demand for a second tenpin bowling venue. Any future need over the plan period will be market led and should be directed to the town centre first in line with national and local plan policy objectives.

Ice Skating

9.85 These range from permanent venues owned and operated by local authorities and/or the private sector, to temporary ice rinks in centres, retail outlets and leisure destinations normally over the Christmas period. These venues can help to generate new trips and increase footfall, dwell times and expenditure in centres to the benefits of other shops and businesses. The nearest venues to Camberley are:

- **Bracknell Ice Rink:** the ice rink located in the John Nike Leisuresport Complex closed in July 2020 due to the impact of the COVID-19 pandemic on finances. However permission has since been granted for a new Ozone Ice Rink at The Western Centre, which will primarily be used for ice sports training and pre-booked lessons for schools and the general public. The ski slope in the leisure centre also closed at the same time as the ice rink.
- **Guildford Spectrum Ice Rink:** The Guildford Spectrum Leisure Complex has a wide range of indoor and outdoor sporting facilities, including a popular Olympic sized ice rink. Other attractions include the 32-lane tenpin bowling venue, a swimming pool, gym, spa and soft play area, along with a 1,300 sqm sports arena and athletics stadium.
- **Planet Ice Area, Basingstoke:** Planet Ice is the UK's largest ice rink operator in the UK with 14 venues. It provides Ice Shows and Disco sessions alongside the usual skating, and including food and beverage options.

9.86 There is no dedicated ice rink in Surrey Heath Borough, although temporary ice rinks have been introduced into the town centre over the Christmas period with some success. This more informal ice rink provision should be maintained, as it helps to bolster trips to the town centre over Christmas and the New Year, particularly family trips. We are not aware of any plans or proposals to provide a permanent ice rink in, or on the edge of the town centre by the Council, or of any market demand for such a leisure facility.

Trampoline Parks

9.87 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. There are an estimated 800 venues in the US. The main operators in this sector include:

- **Oxygen Freejumping:** Its growth has been driven by opening parks in Acton (West London), the O2 in Greenwich, Croydon, Derby and Southampton. It also acquired Air Space in 2017, a subsidiary of the high wire adventure company Go Ape, in a multi-million pound deal funded by a London-based private investment company. Air Space had three parks in East Kilbride, which opened in November 2014, Stevenage and Wolverhampton. However Oxygen subsequently closed the park in East Kilbride in June 2018 and the Wolverhampton park closed in December 2018 due to "trading difficulties".
- **Ryze:** The Scotland-based operator currently operates three parks in Edinburgh, Glasgow and Dundee. The Edinburgh park is located in the Mayfield Industrial Estate in Dalkeith and covers

1,208sqm (13,000 sqft). The Glasgow park extends to 929 sqm (10,000 sqft) in a former warehouse in Kinning Park

- **Gravity Active Entertainment:** The Castleford-based operator has 11 parks, mainly as part of existing shopping or adventure centres. Its venues include the Xscape in Castleford and Milton Keynes, Rockingham Leisure Park (Corby), Bluewater Shopping Centre, Fountain Park (Edinburgh), Soar Braehead (Glasgow), St Stephen's Shopping Centre (Hull), Cardigan Fields (Leeds), Lockmeadow Entertainment Centre (Maidstone), Sol Central (Northampton) and Riverside Entertainment Centre (Norwich).

- 9.88 The public sector is also investing in this activity. For example, Eastbourne Borough Council, Waltham Forest Council and Tameside Metropolitan Borough Council in Manchester are just three of the many local authorities that have invested in indoor trampoline parks as part of their leisure provision. 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.
- 9.89 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”, not just the young, trampoline parks are increasingly 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.
- 9.90 The main and only dedicated trampoline park in Surrey Heath Borough is Gravity Force. It opened in 2014 on Admiralty Way outside the town centre and was one of the first trampoline parks to open in the UK. It has wall-to-wall and floor-level fully monitored trampolines, with dedicated trampolining sessions. We are not aware of any requirements from other trampoline operators for the Borough, although recent trends have seen trampolines introduced into vacant and repurposed shop units. This may represent a potential opportunity to “refresh” the offer in the town centre.
- 9.91 The assessment of published market demand from operators set out in Section 4 also highlighted potential interest from ‘*Inflata Nation*’, an inflatable theme park operator. They currently operate 13 indoor arena theme parks, including in Manchester, Cheshire, Birmingham, Beverley, Glasgow, Newcastle, West Bromwich and Peterborough. Each inflatable theme park comprises “bouncy activities” for all ages and abilities. The floorspace requirement ranges from 1,394 sqm to 2,787 sqm and with a minimum eaves height of 6 metres. They can potentially be accommodated in shopping centres and former trampoline parks.

CULTURAL ACTIVITIES

- 9.92 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 in the Borough.
- 9.93 As described above, visits to theatres, galleries and museums was the fourth most popular leisure activity for households in the wider Study Area (49%). Participation levels were highest in the ‘Woking Zone’ (over 67%), whereas the lowest rate was in the NCA (44.5%). The participation rate for Camberley’s CCA was 45.8%. The table below shows the most popular theatre venues.

Table 9.16: Theatres, Galleries and Museums: Market shares by catchment

	Camberley / Bagshot / Frimley Zone 2/4	SOUTH Zone 3/5/6	NORTH Zones 7-11	WOKING ZONE 1	TOTAL
London - Central / West End	59.7%	66.8%	66.8%	51.7%	62.4%
New Victoria Theatre, The Ambassadors, The Peacocks Centre, Woking	19.1%	16.7%	8.7%	25.8%	16.6%
Theatre Royal, Thames Street, Windsor, SL4 1PS	8.4%	0.0%	5.3%	0.0%	3.1%
The Lightbox, Chobham Road, Woking, GU21 4AA	0.0%	1.0%	0.6%	11.7%	2.9%
Camberley Theatre, Knoll Road, Camberley, GU15 3SY	4.6%	2.3%	0.0%	0.0%	1.5%
Bath City Centre, BA1 1SJ	0.0%	0.0%	0.0%	6.6%	1.4%
South Hill Park Arts Centre, Ringmead, Bracknell, RG12 7PA	0.0%	0.0%	4.2%	0.0%	1.2%
West End Centre, Queens Road, Aldershot, GU11 3JD	0.0%	3.9%	0.0%	0.0%	1.2%
Yvonne Arnaud Theatre, Millbrook, Guildford, GU1 3UX	2.2%	1.5%	0.0%	0.9%	1.0%
Norden Farm Centre, Altwood Road, Maidenhead, SL6 4PF	0.0%	0.0%	3.3%	0.0%	1.0%
The Anvil, Churchill Way East, Basingstoke, RG21 7QR	0.0%	0.7%	2.3%	0.0%	0.9%
The Hexagon, Queens Walk, Reading, RG1 7UA	1.0%	0.0%	2.4%	0.0%	0.9%
Princes Hall, Princes Way, Aldershot, GU11 1NX	0.0%	2.5%	0.0%	0.0%	0.8%
Novello Theatre, High Street, Sunninghill, Ascot, SL5 9NE	0.0%	0.7%	0.9%	0.0%	0.5%
Wycombe Swan Theatre, St Mary Street, High Wycombe, HP11 2XE	0.0%	0.0%	1.4%	0.0%	0.4%
The Queen's Royal Surrey Regiment Museum, Goldsworth Road, Woking, GU21 6ND	1.0%	0.7%	0.0%	0.0%	0.4%
Aldershot Town Centre, GU11 1TW	0.0%	1.2%	0.0%	0.0%	0.4%
Guildford Town Centre, GU1 3AJ	0.0%	0.2%	0.0%	0.9%	0.2%
The Mill, Sonning Eye, Reading, RG4 6TY	1.0%	0.0%	0.2%	0.0%	0.2%
Basingstoke Town Centre, RG21 7LG	0.0%	0.4%	0.3%	0.0%	0.2%
Reading Town Centre, RG1 1JX	0.0%	0.0%	0.6%	0.0%	0.2%
Orange Tree Theatre, Clarence Street, Richmond, TW9 2SA	0.0%	0.0%	0.6%	0.0%	0.2%
Winnersh Village Centre, RG41 5DU	0.0%	0.0%	0.6%	0.0%	0.2%
Farnham Maltings, Farnham Maltings, Farnham, GU9 7QR	1.0%	0.0%	0.0%	0.0%	0.2%
G Live, London Road, Guildford, GU1 2AA	1.0%	0.0%	0.0%	0.0%	0.2%
The Harlington, Fleet Road, Fleet, GU51 4BY	1.0%	0.0%	0.0%	0.0%	0.2%
Stratford-upon-Avon Town Centre, CV37 6JP	0.0%	0.0%	0.5%	0.0%	0.1%
Wokingham Theatre, Twyford Road, Wokingham, RG40 5TU	0.0%	0.0%	0.3%	0.0%	0.1%

Source: Household Survey. Appendix C: Question 38. N = 439 respondents.

- 9.94 As the table shows, after the theatres and venues in London (59.75), the New Victoria Theatre in Woking (19.1%) and the Theatre Royal in Swindon (8.4%) achieved the highest market shares in Camberley's CCA. Camberley's own theatre is achieving a relatively low market share of 4.6% within the CCA. This reflects the larger size and choice of shows in the other theatres, but also possibly indicates that Camberley Theatre is not able to meet the "entertainment needs" of the Borough's population. This suggests there is potential to review and refresh the theatre's current size, capacity and offer. As part of this, there is also the potential to provide a new theatre and music venue in the heart of the town centre, subject to the availability, suitability and viability of sites, as we consider that a more central location would have a significant positive impact on Camberley's daytime and evening economy.
- 9.95 The household survey does not specifically identify the attraction and market share of the Borough's many diverse museums and galleries. The Surrey Heath Museum in The Square is a popular venue and provides a programme of events for the Heritage Open Weekends, including walks, talks and children's activities during the week (Tuesdays to Saturdays). Other attractions are focussed around the town's and Borough's military history, and include the Royal Logistic Corps Museum. In our judgement there is significant potential to focus the town's arts and cultural offer around the military and adjacent Sandhurst Royal Military Academy.

SUMMARY

- 9.96 The commercial leisure industry is a dynamic and evolving sector, but like the retail sector it is facing significant challenges and pressures from changes in the economy, policy and consumer trends. It is clear, for example, that consumers are becoming increasingly selective in terms of where and how they spend their disposable income on discretionary leisure. The growth in "at-home" entertainment and activities, particularly screen-based entertainment, and the growing share of home deliveries

represents a further challenge for town centres and leisure operators to attract customers and particular younger generations away from their homes and screens.

- 9.97 These trends will be further accelerated by the impact of COVID-19 and social distancing on leisure patterns and the viability of leisure businesses over the short term. It follows that reduced trips and spend in “*traditional*” restaurants, cafés and bars will inevitably result in further failures and closures nationally and at the local level.
- 9.98 Notwithstanding these background trends, our review of the Borough’s commercial leisure sector and offer, and the results of the household survey, has highlighted that Camberley Town Centre overall has a strong leisure offer principally located in The Atrium (including a multi-screen cinema, tenpin bowling, gym, cafés, restaurants and other leisure activities), and complemented by the mainly independent and specialist offer across the wider town centre. Notwithstanding this, there is potential to review, refresh and expand the leisure offer over the plan period dependent on market demand and changing consumer tastes and trends.
- 9.99 The theatre is important to the town centre’s offer, but it is a little “*out on a limb*” in its current location of Knoll Road. The survey results also confirm that it is losing potential audiences to larger competing venues in Woking, Windsor and London. The theatre also looks dated by modern standards. We therefore consider that there could be opportunities to provide a new modern multi-purpose venue to help “claw back” audiences from competing venues. We also believe that a new venue should preferably be located in the heart of the town centre rather than on its fringes to help maximise the benefits for the centre’s overall vitality and viability.

10. KEY FINDINGS, RECOMMENDATIONS & FUTURE DIRECTION (see Part 2 Study)

