

**EPSOM & EWELL BOROUGH COUNCIL  
RETAIL STUDY**

April 2009

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# 1. INTRODUCTION

1.1 GVA Grimley was instructed in October 2008 by Epsom & Ewell Borough Council to undertake a Retail Study for the local authority. The purpose of this study is to provide an up-to-date picture of current and future retail capacity in Epsom town centre up to 2026 and health check. The study will inform the evidence base for the Council's emerging Area Action Plan for Epsom town centre and wider Local Development Framework. This information will also be at the Council's disposal to assist in the determination of relevant planning applications.

1.2 Our terms of reference are to:

- Establish the extent to which the current retail provision in the town satisfies the level and nature of consumer demand within each catchment;
- Estimate the scale and nature of any changes in this position that may arise in the light of:
  - Potential increases in population;
  - Forecast changes in retail and leisure expenditure, taking into account recent economic trends;
  - Changing forms of retail and leisure provision;
  - Possible increases or decreases in the trade draw from competing centres.
- Identify the scale and nature of additional retail provision that may be appropriate in the local authority area to the period 2026 including the intervening periods 2013 and 2018; and
- Assess the scope for new retail development and the potential to accommodate this within the town centre, and highlight the capacity for residential development within the mix of uses;
- Review shopping frontages and shopping/town centre boundaries;
- Provide a broad overview of employment uses throughout the town centre.

1.3 In order to produce a comprehensive up-to-date review of retailing needs in the town we have drawn on a household telephone survey and a survey of businesses in Epsom, as well as town centre health checks, a review of out-of-centre and competing retail provision. This sets out the range, choice and distribution of the existing retail provision and highlights any apparent deficiencies. We have reviewed shopping frontage designations, potential development opportunities and prepared a broad retail strategy to inform policy documents to take forward over the forthcoming LDF period. Our

assessment is set in the context of the current economic downturn and recently published growth rates which reflect the recession.

- 1.4 The quantitative capacity exercise draws on the household telephone survey results to establish the current performance of Epsom Town Centre in terms of convenience and comparison goods floorspace; which informs the forecasts of the future retail floorspace capacity. The results of the full analysis are drawn together to provide a set of recommendations and advice to feed into the Local Development Framework.

## **Structure**

- 1.5 The next section of this report sets out our review of national, strategic and local planning policies relevant to retail and leisure planning in the borough. Section 3 highlights current retail and leisure trends, focusing on the likely implications for retailing within Epsom. In Section 4, we review the sub-regional context. This looks in particular at the influence of competing centres in the wider sub-region, and potential changes in influence in the future.
- 1.6 In Section 5 we present our qualitative assessment of Epsom Town Centre which draws on customer and business views and behaviour as identified from the telephone and business surveys. In Section 6 we present our quantitative assessment and the potential for new retail and leisure development in Epsom. In Section 7 we review the findings of our study and consider the strategic options for the future development of Epsom in terms of retail strategy. In Section 8 we review our headline recommendations in terms of the appropriate strategy to take forward over the LDF period.

## 2. POLICY FRAMEWORK

- 2.1 In this section we examine key features of national and regional planning policy guidance, and the Epsom & Ewell District Wide Local Plan (2000) with special attention paid to retail planning policy.

### **National Policy Context**

- 2.2 Government guidance makes clear that sustainable development is the core principle underpinning planning. Accordingly, PPS1 sets out a range of overarching policies aimed at facilitating sustainable patterns of urban and rural development through a number of initiatives, including the need to ensure that new developments provide good access to jobs and key services for all members of the community.
- 2.3 PPS6 reaffirms the Government's commitment to protecting/sustaining town centres. Accordingly, the central objective of the guidance is to promote the vitality and viability of town centres by planning for the growth of existing centres and enhancing them by promoting them as the focus for new development. Where growth cannot be accommodated in identified existing centres, local planning authorities should plan for an extension to the primary shopping area. It makes clear that where reversing the decline in centres is not possible, local authorities should consider reclassifying such centres within the retail hierarchy.
- 2.4 In allocating sites and assessing proposed development, PPS6 requires local planning authorities to assess the need for the development; identify the appropriate scale, apply the sequential approach, assess the impact on existing centres; and ensure locations are accessible and well served by a choice of means of transport. Local planning authorities, after considering these factors, should consider the degree to which other considerations such as physical regeneration, employment, economic growth and social inclusion are relevant.
- 2.5 The recent consultation on revisions to PPS6 follows the commitment in the Planning White Paper 'Planning for a Sustainable Future' to review the current approach in PPS6 to assessing the impact of development proposals in out-of-centre locations. The proposals reinforce the 'town centre first' approach and promote the vitality, viability and character of existing town centres.
- 2.6 The sequential test of site selection has been retained. However, the proposed changes to PPS6 could remove the 'needs test' for proposals outside town centres and introduces a new and broader 'impact test' which is intended to take better account of economic, social and environmental factors: the impact test is to include issues of design quality and how the development will help to mitigate the effects of climate change. The new impact test may also include the requirement for applicants to consider the appropriateness of the scale of the development.

- 2.7 Despite these proposed alterations to PPS6, policy will continue to reinforce the principle that development should be accessible by a range of transport modes, that it should promote greater choice and retail diversity, and that it should encourage job creation in disadvantaged areas. The proposed changes strengthen references to competition consideration by reference to the promotion of competition between retailers as one of the Government's key objectives for town centres.
- 2.8 It is anticipated that PPS6 will be altered further to include a 'competition test' for large grocery stores; this is to reflect the findings of the Competition Commission's investigation into the supply of groceries in the UK, and to promote consumer choice (see sub-section 2.13 below). Apart from the Government's key objective to promote vital and viable town centres by planning for their growth and focussing new development and a wide range of services within them, other PPS6 objectives are to enhance consumer choice, support efficient, competitive and innovative retail and leisure sectors and to improve accessibility by a choice of means of transport.
- 2.9 Further points of relevance to the Epsom & Ewell study, are:
- The need to take a more proactive approach to accommodating town centre uses in central locations including, where appropriate, the promotion and expansion of town centres; and, conversely a realistic approach to the management of decline where justified;
  - The need to establish a hierarchy of centres in each region and sub-region, with any change in the role and function of centres to be secured as part of the preparation of regional spatial strategies (RSSs) and through the preparation of development plans, rather than through individual applications;
  - The need to assemble town centre and edge-of-centre sites for larger stores where need is identified, and to promote higher density, mixed-use multi-storey development;
  - The need to encourage a wider range of services and land uses for centres in decline;
  - The need to avoid over-concentration of growth in the highest level centres, and for regional spatial strategies to make clear strategic choices as to where growth is to be encouraged and decline managed;
  - The need to assess the quantitative need for additional floorspace for retail, leisure and office uses over the plan period and for five year periods within it, and the capacity of existing centres to accommodate additional development (in the case of long-term strategic policy guidance, a longer term forecasting horizon is required);
  - The need to improve public transport linkages to existing out-of-centre facilities, but not as a justification for their extension;
  - The need for development plans to set out the roles of different centres and explain how each centre will contribute to the local authority's overall vision for its area;

- The need for development plans to encourage a diversification of uses in the town centre as a whole and to promote positive management of the evening economy, perhaps identifying distinct quarters where the evening economy is to be concentrated;
  - The need for development plans to include policies which guide the appropriate scale of development to be encouraged, setting upper limits for the scale of developments that will be allowed in different types of centres;
  - The need to accommodate potential future sources of housing land supply;
  - The need for plans to positively allocate sufficient sites within and at the edge of town centres so as to meet anticipated demand for the next five years, anticipating the use of CPO powers where needed, and
  - The need to promote a more balanced network of centres by strengthening local centres through preparation of local strategies to remedy deficiencies in the local shopping provision.
- 2.10 PPS12 sets out the Government's policies on the preparation of local development documents, which are to compose the Local Development Framework. PPS12 indicates that the statutory development plan documents will include a Core Strategy, site-specific allocations and Area Action Plans.
- 2.11 The creation of additional floorspace within buildings was brought under control in May 2006 following consultation on the ODPM's report: 'Planning Control of Mezzanine and Other Internal Floorspace Additions' (March 2005). This was in response to concerns that the development of mezzanine floors in large out of centre retail stores significantly increased the available floorspace, thereby undermining the objectives of planning policy for the regeneration of town centres. The provision, incorporated within the 2004 Act does not seek to prevent such development, but to allow authorities to determine such proposals in the same way they would for external store expansion.
- 2.12 Changes to the Use Classes Order (UCO) took effect on 21st April 2005, enabling local authorities to have more control over managing town centre development while minimising the proliferation of pubs, takeaways and nightclubs. Cafes and restaurants have retained their A3 classification, pubs and bars have been reclassified under a new Class A4, and takeaways have been reclassified under a new and separate Class A5. Nightclubs have been reclassified as Sui Generis.

### Competition Committee: Groceries Market Investigation (April 2008)

- 2.13 On 30th April 2008, the Competition Commission published the final report on its proposals to remedy competition issues in the UK grocery market. The report recommends introducing a 'competition test' in planning decisions on proposed new grocery stores and extensions which will favour new entrants and grocery retailers over those which already possess a portion of the local market share. The Office of Fair Trading (OFT) will also be incorporated as a statutory consultee on

all applications for grocery retail stores proposing a net sales area in excess of 1,000 sq m and retailers will be required to notify the OFT of any acquisitions of grocery stores with a net sales area greater than 1,000 sq m.

- 2.14 The report also identifies and releases thirty restrictive covenants being used by retailers to restrict entry by competitors and prohibits future imposition of such covenants. Grocery retailers will also be required to relinquish control over land sites in highly-concentrated markets that have been identified as inhibiting entry by competing retailers. Finally, the report recommends the establishment of an independent ombudsman to oversee and enforce a tightened Supermarkets Code of Practice to ensure compliance of the new regulations.
- 2.15 The Competition Commission does not make any recommendations for other changes to the planning system such as to the 'need' test or 'town centre first' policy. It also does not require any divestments of stores or land holdings. It believes that the recommended measures will be sufficient and proportionate in addressing its concerns about existing and future competition in local markets.

## **Regional Policy Context**

### **The South East Plan**

- 2.16 The emerging South East Plan is a full revision of RPG9 covering the period up to 2026, and is nearing completion. The Inspectors Report was received in January 2008, and the proposed changes are currently being incorporated into the submission version of the document. Adoption is expected in spring 2009, when the Plan will formally replace the current RPG9.
- 2.17 In terms of planning for town centres, the RSS intends to provide for the growth and development of existing centres through focussing development in the centres and encouraging a wide range of services in a good quality environment which is accessible to all. The plan states that the development of dynamic and successful town centres is central to the achievement of sustainable development in the South East. It adds that the focus of these policies is to distribute growth to middle and lower order centres supporting a balanced network of centres not overly dominated by the largest centres.
- 2.18 In planning for growth the Plan states that a special relationship with metropolitan centres in west, south and east London (e.g. Kingston) needs to be particularly addressed so as to create networks of urban centres which complement each other whilst being self sufficient in terms of employment provision, retail, leisure and culture. However, in other areas the Plan states that "the polycentric nature of the settlement pattern needs to be taken into account in planning for the sustained growth of centres".

- 2.19 The document states that all town centres should be developed as multi-use nodes to enable people to shop, work, live and visit other services without having to make multiple journeys. Urban areas should be the prime location for new development and redevelopment, and they should enable economic growth to take place and a wider range of uses will enhance vitality and viability, encouraging the development of 'living centres'.
- 2.20 Policy TC2 summarises the strategic network of centres and comprises 23 primary regional centres and 26 secondary regional centres including Epsom. The document states that the primary and secondary regional centres will be the focus for large scale developments, including retail development of 10ha or more (10,000 sq m gross).
- 2.21 The RSS cites the results of a recent regional study into Town Centre Futures – 'Regional Priorities for Retail Development' – which was commissioned by the Regional Assembly's Town Centre and Retail Task Group. The study forecast future retail growth to 2026 taking into account known future developments, and the assessment demonstrated very substantial growth in residual retail expenditure and development in the period to 2026:
- "The consultants advised that around £20 billion residual expenditure for new comparison retail floorspace should be used for planning at a regional level over the period to 2026...The forecasts indicate a doubling of the existing floorspace stock in the leading 50 town centres [including Epsom] by 2026. However, for the rest of this decade there is no significant forecast capacity when the current proposals in the South East are taken into consideration." Para.1.19*
- 2.22 Epsom is also identified as coming within Sub-Regional Strategy Area 5 (The London Fringe: Guildford, Woking, Redhill/Reigate, Staines, Epsom and Sevenoaks) where spending growth is projected to be strongest due to economic and retail strengths. In this sub-region the focus of mixed-use development is to be on the key hubs: Guildford, Woking and Redhill/Reigate. Elsewhere, shopping patterns in the smaller towns of Staines and Epsom are identified as being influenced as much by the London centres of Hounslow, Kingston and Sutton as by Woking and Guildford, and need to develop reflecting the polycentric pattern of the developments and their position in the wider catchment area.
- 2.23 This Polycentric pattern of the settlement structure in the London Fringe is dealt with in Policy LF7 which states that 'investment in development, infrastructure and services will be directed particularly to Guildford, Redhill and Woking and, on a scale consistent with the capacity of each centre, to Epsom, Staines and Sevenoaks, to maintain their roles in the strategic town centre network'.
- 2.24 The plan reinforces the sequential approach to site selection set out in PPS6, and states that the development being considered should be appropriate to the centre's role within the network. The
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RSS advises that in order to facilitate the rigorous application of the sequential test, local planning authorities subject to major developments of their area/centres should carry out assessments of the capacity of each town centre to accommodate additional development appropriate to its role. It is also noted that no need has been identified for further out-of-centre regional or sub-regional shopping centres or large scale extensions.

### Sub-Regional Development Framework: South London, May 2006

- 2.25 The document identifies that the South London sub-region is characterised by a network of town centres including four Metropolitan centres, Kingston, Croydon, Bromley, Sutton, and three Major Centres, Wimbledon and Richmond and Orpington. These centres are all anticipated to grow significantly to 2016. The centre's which influence Epsom's catchment area and shopping patterns include Kingston, Sutton and to a lesser extent Wimbledon and Croydon.
- 2.26 It is evident that in South London, population and consumer expenditure growth is generating a significant need for new retail space, in particular for comparison goods. Resident-based consumer expenditure in the sub-region on comparison goods is expected to almost double from £3.3b to £6.5b by 2016 and convenience goods expenditure is also expected to increase, but at a more modest rate of about 30% from £2.1b to £2.7b.
- 2.27 The SRDF identifies comparison goods floorspace need in the region of 26,000-43,000 sq m in Kingston; 10,000-16,000 sq m in Sutton; 34,000-53,000 sq m in Croydon, and 10,000-14,000 sq m in Wimbledon. The assessment has taken into account a number of strategically significant comparison goods developments already proposed in the sub-region, and the risk for Epsom associated with growing competition should be highlighted. The relationship between Epsom and these centres is discussed further in Section 4.

### Surrey Structure Plan 2004

- 2.28 The Surrey Structure Plan is now out-of-date and will be superseded by the South East Plan, discussed above, once adopted. Nevertheless, it provides useful background context in respect of the more localised retail hierarchy in Epsom's catchment area.
- 2.29 The Structure Plan clearly sets out the principle of locating development in existing urban areas, through the re-use of previously developed land and buildings, "*new development should be directed to locations that can be easily accessed without a car, or appropriate measures should be introduced to ensure adequate accessibility for those without a car.*" Notwithstanding, the Plan concedes that limited development will be permitted to support the vitality of rural settlements, although major development in the open countryside will be inappropriate.

- 2.30 The document states that development in the major town centres will be permitted where it accords with the priorities set out in the Spatial Strategy and where it supports the roles of Guildford, Woking and Redhill as centres of strategic importance and regional hubs, the role of Staines as a transport interchange and major all-purpose centre, and the roles of Camberley and Epsom as major all-purpose centres:

*“Epsom and Staines are also major commercial, retail and leisure centres. Future development should concentrate on consolidating their current roles and in providing environmental improvements to residents and businesses alike.”  
(para. 2.14)*

- 2.31 These six major town centres have a key strategic role to play in the Spatial Strategy’s aim of reducing the need to travel, providing the widest choice of services, shops and employment opportunities in one place. Within and around town centres, higher density residential development (over 50 dwellings per hectare), particularly as part of mixed use schemes, will be encouraged where it is compatible with the character of the centres and with the overall aim of maintaining and enhancing their commercial and retail roles.
- 2.32 Epsom is identified on the Plan’s key diagram as an urban area in the sub-area of North Surrey. Accordingly development in this area should seek to improve the quality of life and the environment, resisting the outward spread of urban areas and restricting new development to the use of previously developed land and buildings within the urban area.
- 2.33 In respect of implementation, the plan states that the overall policy position discussed above should be realised through the following measures:
- Local development frameworks will:
    - Define the boundaries of town centres, and maintain and review these boundaries;
    - Set out proposals for development sites within town centres;
    - Take into account the role of Guildford, Woking and Redhill as centres of strategic importance and regional hubs and, in particular, the pre-eminent role of Guildford.
  - The local planning authorities will:
    - Prepare town centre strategies, taking particular account of the transportation needs of centres;
    - Prepare town centre design briefs;
    - Prepare development briefs for key town centre sites;
    - Undertake periodic health checks of market and other small towns to establish local needs.
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2.34 Policy LO8 addresses Retail Development and development control measures:

*“Retail development will be directed in accordance with the strategic retail hierarchy of centres in Surrey.*

*Where there is a need to allocation land for retail development the local planning authorities will consider town centre sites following be edge of centre sites if these are not available. Only where there are no suitable sites in these locations will out of centre sites be considered.*

*Retail development in edge of centre and out of centre locations will only be permitted where need and a sequential approach to site selection are demonstrated, where it would not undermine the vitality and viability of any existing centre and where it is accessible by means of transport other than the private car.”*

2.35 The policy aims to ensure that the existing hierarchy of shopping centres in Surrey is maintained. The Plan sets out the strategic retail hierarchy into three main groups, with Guildford identified as the regional retail centre:

- Group 1 - Guildford
- Group 2 - Camberley, Epsom, Redhill, Staines, Woking
- Group 3 - Dorking, Farnham, Godalming, Reigate, Walton-on-Thames.

2.36 The Plan adds that if a retail planning application is received for an edge of centre or an out of centre site that is not allocated for retail development in the local development framework, its potential impact on the viability and vitality of existing centres will be assessed. Both its impact individually and its impact cumulatively with other existing or proposed retail developments will be part of this assessment. It is clear that the applicant must demonstrate the retail need to justify the application and that the site search has followed a sequential approach.

## **Local Policy Context**

### **Epsom & Ewell District-Wide Local Plan (May 2000)**

2.37 The 2000 Plan, which is now somewhat out-of-date, identifies the Borough as lying in the County of Surrey fifteen miles to the south-west of the centre of London. With its good accessibility to London, to the M25 and to the international airports of Heathrow and Gatwick, the Borough has prospered and provides a relatively high standard of residential and other amenities. The document suggests that there needs to be a balance in respect of development and encouraging growth whilst controlling

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the consequences of traffic congestion and protecting the character and heritage of the Borough. A number of policies in the Local Plan have been 'saved' and will be replaced by emerging LDF documents.

- 2.38 Chapter 10 focuses on shopping in the Borough and states that Epsom is one of the county's leading second-tier shopping centres similar to Camberley, Staines and Woking and is the main centre for convenience and comparison shopping in the Borough. The recession of the early 1990's is acknowledged and it is noted that the opening of the Sainsbury's superstore (1994) off Kiln Lane was made possible by the conversion of a large amount of vacant durable goods retail floorspace to convenience goods retail floorspace on the site of the former Peel Centre retail warehouse park. It is recognised that this has put pressure on smaller convenience goods shops in established centres.
- 2.39 The Plan states that Epsom town centre should maintain its role as a second tier shopping centre providing a wide range of convenience and comparison shopping facilities, and that the Borough's shopping centres should continue to be underpinned by their retail function. At the time the Council considered that the range of shopping facilities available in the Borough was broadly adequate to meet the needs of local residents and that the balance, which existed both between existing shopping centres in the Borough and between these centres and shopping centres outside the Borough, should be retained.
- 2.40 There were no allocated retail sites for retail development in the Borough except for the proposed local centre at the Epsom Hospitals Cluster, which is being implemented. The Council set out that any major new retail proposals which come forward whether for convenience or durable shopping, will be able to be accommodated within or adjacent to Epsom town centre shopping area.
- 2.41 Extensive redevelopment was not envisaged in the Plan, but it was considered that extensions and redevelopment may be appropriate to maintain trade, particularly in the eastern part of High Street, Upper High Street and the fringes of the shopping area. The Shopping Area is identified on the proposals map, although there are no defined primary and secondary shopping frontages. It is emphasised that all development proposals are expected to respect the scale and character of Epsom Town Centre, particularly where proposals have an impact on Conservation Areas and Listed Buildings. Policy SH1 states:

*"New retail developments in or adjacent to existing shopping centres will be permitted provided that it:*

- 1) is of a scale and character that is appropriate to the centre, and*
- 2) would sustain or enhance its vitality and viability."*

- 2.42 The Council considered that following completion of the large retail element of the former Indoor Market site redevelopment (now trading as Wilkinsons), there is no overriding need for additional floorspace for large new store units outside Epsom town centre and the secondary town centres. Consequently, no major additional retail sites were allocated in Plan. The Council added that it was concerned that the development of major new shopping facilities (defined as over 2,500 sq m gross floorspace) outside of Epsom town centre and the secondary town centres both within and near to the Borough could undermine the vitality and viability of its shopping centres and lead to an increase in the need to travel by car.
- 2.43 In terms of retail warehousing, the Plan identifies three retail warehouses in the Borough: two situated off Kiln Lane, Epsom, and one situated on the Ewell by-pass. This provision has not changed since. In the Plan, the Council considered that there would not be an overriding need for provision on new sites, and consequently none were allocated. Policy SH2 seeks to restrict the development of major retail developments and retail warehousing outside Epsom town centre with the application of the sequential approach to site selection:-

*“Further major retail developments and retail warehousing will only be permitted within Epsom town centre shopping area. Where it has been demonstrated that there are no suitable sites, preference will be given to a site on the edge of Epsom town centre shopping area or within the secondary town centres, and only then to local centres and out-of-centre sites in locations accessible by a choice of means of transport. In sites outside the Epsom town centre shopping area, permission will only be granted provided that:*

- (i) Either in isolation or in combination with similar developments in the vicinity, the proposed development would not have an unacceptable impact on the vitality or viability of other shopping centres;*
- (ii) A demonstrable need exists in terms of estimated growth in expenditure within the catchment area; and*
- (iii) The impact on overall travel patterns and car use is to reduce the need to travel, to reduce reliance on the car and to facilitate multi-purpose trips.”*

- 2.44 Section 10.6 reflects changes in the composition of town centres often through the representation of new businesses from a different use class, i.e. changes of use. The Plan recognises that this can impact upon a centre's character and function, with potential harm to the vitality and viability of a town centre, particularly through a rise in take-away hot food uses. Non-retail uses are recognised as providing a useful service to local residents, whilst restaurants can help to sustain activity during

the evenings, although the conversion of too many shops into such restaurant and office uses could pose a threat to the continued viability of the Borough's shopping centres.

- 2.45 The Plan recognises that Epsom Town Centre consists of a variety of interdependent land uses and the vitality and viability of the town centre depends on the range and quality of activities taking place there. However, the Council considers that the retail function should continue to underpin the vitality and viability of the town centre:

*"Epsom town centre is relatively compact. However, the Ashley Centre and the western half of High Street are the most popular shopping areas. With the focus of town centre retailing towards the western end of the town, there is concern that the shopping function of both Upper High Street and the eastern part of High Street will decline, that service uses could proliferate and that the retail vitality and viability of this part of Epsom town centre could be undermined."*  
(para.10.6.4)

- 2.46 Policy SH3 therefore enables the Council to prevent non-retail uses taking over shop units where the vitality and viability of the town centre would be harmed. In the Plan (2000) the Council stated that they had found that the character and vitality and viability of the town centre can be harmed where non-retail units are established in concentrations of more than two adjacent shop units or their frontage equivalent (i.e. 6-7metres). The policy takes into account a number of factors when determining applications for the change of use of ground floor shop units. These include:

- The resulting length of non-retail frontage;
- The existing use of the shop unit and the mix and composition of units within the localised parade in which the shop unit is located;
- The visual prominence of the unit;
- The need to retain shop units having rear servicing facilities;
- Traffic generation and additional car parking generation; and
- Whether the occupant would add to the viability of convenience shops within the centre.

- 2.47 Policy SH6 emphasises that planning permission will not be granted for proposals which involve the loss of existing public car parking facilities and rear servicing roads in the Borough's shopping centres.

## Local Development Framework Core Strategy (2007)

- 2.48 An independent public examination took place between July 2006 and May 2007, the Inspector found the document to be sound and Epsom & Ewell Borough Council adopted the Core Strategy on 24 July 2007. The Core Strategy identifies the key issues and the social, environmental objectives for the future development of the Borough up to 2022, and a strategy to achieve them. Other statutory documents will deal with specific development sites and the most detailed policy issues, which will complete the full update of the Local Plan discussed above.
- 2.49 The document recognises that Epsom town centre provides a good range and choice of facilities and caters for a wide range of needs. The Council state that it also recognises the importance of a lively, vibrant and viable town centre to residents, workers, businesses and visitors to the Borough; and maintaining the vitality and attractiveness of the town centre is key to delivering sustainable development and to maintaining and improving the quality of life of the Borough's residents. The document emphasises that:
- “the Council is therefore committed to a positive and pro-active approach to town centre development and change. Its aim is to ensure that the town reaches its full potential to provide the essential range of services and facilities required, in an attractive environment that is easily accessible by all modes of transport.”*  
(para.3.19.1)
- 2.50 As part of the Council's overall vision for the future of Epsom town centre, the Core Strategy seeks a vibrant, healthy and safe shopping environment, combined with a high quality townscape. In terms of offer, the vision aims for improved retail attractions increasing the range of types and form of shops and other high street facilities and services; and the strategy also seeks to secure thriving day-time and night-time economies. Other key areas to focus on include the range and quality of cultural, leisure, social and visitor attractions; improved public transport links; reducing the detrimental impact of vehicular traffic; encouraging a variety of housing; sensitivity to the character and conservation importance of the town centre; and improving the sense of safety and security.
- 2.51 Paragraph 3.19.3 emphasises that the approach will be to focus and promote a variety of uses within the town centre, provided their impact reinforces this vision and can be accommodated without harm to the local community or to its townscape character. Policy CS14 outlines the broad policy context within which further detailed policy development can take place. In addition, the Council will prepare a more detailed Area Action Plan for the town centre which will provide the framework for future change, identify development opportunities and facilitate the changes necessary to promote its vitality and viability.

## Epsom Town Centre Area Action Plan

- 2.52 As part of the Local Development Framework the Council is producing an 'Area Action Plan' (AAP) for Epsom town centre. The AAP document will help shape how Epsom town centre will change and develop up until 2026. PPS12 (2008) states that AAPs can assist in producing a consensus as to the right strategy for an area and how it might be implemented:

*"They can assist in providing the basis for taking compulsory purchase action where necessary or act as a focus and a catalyst for getting several key agencies and landowners to work together.*

*In areas of change, area action plans should identify the distribution of uses and their inter-relationships, including specific site allocations, and set out as far as practicable the timetable for the implementation of the proposals." (para. 5.5-5.6)*

- 2.53 The AAP for Epsom town centre is in the early stages of preparation. During September and October 2008 the Council went through the 'early engagement – identification of issues' stage which involved preliminary meetings with stakeholders and the production of a consultation paper setting out a series of questions on various topics. The intention was to achieve feedback from members of the public and stakeholders on what they believe the key issues to be that need addressing through the Area Action Plan, which is being developed in association with the Local Strategic Partnership (LSP) and the LSP town centre sub-group. The Core Strategy town centre policy was drawn from the Community Strategy Town Centre Vision which is being carried forward in the emerging Sustainable Community Strategy.
- 2.54 The 'issues identified' are envisaged to be outlined by late Spring 2009 and a consultation paper will be produced outlining the various options for the area. In terms of completion, the AAP will be submitted to the Secretary of State during Winter 2009. In addition to public consultation, the AAP will also be informed by a number of 'evidence base' studies and strategies producing by the Council, including this Retail Study.

## Summary

- National planning policy guidance provides the framework for developing Local Plan shopping policies tailored to the specific circumstances of Epsom. The overarching policy thrust is to sustain and enhance the vitality and viability of existing centres, wherever possible, and to plan positively for new development within them, having regard to the roles and needs of their catchments.

- The RSS, due for adoption in spring 2009, encourages the adoption of polycentric settlement patterns to ensure the sustained growth of centres and identifies Epsom as one of 26 secondary regional centres within this network. The RSS evidence base indicates the ability of the top 50 centres (including Epsom) to double their existing floorspace by 2026, particularly in the London fringe (including Epsom) where spending growth is projected to be strongest. Epsom is encouraged to maintain its role in the strategic town centre network, and no major step change is envisaged.
- The Surrey Structure Plan (2004) will be superseded by the South East Plan early this year. It does, however, provide a good indication of Epsom's role in the sub-regional retail hierarchy located in Group 2 alongside Camberley, Epsom, Redhill, Staines and Woking, and below Guildford - the regional retail centre. Epsom is identified as a major all-purpose centre and development should concentrate on consolidating its current role. Consistent with the RSS, no major step change is envisaged.
- The Epsom & Ewell Local Plan of 2000 states that Epsom town centre should maintain its role as a second tier shopping centre, as identified in the RSS and Structure Plan, providing a wide range of convenience and comparison shopping facilities. Extensive redevelopment, after implementation of the Ashley Centre, was not envisaged in the Plan, but it was considered that improvements might be appropriate to maintain trade, particularly in the eastern part of High Street, Upper High Street and the fringes of the shopping area. The Local Plan identifies a Primary Shopping Area, but no primary or secondary shopping frontages.
- The adopted Core Strategy (2007) confirms that the Council is committed to a positive and proactive approach to town centre development and change. Combined with a high quality townscape and conservation, the vision aims for improved retail attractions, services and facilities, enhanced accessibility, and a thriving day and night-time economy. The Core Strategy identifies the need for an Area Action Plan, which is now being prepared with submission envisaged for winter 2009.

## 3. NATIONAL RETAIL & LEISURE TRENDS

- 3.1 To put our assessment of the quality of existing provision and the need for additional floorspace into context, it is relevant to consider the wider economic and social trends likely to influence retailing in Epsom. A number of trends are likely to have a bearing on the future pattern of retail provision in the sub region, and the opportunities arising from development proposals. This section examines key trends and drivers for change in the retail industry. We outline the key national trends in retailing and service provision of particular relevance to Epsom drawing from a range of published data sources, including research by Verdict Analysis, Mintel and the New Economics Foundation.

### Demographics

- 3.2 Over the last 15 years UK population has increased at a rate of approximately 0.4% pa, whilst the number of households has increased by 0.5% pa, as average household size has decreased to 2.34 in 2006, with smaller families, more divorces, people living longer etc. These trends are forecast to continue and will affect spending habits, how much we spend, on what and where.
- 3.3 Over the next 20 years the 65 and over age group is expected to grow by 4.5m or 47% and the under 65s age group by only 8%. Older shoppers have a younger mindset than in the past, are more fashion aware and, in recent years, more financially better off as a result of general house price growth as well as income growth (but post retirement income from pensions could be a concern if they do not achieve anticipated values). They will have more time to shop, will spend more on DIY and gardening and will expect good customer service. Clearly, the economic slowdown will impact upon disposable income and pension pots with more cautious spending patterns in the immediate future.
- 3.4 Younger shoppers will have higher education fees to pay, will experience higher housing costs, will be more computer literate and spend more on-line, and will spend more on entertainment/leisure so they may have less to spend in the retail sector.

### Income & Expenditure

- 3.5 Incomes and expenditure grew strongly during the last 20 years, with retail expenditure growing faster than incomes. Overall, retail expenditure has increased by about 3.9% pa in real terms over the last 20 years, with most of this growth on comparison goods rather than convenience goods, where growth has been less than 1% pa. Comparison goods growth had been close to 5.3% pa over the last 30 years, over 6% pa over the last 20 years and were even stronger over the last 10 years. However, circumstances have reversed this pattern of growth.

- 3.6 The extremely rapid deterioration in the economic performance during the final months of 2008 is having far-reaching implications for available income and consequently expenditure. The outputs from this study will be widely affected from recent events and the ongoing recession the nation is facing. Experian report as follows:

*“The detailed consumer spending forecasts used in the October document [Experian Retail Planner Briefing Note 2008] were based on figures available before the eruption of the major financial crisis in September, the collapse of consumer and business confidence and the sharp decline in the global economy.*

*Since that forecast, there have been dramatic changes in the UK’s performance.*

*The new forecast incorporates the substantial decline in GDP in the second half of 2008; the sharp increase in unemployment in recent months; gloomy survey evidence that has emerged in 2009; fiscal measures adopted in an attempt to shore up the economy and the steep decline in Bank rate in the past few months.”*

*Experian Business Strategies, February 2009*

- 3.7 The growth projections used within this report have therefore responded to advice in respect of the use of trend line (historic) growth rates and forecast growth rates based on consumer expectations. Due to the retail expenditure boom in the latter half of the 1990’s and the first half of the 2000’s and the major economic recession which is now underway, there are significant differences between these two approaches.
- 3.8 Trend growth rates have, until recently, been influenced by the spending boom of recent years (until 2007). Trend line forecasting, based on these historic trends, incorporate booms and busts since the 1960’s and therefore provide a flat rate average over long and ultra-long time periods, i.e. beyond 2021. These are no longer appropriate for short term retail projections given the current slow-down in the economy. The period up to 2016 will be affected noticeably by the current severe recession and the weak upturn that is likely to follow. The time period required to enable growth rates to return to ‘boom’ levels is unknown, but it is clear that this is unlikely to happen before 2016.
- 3.9 On this basis we are advised to use economic forecasts prepared by MapInfo/Oxford Economic Forecasting and Experian Business Strategies which take into consideration current and future economic instability. Evidently, the growth rates used for our retail capacity forecasting have changed as a consequence, and have considerable implications on the levels of floorspace town centres can sustain in the short-medium term, i.e. up to 2016.

- 3.10 Previously we used a constant growth rate of 3.7% for comparison goods over a short, medium, long and ultra long-term period, and 0.3% for convenience goods. Table 3.1 below sets out the revised growth rates as a consequence of the national economic decline. The period after 2016 is uncertain, but Experian advise a return to previous levels, and we therefore incorporate figures of 3.7% for comparison goods and 0.3% for convenience goods.

**Table 3.1: Per Capita Expenditure Forecasts 2008-2016**

	Convenience Goods	Comparison Goods
2008-2013	0.2%	0.5%
2013-2016	0.2%	2.2%
2008-2016	0.2%	1.3%

Source: *Experian Business Strategies (February & March 2009)*  
*Oxford Economics Retail Spending Outlook (March 2009)*

- 3.11 Non-store retail sales, excluding e-tailing, are expected to decline over the next ten years, but this will be more than offset by the growth of e-tailing, resulting in overall growth in non-store sales in absolute and percentage terms. Total non-store convenience retail sales (including e-tailing) are expected to increase from 2.5% of sales in 2004 to 7.8% in 2013, and then stabilise around 8%, whilst total comparison non-store retail sales are expected to increase from 7.1% in 2004 to around 13.9% in 2013, before stabilising. The previous period of strong growth is expected to slow its growth rate from 2009.
- 3.12 The impact of growth in e-retailing on future demands for retail floorspace is an important consideration and has been factored into the forecasts set out later in this report. Factors such as the processing of online grocery orders by retailers such as Tesco in local stores, and the potential use of shops as showrooms and/or collection points may mean that the growth in Internet sales will not necessarily lead to an equivalent reduction in floorspace requirements.
- 3.13 The recent credit crunch has had massive impacts on the retail sector. It is estimated that 1.4 million homeowners will need to re-mortgage over the next year. A study by the insurance company AXA found that three in four families with an income of more than £30,000 were planning to curb spending this year as household budgets become increasingly stretched.
- 3.14 According to Verdict, as customers become more concerned about the economic outlook, they are becoming more selective in their purchasing habits. With rising living costs, disposable incomes are being squeezed, and as a result customers are shopping around more to find the best possible value. Increasingly retailers are finding it harder to please customers, and across all sectors, retailers are converting fewer customers into main users and shoppers are less loyal to their main stores. Such

circumstances will have implications on retail capacity forecasting, particularly over the short term, and this is discussed in more detail in Section 6.

## Sales Efficiency

- 3.15 In undertaking retail capacity and impact assessments it is generally accepted that an allowance should be made for growth in the turnover 'efficiency' (or 'productivity') of existing retail floorspace to reflect what has happened in the past about retailers' ability to achieve productivity increases. Such an allowance also helps maintain the vitality and viability of town centre businesses.
- 3.16 This growth represents the ability of retailers to increase their productivity and absorb higher than inflation increases in their costs (such as rents, rates and service charges) by increasing their average sales densities. The application of a turnover 'efficiency' growth rate is a standard approach used in retail planning studies and PPS6 also advocates the use of a "...*realistic assessment of forecast improvements in productivity in the use of floorspace*" (paragraph 2.34).
- 3.17 Although hard quantitative evidence is limited, comparison businesses in particular have, over time, increased sales densities by achieving improvements in productivity in the use of floorspace. PPS6 (paragraph 2.34) requires that quantitative need/capacity assessments have regard to a realistic assessment of such improvement. Analysis of past data is difficult as over the last 20 years sales densities increases have been affected by changes in the use of retail floorspace, with higher value space-efficient electrical goods replacing lower value space intensive goods, the growth in out-of-centre retailing, a number of one-off events like Sunday Trading and longer opening hours, and the very strong growth of retail expenditure relative to the growth in floorspace.
- 3.18 Evidently, in the current economic climate many retailers have struggled to increase or even maintain sales density levels and, together with other financial problems, have led retailers into closure, such as Woolworths and Adams. With the expectation of weaker expenditure growth in the future than over the last 10 years, sales density growth is likely to be towards the bottom end of the range. Rather than the previous 1.5%-2% figure previously allowed for, we are now incorporating a 0.5% efficiency rate for the period up to 2016, returning to 1.5% beyond 2016.

## Employment

- 3.19 Over the last 20 years retail expenditure has increased at about 4% pa, but retail employment has increased much more slowly. Total employees in retail employment have increased from 2.2 million to 3.0 million, an increase of 1.5% pa. However, this growth has been in part time employees. Full time equivalent (FTE) employment has hardly increased at all, from about 2.1 million to 2.2 million, a 0.4% pa increase.

- 3.20 Over the next 15 years Experian Business Strategies expect a marginal increase in FTE employment in the retail sector with a slightly higher increase in part time employment. Evidently, this needs to be monitored in the forthcoming years based on the slow down in the economy and corresponding growing levels of unemployment with significant consequences for available retail expenditure and retail sector employment positions.

## Location

- 3.21 Strong income and expenditure growth has affected retailing in another important way – the rise in car ownership and mobility. In 1961 only 30% of households had a car (one or more cars) but only 2% of these had more than one car. With public transport (and walking and cycling) the dominant mode of transport, shopping choices were limited and distances travelled were short. By 1970 car ownership had increased significantly so that nearly 50% of households had one or more cars and the number of households with two or more cars had quadrupled but was still under 10%.
- 3.22 Currently about 77% of households have one or more cars and a third of households have two or more cars, a huge increase in mobility over the last 30-40 years. Households are now much more mobile than they were and therefore their choices of where to shop and the distances they can travel are much greater. These trends will continue but the rate of change may well diminish, particularly in light of the economic slow-down. It would seem likely, however, that levels of mobility will be retained although frequency of travel may decline as the number of cars per household may fall in the economic downturn. The growth in car mobility evidently puts pressure on parking provision in town centres and can lead to congestion with potentially knock-on detrimental impacts for town centres.
- 3.23 Increased mobility and affluence has favoured larger centres over smaller centres. As a result larger centres have increased in size and importance relative to smaller centres which has further reinforced the attraction of larger centres to more mobile shoppers. Smaller centres have, therefore, lost market share and have seen much less new development than the overall rate of expenditure growth would imply. This is recognised by PPS6, which urges local authorities to be pro-active in trying to encourage development in smaller centres.
- 3.24 Increased mobility and affluence has also stimulated out-of-centre development, which has grown much more rapidly than town centre development. Over the last 20 years the majority of retail development has been in edge or out-of-centre locations. This has led to increasingly restrictive planning policy in favour of town centres over the last 10 years, but only recently has the growth in out-of-centre development started to slow. This slow down is expected to continue, but Verdict still expect sales at out-of-centre locations to increase at a faster rate than at in-centre locations.
- 3.25 PPS6 reinforces the Government's town centre first objectives. The sequential site test is still a cornerstone of retail planning policy, favouring town centre sites and necessitating consideration of

the disaggregation of retail park proposals so that smaller sites are considered. However, it is also recognised that individual retailers' business models are also relevant. Disaggregation of a retailer's proposed store does not now need to be considered if the operator can demonstrate it would adversely affect their business model.

3.26 In May 2006 the Office of Fair Trading (OFT) referred the supply of groceries by retailers in the UK to the Competition Commission (CC) for investigation under Section 131 of the Enterprise Act 2002. The CC published its findings in April 2008 and reported that "in many respects, competition in the UK groceries industry is effective and delivers good outcomes for consumers, but not all is well". The two main areas of concern highlighted were:

- 1) *that a number of grocery retailers have strong positions in several local markets. Barriers faced by competing retailers that could otherwise enter these markets mean that consumers get a poorer retail offer than would otherwise be the case, while those grocery retailers with strong local market positions earn additional profits due to weak competition in those markets, and*
- 2) *the transfer of risk and unexpected costs by grocery retailers to their suppliers through various supply chain practices if unchecked will have an adverse effect on investment and innovation on the supply chain and therefore, on consumers.*

3.27 A number of steps to address the problems were posed including the recommendation of the introduction of a competition test as part of the planning process for new stores, to favour new retailers other than those which already have significant market shares in an area. Planning for consumer choice and the promotion of competition have been included within the Proposed Changes to PPS6 Planning for Town Centres, consultation document, with final recommendations expected in Spring 2009. Recommendations were also made by the Competition Commission to try and prevent retailers using the control of land sites in highly concentrated markets as a means of inhibiting entry by competing retailers. These steps would have implications on the potential new locations that some retailers could look to develop within.

## **Size of Units**

3.28 The growth of multiple traders and increased competition between companies has meant that the retail structure is increasingly dominated by large companies requiring larger shop units. Shopping centres and out-of-centre development that has been able to accommodate this demand for larger sized units (typically 500-2,000 sq m or larger) have grown in importance, reinforcing the trend of higher order centres and out-of-centre retailing growing in relative importance (i.e. polarisation in the retail hierarchy).

- 3.29 The growth in the size of stores has caused a contraction in the number of shop units and consumer choice. This is particularly evident in the food sector, with a marked decline in the number of smaller and more specialist food retailers (greengrocers, butchers, fishmongers, bakers etc), and a large increase of superstores. This is indicated by Verdict Research which shows a 31% reduction in the total number of convenience stores over the last 10 years, as space is concentrated into a smaller number of larger stores.
- 3.30 Whilst the number of superstores (>25,000 sq ft) has increased by 37%, food specialists and off licences/tobacconists have declined by 35% and 57% respectively. These trends may well weaken in the future due to possible market saturation of large foodstores and concerns over lack of competition due to the market dominance of a few key multiples.

## **Foodstores**

- 3.31 A by product of the restriction of new development of large foodstores is the growth in applications to extend existing stores and the changing composition of floorspace within existing foodstores. There is an increasing emphasis on the sale of comparison goods at the expense of convenience goods, as expenditure growth rates for comparison goods are much higher than for convenience goods and margins are greater, although sales densities are often lower. This trend poses an increasing threat to smaller centres, as larger foodstores will increasingly sell a wider product range of day-to-day convenience and comparison goods and services. According to Verdict, non-food floorspace in the larger format stores of the top 4 grocers now accounts for between 28% (Morrisons) and 50% (Asda) of sales floorspace.

## **Shopping & Leisure**

- 3.32 Due to increased affluence and mobility, and the rise of the internet, shoppers no longer merely shop to satisfy 'needs', they increasingly shop to satisfy 'wants' as well. Retailing in the higher order centres and the more attractive smaller centres is changing and arguably becoming more of a quasi leisure experience. Leisure spending growth is continuing to outstrip that of retail, and despite the economic slowdown, at the moment consumers seem to be willing to continue spending on leisure.
- 3.33 Quality restaurants, coffee shops, cafes and bars, as well as health and fitness centres and multiplexes in larger centres, are therefore important to attract shoppers and encourage longer stays and higher spending. Better integration of retail and leisure facilities mutually benefits both sectors. Pedestrianised streets and covered retail areas are also important in attracting shoppers, as is the overall attractiveness of the town centre, along with good accessibility and car parking.
- 3.34 A number of factors have helped drive the growth of leisure provision in town centres. Planning policy is important as is the fact that urban living is fashionable. Town centres can offer consumers a

much more vibrant atmosphere in which to eat and drink and they also offer a much wider choice of leisure venues, allowing more spontaneous decisions. For bars, restaurants and health & fitness clubs, the attraction of the town centre is 'daytime trade' and the ability to capitalise on proximity to businesses and shoppers.

## **Internet Shopping/E-Tailing**

- 3.35 Online spending is growing at its fastest rate for six years, driven by convenience and low prices, and so far e-retailing is showing no signs of being affected by the recent economic downturn. According to Verdict (2008), the e-retail market grew by 35% between 2006 and 2007, which is considerably higher than the 3.6% growth in the total retail market, and e-retail is expected to continue outperforming the total retail sector over the next five years.
- 3.36 Worth £14.7bn in 2007, the online market is becoming an increasingly important contributor to retail, accounting for 5.2% of all retail sales, (up from 3.8% in 2006). Verdict's research found that almost 66% of UK households now have access to the Internet, with 55.5% having broadband access, which is making online shopping easier, faster and more reliable. As technology continues to improve, it will fuel further growth in the market. Overall the internet shopper population is forecast to grow by approximately 50% between 2007 and 2012.
- 3.37 The online market is dominated by the electrical and food & grocery sub-sectors, which between them account for around half of all sales. The food & grocery sub-sector, with rapid growth of 39.5% in 2007 is expected to overtake electricals in the top spot. Online clothing and footwear sales grew 38% during 2007, and with sales of £1.7bn, clothing & footwear is the UK's third largest online market.
- 3.38 Books are one of the online market's most mature sectors – having been present in the online arena for over a decade. The category came to prominence by Amazon back in 1995, culminating today in approximately £1 in every £7 spent on the category going through online. In 2007, the online book market grew by 15% to £504m, although was the lowest growth for four years indicative of the approaching maturity of the market. A number of potential developments regarding books are on the horizon which have the potential to alter the dynamics of the sector, notably the digitisation of books. The immediate impact of this development in the short term is limited, although should give traditional book retailers 'food for thought' regarding the creation of their long term strategies.
- 3.39 Although only accounting for a very small share of online spending, the market which saw the most dramatic online growth in 2007 was furniture and floor coverings, growing by 41% from £0.4bn to £0.7bn, despite the slowdown in the sector overall, with Ikea's launch of a transactional website being sited as one of the drivers of growth. The music & video sector continues to have the overall

highest online market penetration at 30.8% of total sector sales, and this is forecast to double by 2012, which could have implications for physical store requirements.

- 3.40 As a consequence of this growth, there are huge pressures on retailers as the Internet has provided an attractive alternative for many consumers. Shoppers are selecting their own retail mix online and shopping centres need to compete with this choice, which is not only driven by price and range, but also service and expertise. Town centres will increasingly have to provide a retail experience that the Internet and supermarkets are unable to match, and the market will respond in some way to the varying impacts on different retail sectors. In accordance with PPS6, the emphasis should be on the overall town centre experience, the mix of uses, and not just the retail offer.

## Summary

- Incomes and expenditure have shown strong growth over the last 20 years, with retail expenditure growing faster than incomes. This has seen corresponding increases in sales densities within existing retail floorspace, which has also been driven by factors such as high value space efficiency and longer opening hours. Crucially, for the Epsom Borough Council the current economic slow down will have huge impacts on the retail sector and growth forecasts will need to reflect recent publications from Experian Business Strategies. This is reflected in Section 6.
- Heightened mobility through increased car ownership, alongside growth in affluence, has favoured larger centres over smaller centres. Shoppers are more willing to travel further a field to higher order centres which have increased in size and importance relative to smaller centres, leading to a consequent fall in their market share. As such, PPS6 now encourages local authorities to be pro-active in trying to encourage development in smaller centres; for example, Epsom within the catchment of Kingston-upon-Thames and Guildford.
- The composition of town centres has changed through new development, with a growing number of companies requiring larger shop units to meet their shop format ratios. This has again favoured the larger centres which generally have the space to meet such requirements and are able to accommodate this demand. This is particularly noticeable in the convenience sector, which has seen a 37% increase in food superstores, but a 31% fall in total number of convenience stores over the last 10 years. This has led to current concerns in respect of lack of competition and market dominance.
- Leisure spending growth is continuing to outstrip that of retail, and despite the economic slowdown, at the moment consumers seem to be willing to continue spending on leisure – although this may change in the coming months. Nevertheless, the mix of uses in a town centre is vital to offer choice to shoppers, and quality restaurants, coffee shops, cafes, bars and other leisure facilities are all important to encourage frequency of visit and longer stay times.

- As competition from the internet increases, town centres need to offer a quality destination where people want to spend time and gain access to facilities not available on the web. There has been a continued polarisation towards larger centres and the provision of larger stores in these larger centres. Where smaller centres have been unable to diversify their offer or create niche markets and a mix of retail, leisure and service facilities they have suffered.

## 4. SUB-REGIONAL CONTEXT

- 4.1 This section examines the retail performance of Epsom Town Centre in the context of the retail network across the wider sub-region. Rather than focus on the centres highlighted in the RSS and Structure Plan retail hierarchy, this section aims to identify the actual network of centres that Epsom interacts with, highlighting those that may influence retailing in Epsom over the forthcoming LDF period. First, we make reference to the CACI 2007 report undertaken for the Council, and second we set out our own assessment.

### **CACI 2007**

- 4.2 The Council commissioned a Comparison Study (CACI 2007) which examined Epsom's role in the wider sub-region, in relation to competing centres, but which only focused on comparison goods rather than convenience goods. Their methodology for assessing town centre catchment areas is somewhat different to the telephone survey used for this assessment, but nonetheless it provides a useful indication of the extent of catchment areas and the centres which have the most influence on Epsom. The primary, secondary and tertiary catchment plans were used to assist in the definition of our own household telephone survey.
- 4.3 They conclude that Epsom's catchment profile is very affluent and has a strong family bias. There is a very high presence of Wealthy Executives and Prosperous Professionals, typical of Surrey residents. On this basis, the report states that this highly affluent catchment means that Epsom Town Centre may be able to support a premium-market retail sector amongst its retail mix.
- 4.4 The CACI report identifies the intense level of competition Epsom faces from certain centres. They note that Kingston-upon-Thames takes more spend out of Epsom's core catchment (19.1%) than Epsom Town Centre achieves itself (15.3%), while Sutton is also 'in intense competition', taking 14.6% of market share. The findings are not directly comparable to our work, given the different evidence base, although we can highlight that our conclusions are broadly similar in respect of overlapping catchment areas, market share and areas of influence.

### **Shopping Catchment Analysis**

- 4.5 Our analysis draws extensively on the household telephone survey data, which underpins the entire retail study. In addition, this section has drawn on a range of data sources including PROMIS, Javelin Retail Rankings, the Focus Property Intelligence database, the Valuations Office Authority and EGi. Qualitative research was also undertaken to establish major pipeline development proposals in competing centres.

- 4.6 Our assessment of each of the competing centres identifies the main retail offer and associated floorspace provision, and the extent to which this is likely to change and influence shopping patterns in the sub-region. The household telephone survey (Plan 1) highlights the most influential centres competing with Epsom in terms of spend include Banstead, Croydon, Guildford, Kingston-upon-Thames, Leatherhead, New Malden and Sutton. Shopping patterns are set out in Appendix 1A.
- 4.7 Shopping patterns derived from the survey allow us to calculate the amount of comparison goods expenditure that each competing centre draws from the survey area (see Plan 1). This indicator takes into consideration the strength of the retail offer as well as the centre's accessibility and distance from Epsom. The total expenditure flowing to these centres is set out in the table below, and illustrated on Plan 3, appended.

**Table 4.1: Study Area Comparison Goods Trade Draw: Key Competing Centres**

Centre	£(000s)	Market Share of Total Expenditure in Survey Area (%)
Kingston-upon-Thames	401,206	28.4
Sutton	225,506	16.0
<b>Epsom</b>	<b>92,453</b>	<b>6.6</b>
Croydon	41,276	2.9
Guildford	40,914	2.9
New Malden	39,691	2.8
Leatherhead	28,546	2.0
Banstead	18,621	1.3

SOURCE: GVA Grimley Household Telephone Survey, November 2008

- 4.8 It is evident that Epsom Town Centre draws circa £92.5m of comparison goods expenditure (6.6%) from within the survey area (Zones 1-12). Kingston-upon-Thames attracts the largest proportion of available expenditure, £401.2m (28.4%), and is by far the dominant centre in the sub-region. Sutton town centre is ranked second and attracts a large proportion of available spend: £225.5m (16%). Kingston is located outside the survey area and Sutton is located within outer Zone 3; the figures therefore reflect the superior retail offer in these centres compared to Epsom.
- 4.9 There is then a large gap between Epsom and the remaining competing centres as Epsom's market share within Zones 1-12 is more than double the next most popular centres: Croydon, Guildford and New Malden. These draw similar amounts of comparison goods expenditure from the survey area of c.£40m with market shares of 2.9% for Croydon and Guildford and 2.8% for New Malden. Guildford is a higher order centre with a superior retail offer to Epsom and the figures therefore reflect the distance of Guildford from the Zone 1-12 survey area. With £28.5m Leatherhead secures 2% of available spend whilst Banstead appears to draw only £18.6m (1.3%) of comparison spend from the survey area. With both being located within the survey area, this reflects their weaker retail offer compared to the higher order centres within this group.

- 4.10 It is clear that Epsom exerts much influence over the southwest of the survey area but the attractiveness of Sutton, Kingston and Croydon to the north and north east constrain Epsom's influence in this area (as the Epsom Town Centre Comparison Goods Market Share Map indicates). The fact that Croydon, Kingston and Guildford all exert such influence in terms of spend within the survey area while being located outside of it, demonstrates the sub-regional dominance of these major centres (see Plan 3). Epsom's location in relation to these centres restrains the extent of Epsom's catchment area, and new developments may enhance their attractiveness and place further pressure on Epsom's current market share.

## Profile of Competing Centres

- 4.11 The vitality rank of each competing centre discussed above has been derived from Javelin (Venuescore 2007). Javelin Group's Venuescore provides an up-to-date ranking of UK shopping venues across a number of key indicators – scale, market positioning, fashionability, age and positioning of the retail offer. The score attached to each operator is weighted to reflect their overall impact on shopping patterns. For example, anchor stores such as John Lewis, Marks & Spencer and Debenhams receive a higher score than unit store retailers to reflect their major influence on shopping patterns. The resulting aggregate score for each venue is called its Venuescore.
- 4.12 It is evident from Table 4.2 that Kingston-upon-Thames, Guildford, Croydon and Sutton are the strongest performers in terms of the Javelin UK rank position indicators. Kingston-upon-Thames has the strongest rank position at No.13, and Guildford and Croydon are relatively close behind with rank positions of 19 and 31 respectively. Sutton is further down the rankings with 74, followed by Epsom with a considerably lower rank position of 191. Below Epsom there is a large gap in the rankings with New Malden achieving a rank position of 644<sup>th</sup>, and Leatherhead and Banstead achieving rank positions of only 834 and 886 respectively.

**4.2: Javelin Retail Rankings of Key Competing Centres**

Centre	Javelin Rank	Position change since 2006
Kingston-Upon Thames	13	▲ (016)
Guildford	19	— (019)
Croydon	31	▼ (027)
Sutton	74	▲ (080)
<b>Epsom</b>	<b>191</b>	<b>▼ (188)</b>
New Malden	644	▼ (633)
Leatherhead	834	▼ (820)
Banstead	886	▼ (850)

SOURCE: Venue Score/Javelin 2007

- 4.13 In terms of retail floorspace, Croydon is the largest centre with approximately 264,700 sq m of gross retail floorspace in the town centre; over five times larger than Epsom (59,600 sq m gross). As you would expect, Kingston-upon-Thames, Sutton and Guildford are all larger than Epsom in terms of floorspace comprising 173,500 sq m gross, 138,900 sq m gross and 115,700 sq m gross respectively.
- 4.14 Below Epsom in terms of floorspace, New Malden has c.35,000 sq m gross retail floorspace. Leatherhead and Banstead have less than half the floorspace of Epsom with 24,800 sq m and 20,500 sq m respectively. These figures include all retail and town centre uses as defined by 'Promis' and are used in this section to compare the centres on a 'like for like' basis. The floorspace in Epsom is reviewed in more detail by retail category by retail category in later sections.

**Table 4.3: Retail Floorspace of Competing Centres**

Centre	Sqm (Gross)
Croydon	264,700
Kingston-upon-Thames	173,500
Sutton	138,900
Guildford	115,700
<b>Epsom</b>	<b>59,600</b>
New Malden	35,000
Leatherhead	24,800
Banstead	20,500
SOURCE: Colliers CRE In Town Rents, 2007	

- 4.15 Prime Zone A retail rents have either increased or remained static in those centres where data is available. Banstead, Leatherhead and New Malden are not monitored to the same extent and therefore do not have comparable retail rental data thus reflecting their lower order scale compared to Epsom and the higher order centres.
- 4.16 Kingston-upon-Thames enjoys the highest Prime Zone A retail rents, reaching £3,337 per sq m at the end of 2007, having improved steadily since 2004 from £2,960 per sq m. Rental figures in Croydon are the second highest among the competing centres achieving £2,906 per sq m at the end of 2007, although these have remained static since 2002. At £2,583 per sq m net, prime retail rents in Guildford are more than twice as high as Epsom's. Epsom's rental figures at £1,238 per sq m are the fourth highest among the competing centres, and have remained static since 2003.

**Table 4.4: Prime Retail Rents of Competing Centres (£ per sq m)**

Centre	2003	2004	2005	2006	2007
Kingston-upon-Thames	2,960	2,960	3,175	3,283	3,337
Croydon	2,906	2,906	2,906	2,906	2,906
Guildford	2,422	2,476	2,583	2,583	2,583
<b>Epsom</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>
Sutton	1,076	1,076	1,076	1,076	1,130
Banstead	na	na	na	na	na
Leatherhead	na	na	na	na	na
New Malden	na	na	na	na	na

SOURCE: VOA - Property Market Report

4.17 Low retail yields are one indication of a good performing centre within their intended role in the retail hierarchy, and enables comparison on a like for like basis. The yield on a property reflects the annual rental income represented as a percentage of the value of the property; low yields therefore indicate high property values and strong investor confidence in the future performance of the centre as a whole.

4.18 Kingston has a retail yield of 4%, it's lowest level since 2004; and Guildford has a retail yield of 4.25%, also it's lowest level since 2004. These figures reflect healthy centres, and nationally it is rare to see a yield at less than 4%. Epsom has a retail yield of 4.5% which has decreased year on year since 2005. Croydon, Leatherhead and Sutton all have higher retail yields reflecting their weaker positions in terms of investment confidence. Again, reflecting their scale, there are no records for the towns of Banstead or New Malden.

**Table 4.5: Prime Retail Yields of Competing Centres (%)**

Centre	2004	2005	2006	2007	2008
Kingston-upon-Thames	4.25%	4.25%	4.25%	4.25%	4.00%
Guildford	4.50%	4.50%	4.50%	4.50%	4.25%
<b>Epsom</b>	<b>5.25%</b>	<b>5.25%</b>	<b>5.00%</b>	<b>4.75%</b>	<b>4.50%</b>
Croydon	6.00%	6.00%	6.00%	6.00%	5.75%
Leatherhead	7.25%	7.25%	6.75%	6.25%	6.00%
Sutton	7.50%	7.50%	7.50%	7.50%	7.25%
Banstead	na	na	na	na	na
New Malden	na	na	na	na	na

SOURCE: VOA - Property market Report, January 2009.

4.19 The strength of Kingston-upon-Thames and Guildford is further demonstrated by the number of retailers looking for new space in both centres. There are currently 115 retailer requirements for both centres, reflecting a high level of retail demand to locate in the respective centres. Sutton has 68 requirements followed by Croydon with 59. In comparison, Epsom has 41 requirements followed by

21 in Leatherhead, and 16 in New Malden and Banstead. Like other indicators, these figures endorse the higher order role of Kingston, Guildford, Sutton and Croydon, and Epsom's role as a second tier centre in the sub-regional retail hierarchy. Compliant with the South East Plan, the objective should be for Epsom to consolidate this position rather than aim to compete with the higher order centres.

**Table 4.6: Retailer Requirements of Competing Centres**

Centre	Demands
Kingston-upon-Thames	115
Guildford	115
Sutton	68
Croydon	59
<b>Epsom</b>	<b>41</b>
Leatherhead	21
New Malden	16
Banstead	16
Source: Focus, January 2009.	

## Pipeline Development

- 4.20 The analysis of key indicators above reviews Epsom's current performance in the retail network. We have taken this a stage further and also reviewed developments in the pipeline in competing centres to assess the likely increase in attractiveness that may compound trade leakage and impact on Epsom's retail performance over the forthcoming LDF period. Full details of the pipeline schemes are set out in Appendix 1c.
- 4.21 Croydon could add c.20,050 sq m of retail floorspace to the town centre if three pipeline projects come to fruition. Full planning permission has been granted for the Parkplace development scheme for the redevelopment of the shopping centre to deliver a department store and ancillary unit shops 21,925 sq m (gross) floorspace. Elsewhere, the Whitgift shopping centre has secured planning permission for redevelopment to extend the centre into the roof car park to produce an additional 7,430 sq m (gross) floorspace. A further planning application has been approved for the London Road scheme which will deliver 1,490 sq m of retail floorspace (gross) in a retail unit with residential development above.
- 4.22 In Guildford planning permission has been granted for a 25,000 sq m (gross) extension to the Friary shopping centre which will incorporate 70 retail units as well as community facilities, residential units and the refurbishment of the bus station. Kingston-Upon-Thames could accommodate an additional 32,740 sq m net of retail floorspace as pre-application discussions are underway for the major retail-led redevelopment at the Eden Quarter which could deliver approximately 50,000 sq m gross of retail floorspace.

- 4.23 There are two relatively small applications in Sutton; one for a hotel and retail development at Sutherland House, and a recent permission for development at the South Point scheme which could deliver an additional 1,440 sq m of net retail floorspace. There do not appear to be any significant development proposals in the pipeline for Banstead, Leatherhead and New Malden, but there are some large scale development proposals in relation to the other competing centres.
- 4.24 The large scale development proposals for Kingston-upon-Thames, Guildford and Croydon will increase the dominance and attractiveness of these centres, and could further erode Epsom's market share of available comparison retail expenditure within the survey area. It will be crucial for Epsom to consolidate its town centre through a mix of uses, enhancement to the environment, protection of the character and conservation of the area, and accessibility and traffic improvement measures as set out in the Core Strategy (2007).

## Summary

- In terms of the sub-regional context, the household telephone survey has identified Banstead, Croydon, Guildford, Kingston-upon-Thames, Leatherhead, New Malden and Sutton as Epsom's main competing centres. Our review of the key performance indicators confirm the higher order shopping roles of Kingston, Croydon, Guildford and Sutton, which are located outside the Zone 1-12 survey area. They have a superior retail offer and increasingly mobile shoppers and new retail development have led to a continued influence on shopping patterns in Epsom's catchment area.
- Epsom performs its role as a second tier shopping centre, as envisaged in the RSS and Structure Plan. Banstead, Leatherhead and New Malden are lower order centres but are located within the Zone 1-12 survey area and therefore capture an element of available trade, albeit relatively limited. Epsom must consolidate and improve its town centre function and retail offer in order maintain its position in the wider regional and sub-regional shopping hierarchy as envisaged in the Core Strategy for the forthcoming LDF period.
- Policy does not require Epsom to compete with the higher order centres nor to achieve a step change to the same level in the hierarchy. Rather, policy requires Epsom to perform the role of a major all-purpose centre as part of a polycentric settlement pattern. The centre therefore needs to strike a balance over the forthcoming LDF period to enhance the retail and leisure offer and wider mix of uses whilst protecting the character of the built environment and enhancing its physical environment and general visitor attraction.

## 5. EPSOM TOWN CENTRE: HEALTH CHECK

- 5.1 Epsom is one of the county's leading second-tier shopping centres, below Guildford, but on a par with Camberley, Staines and Woking in respect of hierarchy position, and as such is the main centre for convenience and comparison shopping in the Borough. The retail shopping area is relatively compact comprising a linear shopping street (High Street, Market Place and Upper High Street), one large shopping centre (The Ashley Shopping Centre) and two smaller areas: Spread Eagle Walk (a retail shopping arcade) and The Ebbisham Centre (mainly comprising community and A3 uses). Other smaller shopping streets provide ancillary retail areas.
- 5.2 Detailed health check indicators are set out in Appendix 1 and we analyse the key points of relevance and trends in this section. This accords with the vitality and viability indicators set out in PPS6 and provides an overview of the health of the town centre.

### PPS6 HEALTH CHECK INDICATORS

- 5.3 Our detailed qualitative analysis of Epsom, set out in Appendix 2, indicates that the centre is reasonably healthy and performing well in a number of health check indicators. The number of comparison retailers and proportion of floorspace occupied by comparison retailers is above the national average; the number of retail, leisure and financial services is above the national average; and the proportion of vacant units is below the national average (January 2008). The convenience sector appears to be weaker, with the number of units and proportion of floorspace both below national average.
- 5.4 Epsom town centre has improved its national rank position in the UK retailer demand rankings and requirements from retailers for space in the town centre has grown in recent years. In October 2002 there were 51 registered requirements equating to a UK rank position of 132, and in October 2007 this had risen to 84 registered requirements equating to a UK rank position of 61. Comparison goods retailers include a mid market multiples such as Lakeland, Phase Eight, Laura Ashley, Sofa Workshop, Desire by Debenhams, and Swarovski.
- 5.5 Epsom has, however, fallen in the Javelin Retail Rankings which is based primarily on the range and representation of retailers and multiple retailers in each respective town. Epsom was ranked 176<sup>th</sup> in 2005, but this fell to 191<sup>st</sup> in 2007; suggesting that the supply of retail space is not meeting the demand from new retailers who wish to be represented in the town centre. This is consistent with the low vacancy rate and corresponding lack of space of the right type/size for new retailers. In recent weeks this situation has changed somewhat with a selection of units becoming available in the Ashley Centre as a consequence of the economic slowdown and closure of retail businesses.

- 5.6 Prime Zone A retail rents have remained static at £1,238 per sq m net between 2003 and 2007 indicating that Epsom is retaining its attractiveness to retailers, although not necessarily enhancing it. Retail yields have fallen year on year from 5.25% in 2004 and 2005 to 4.5% in 2008, reflecting a growth in investor confidence in the town centre. The market on Thursdays and Saturdays comprises c.10-25 stalls and contributes to the retail mix in the town centre.

## **Retailer Representation**

- 5.7 The presence of multiple outlets can enhance the appeal of a town centre relative to other centres within a sub-regional hierarchy. According to Experian Goad, multiple retailers<sup>1</sup> in Epsom comprise 70% of the comparison shopping offer and include operators such as Next, Ann Summers, Evans/Dorothy Perkins, Monsoon, HMV, New Look, the Body Shop, TK Maxx, Superdrug, WH Smiths, Fat Face, Carpetright, Boots the Chemist and Waterstones among others.
- 5.8 This is a reasonable representation of main-stream high street multiple retailers, although there are no quality retailers from the higher end of the market, such as Russell & Bromley, Molton Brown, East, Karen Millen, LK Bennett, Reiss, Hobbs, Whistles, Jigsaw, Dune, Ted Baker, Zara, Mango, Space NK and Cath Kidston.
- 5.9 There is one department store in the town centre. House of Fraser, located in the Ashley Centre has three retail floors although is somewhat more constrained in size than comparable new store formats. Nevertheless, the store provides a good fashion mix and a homewares department offering concessions such as Jacques Vert, Windsmoor, Country Casuals, Samsonite, Ted Baker, Miss Sixty, Linea, French Connection and Ben Sherman. Marks & Spencer variety store acts as the secondary retail anchor in the shopping centre.
- 5.10 In terms of foodstore provision, the shopping centre has a Marks & Spencer (mixed use food and non-food) and a Waitrose store in the Ashley Centre, there is a Co-Op Welcome Grocer on Upper High Street, and the street market on Thursdays and Saturdays supplements convenience goods provision. A new Co-Op top up foodstore has recently opened in a new development opposite the train station, on the junction of Station Approach and Waterloo Road. There is an Odeon cinema on Upper High Street, and the Epsom Playhouse Theatre to the rear of the Ashley Centre.
- 5.11 In order to look in more detail at retail and leisure provision throughout the town centre we have identified seven general retail areas. This assists the description of the centre, but does not at this stage relate directly to current or future policy designations.

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<sup>1</sup> A multiple retailer is defined as being part of a national network of nine or more outlets.

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### *The Ashley Shopping Centre*

- 5.12 The Ashley Centre is a covered shopping mall located within the defined primary shopping area. It was built in the early 1980s, when parts of High Street were also pedestrianised during the construction of the one-way system. The centre is anchored by House of Fraser, Waitrose and Marks & Spencer, and offers the largest concentration of fashion and comparison high street retailing in the town centre. Other retailers include Next, Ernest Jones, Boots the Chemist, WH Smith, HMV, Waterstones and Clinton Cards, and a number of units have two floors, aside from House of Fraser which has three. A3 eating/drinking uses are limited, although there is a central coffee shop in the central area. The centre has two entrances onto High Street, effectively creating a retail circuit.
- 5.13 The shopping centre is clean and well maintained, although lacks natural light and a sense of space in areas. Nevertheless, the centre provides a popular shopping destination with a central atrium and café area. Pedestrian activity in the centre is strong with the highest footfall counts in the town centre, and the units offer reasonable space for the mid range high street retailers. The shopping centre is within close proximity to the train station and benefits from its own car park with c.800 spaces which also performs the role of a wider town centre car park. Given the economic slowdown, a number of units have become vacant during the latter part of 2008 and early part of 2009.

### *High Street: Western End*

- 5.14 The western end of High Street is located between the junction of West Street and Waterloo Road. It comprises a one way traffic route and wider pedestrianised area on the south side which is occupied by the market twice a week. This stretch of the High Street has some of the highest pedestrian footfall levels in the town centre (Plan 7) largely concentrated around the eastern shopping centre entrance, from the junction with Waterloo Road westwards to Marks & Spencer. Double fronted retailers including Marks & Spencer and Boots have entrances inside the Ashley Centre and on High Street which maintains footfall in this general location. Beyond this point on the High Street (Marks & Spencer), pedestrian footfall declines noticeably (Plan 7).
- 5.15 Retail units on the south side of High Street are generally small and occupied by a range of retail and service businesses including Waterstones, Natwest bank, Nationwide building society, Moss Bros, Café Nero, Lloyds pharmacy, a newsagents and a small hair salon. Unit formats are not conducive to larger high street retailer requirements and the key attraction in this part of the town centre is the Marks & Spencer and Boots stores and the market square. A number of buildings are, however, attractive with local and historic interest which maintains the overall environment to a reasonably high quality.
- 5.16 The north side of High Street is largely dominated by TK Maxx, Carpetright, Barclays Bank, Wilkinsons, a Fitness First gym and the Post Office. There is a more diverse selection of eating and drinking establishments, with The Marquis of Granby public house, Café Rouge, Kingfish fish &

chips, and Lavanda café pizza restaurant all dispersed throughout the retail units. Adding character to the area, retail units on the north side are generally ad hoc in terms of layout, positioning and format and unlikely to attract the major high street retailers. Units here appear to be more modern with less character and there might be longer term opportunities for land assembly and redevelopment, i.e. the group of units including TK Maxx westwards through to, but excluding, The Marquis of Granby public house.

- 5.17 Whilst a small selection of multiple retailers maintain footfall in this area of the town centre, the large number of units do not act as major attractors for shoppers on their own. The stretch is therefore perhaps vulnerable if one or two major multiples moved or closed down, and there appears little opportunity to attract a greater number of new high street fashion multiple retailers given the size and format of retail units. There may be opportunities for land assembly and small scale redevelopment over the LDF period in order to redevelop and provide the units attractive to modern multiple and more specialist niche retailers, consistent with policy which recommends consolidation of the town centre offer.
- 5.18 Units with historic and local interest might be attractive to higher end specialist and niche retailers, but this would need to be encouraged through environmental improvements, enhanced fascia design and improved pedestrian accessibility/circulation measures. Signs of investment in the physical environment are evident, particularly around the Clock Tower, and the general appearance of the area is good. There are, however, some signs that further investment is required, notably the brick sets around the flower beds are in need of attention/repair and the storage of the market stall equipment could be better managed/tidied up. The street furniture and fixtures are well maintained and consistent, and shop fascias are largely of good quality. Vacancy levels in this stretch are low, and whilst vehicular movement is busy there are four pedestrian crossing points. The road and general environment does, however, create a barrier between the north and south side of the High Street.

### *South Street*

- 5.19 South Street is located to the far western end of the town centre, forming a continuation from High Street: Western End, discussed above. It performs the role of a secondary retail frontage with some of the lowest footfall counts in the town centre, along with Upper High Street, discussed below. This part of the town centre offers the strongest concentration of eating and drinking destinations in the form of restaurants and public houses rather than fast food take-aways. Restaurants include Pizza Express, Epsom Thai, Symonds Public House, Nosh Café, Cinnamon Spice Indian, and Epsom Balti House.
- 5.20 The street also offers a small range of quality specialist retailers including Purrfect Pets, Party Express, Sam Ross Hair, J Décor Interior Decoration, and a recently opened homewares shop The Living Room. South Street performs a niche retail and service role in the town centre offering good

quality eating and drinking destinations and specialist shops. This should be protected over the forthcoming LDF period from the potential infiltration of fast food take-aways (Use Class A5) and the promotion of A3 and A4 uses, and specialist A1 independent retailers/high quality multiple retailers that add interest to the town centre retail mix.

#### *High Street: Eastern End*

- 5.21 The eastern end of High Street is located between the junction with Waterloo Road and East Street/Church Street. This stretch also has some of the highest footfall levels in the town centre alongside High Street: Western End, albeit marginally lower than the Ashley Centre. The retail units offer a format more conducive to mainstream high street retailers than those found in the western end discussed above. They are of a reasonable scale with a consistent frontage, and in large have attractive fascias on attractive historic buildings on the upper two floors above ground level. The shop fascias are, however, more modern and 'clone' detracting from the quality of the buildings at the higher levels.
- 5.22 Units are occupied by a range of comparison and service businesses although few from the clothing and footwear category which are found instead in the Ashley Shopping Centre. Fashion retailing is weak and includes JD Sports, Bon Marche, Millets, QS Clothing, and Fat Face. Other comparison retailers include Oxfam charity shop, Savers health and beauty, Robert Dyas DIY, Sony Centre home entertainment, Zig Zag gifts and jewellery, British Bookshops Sussex Stationers and Pullingers art shop. Service providers include Specsavers, Thomson travel agent, Greggs Bakers, Abbey bank, Lloyds TSB bank, Leeds Building Society. Our assessment has identified that only 6 out of c.51 units are occupied by clothing/footwear retailers including JD Sports, Fat Face, QS Clothing, Clearout Clothing, Millets outdoor leisure wear and Bon Marche. Approximately 67% of units are A1, 18% are A2 and 10% are A3; there are very few A4 and A5 uses.
- 5.23 This central part of the town centre was once the key focus for retailing in Epsom town centre, but in recent years the shift of retail provision has focused more on the western end and the Ashley Shopping Centre. Unit configuration is suitable for high street multiple retailers on this eastern stretch but is instead increasingly being occupied by service businesses, charity shops, and discount / low end retailers. Woolworths has recently closed down leaving a large unit vacant and we understand that Boots has left this eastern stretch in recent months in favour of new premises in the western section. Both closures are likely to have implications on footfall and the overall health of this part of the town centre. There are no alternative major anchor retailers to underpin the overall attraction.
- 5.24 The physical environment is not conducive to pedestrian movement and pedestrian circuits around the centre, largely constrained by heavy traffic and a dominant central reservation barrier along the full length of High Street. There are three pedestrian crossing points on this stretch of the High Street, but the barriers to circulation are evident.

- 5.25 Spread Eagle walk is located at the western end on the junction of High Street and Ashley Road. It is a small, attractive retail arcade with seven units occupied by Argos, the Chicago Rock Café bar/restaurant, Lester Bowden clothing split between two units, one shoe repair shop and one childrens' shoe shop. The Comrades Social Club is located to the rear. The Lester Bowden clothes shop is a prominent, well known gentleman's outfitter with historic links to Epsom town centre, and the retailers strengthens/reflects Epsom's connections to the nearby racecourse, and contributes to its market town image.

### *Upper High Street*

- 5.26 Upper High Street runs from the junction with East Street/Church Street to the eastern edge of the town centre. Buildings are smaller in scale although historic and interesting in character offering a largely consistent frontage. Shop fascias and building maintenance are, however, largely poor in quality which detracts from the overall quality of the environment. This part of the town centre has the lowest pedestrian footfall (Plan 7) although the number of vacant units remains low. We understand there is a proposed extension to the town centre Conservation Area which includes a large proportion of Upper High Street.
- 5.27 This stretch of shopping frontage offers a range of quality and interesting specialist independent retailers including Cook in Thyme (kitchen supplies), Tech Guys (computer equipment), The Epsom Carpet and Rug Centre, Dreams Can Come True (hobby shop), Action Bikes (bike and cycle repairs), Sandford & Fletcher Butcher, two high-end hi-fi shops, a dolls/dolls house collectors shop, the Games Workshop and Epsom Carpet and Rug Centre. The town centre Odeon is located on the southern side in a modern building but is more of an evening activity.
- 5.28 There is also a small new/refurbished Co-Op foodstore providing for top-up shopping trips. This appears popular for the immediate residential catchment area. Retail services such as beauty and hair salons, travel agents, and Indian/Chinese restaurants are also represented here. There are also at least 4-5 fast food take-aways (Use Class A5) in this part of the town centre, and any further growth could undermine the vibrancy of this area and overall shopper attraction. Like South Street, this area should be protected over the forthcoming LDF period from the potential infiltration of fast food take-aways (Use Class A5) which would lead to certain decline in vitality and viability. Policy should reject further A5 uses, and encourage a higher quality and mix of A3/A4 and specialist A1 independent retailers/high quality multiple retailers that add interest to the town centre retail mix.
- 5.29 We consider this stretch of the town centre offers a good mix of specialist retailers in a more secondary part of the shopping centre. The pedestrian barriers from the Church Street/East junction prevent visitors and shoppers continuing their journey along Upper High Street, whereas in a better linked and integrated scenario shoppers would be encouraged to continue to browse in this area. The mix of retailing is strong in this part of town, although the busy road junction deters shoppers from making the journey, and the barriers do not assist in the overall attraction of the area.

### *The Ebbisham Centre/Derby Square*

- 5.30 The Ebbisham Centre opened in May 2001 following joint collaboration between the County and Borough to bring a number of related facilities together and to re-energise part of Epsom town centre. The scheme, which followed a £16m investment, incorporates a library and learning centre, GP surgery, lifestyle health centre, centre café and performing arts studio and meeting facilities.
- 5.31 The development can be accessed from High Street: Eastern End between QS Clothing and Clearout Clothing, and the entrance is located in a square/piazza which also offers a range of eating and drinking destinations. These include Nando's, The Slug & Lettuce, Il Ponte Pizza Restaurant, Jimmy Spices and a tapas bar, a Thai and an Indian restaurant. This area provides a great variety of restaurants for visitors to Epsom Town Centre.
- 5.32 Derby Square is somewhat hidden from the prime retail area but has the benefit of being a pedestrian space away from the impact of the traffic, which could also provide a performance space if managed appropriately. The QS Clothing unit and vacant Woolworths unit form a barrier between High Street and the piazza. The 'cut through' is reasonably wide, but the built environment and maintenance is tired with evidence of graffiti and old paint work. There is an opportunity to enhance this relationship and open up the scheme to create a great pull for visitors and shoppers. In particular, the vacant Woolworths unit and QS clothing unit could form an attractive new double fronted scheme in order to attract higher quality retailers whilst encouraging footfall to the Ebbisham Centre and adjoining leisure offer.

### *Waterloo Road North*

- 5.33 Waterloo Road North comprises a small retail parade of lower order shops, located to the north of Epsom railway station and the railway line. It is physically separated from the prime shopping area but located within the Primary Shopping Area boundary. The units are on one side of the road with the exception of one car hire business, and the units are low density, ground-floor premises with office or residential uses above. On the day of the site visit we noted light but consistent pedestrian activity in the vicinity. There are 17 retail units including three takeaways, one dry cleaner's, a picture framing shop and four convenience stores. There is also a dental practice, a car hire service, some specialist comparison units and a large Carpet World store.
- 5.34 The row of shops performs as a self-contained retail destination, largely offering goods for a tight walk-in catchment area. There is unlikely to be significant linked trips between the main town centre and Waterloo Road North, and it therefore performs a largely self-contained role. It may therefore be appropriate through policy to consider it as a separate district or local centre. In this way, policy could more proactively protect the parade and range of goods, whilst consolidating the boundary of Epsom town centre.

## Accessibility

- 5.35 Epsom is located along the A24, a direct radial route from central London that provides convenient access to the M25. The town is well integrated into the sub-regional road network, which has associated problems of high traffic levels and in the absence of an effective by-pass vehicular traffic passes directly through the primary shopping area. The three main road junctions at the western, central and eastern end of High Street are constantly busy with traffic and multiple pedestrian crossing points.
- 5.36 Epsom town centre is well served by public transport. There is a frequent rail service to London from Epsom railway station, serving Waterloo, Victoria and London Bridge. The railway provides direct linkages with towns including Croydon, Dorking, Guildford, Horsham, Leatherhead and Wimbledon. This can be positive enabling visitors ease of arrival, but also detrimental offering shoppers the choice of good accessibility to competing shopping destinations. There are numerous bus routes serving Epsom, some operated by Surrey County Council, and others under contract to London Buses (a TfL subsidiary), with good links to Sutton, Kingston and West Croydon. It is also relevant to note the significant population within walking/cycling distance of the town centre.
- 5.37 The main town centre car park, which appears to be used most frequently by shoppers, is the multi-storey car park in the Ashley Shopping Centre (c.800 spaces). This assists in concentrating footfall in the western part of the town centre and given the barrier of the busy road network also discourages shoppers to walk further a field eastwards. There is also an NCP car park with 85 spaces located behind TK Maxx and accessed via Station Road, again concentrating shoppers in the western end of the town centre.
- 5.38 The Ebbisham Centre car park provides 132 parking spaces in a more central location, whilst the large surface level Council car park provides c.190 spaces on Upper High Street. This appears to be less well used with plenty of capacity during each site visit. It would seem important, however, to retain parking in this vicinity to assist and encourage pedestrian footfall in the eastern part of the town centre. A further 230 spaces (approx.) are access via Depot Road which also links through to the Upper High Street car park. This equates to c.420 parking spaces in the eastern part of the town centre. The multi-storey car park on Hook Road caters for c.600 vehicles, and the car park at the Town Hall provides for a further 80 (approx.).
- 5.39 Overall, Epsom has good accessibility via a choice of mode of transport, and whilst traffic is heavy we have not recorded heavy congestion and stand-still traffic queues within the primary shopping area. Shopper responses are discussed further below, but it is clear that car park usage varies significantly, and Epsom suffers from generally negative perceptions in respect of parking, pricing and availability. We would recommend the forthcoming AAP is accompanied by a detailed parking strategy reviewing existing provision, costs/revenue, availability, users, perceptions, signage and directions, also providing recommendations on an appropriate parking strategy moving forwards.

## Out-of-Centre Retail Provision

- 5.40 In terms of retail warehousing, the 2000 Local Plan identifies three retail warehouses in the Borough: two situated off Kiln Lane, Epsom, and one situated on the Ewell by-pass. This provision has not changed since.
- 5.41 Kiln Lane is located approximately one kilometre north east of the town centre, next to the Longmead Industrial Estate. It accommodates Wickes (3,150 sq m gross) and Halfords (930 sq m gross) as well as a large Sainsbury's store (8,856 sq m gross). These three large retail units overlook a large surface car park (839 spaces) which was near capacity on the day of the site visit.
- 5.42 The out-of-centre unit on the Ewell by-pass is occupied by Homebase. Closer to Epsom town centre are a Staples superstore (1,260 sq m gross) and a Majestic Wine warehouse (280 sq m gross) adjacent to each other accessed from East Street. The Staples/Majestic Wine site is just beyond the Primary Shopping Area, on the edge of an 'Opportunity Area'.

## Customer Views and Behaviour

- 5.43 An in-centre shopper survey was not undertaken as part of this study, but we did probe customer views and behaviour through the household telephone survey, adding a number of qualitative questions. We set out the key conclusions from responses from Zones 1-12 below.
- 5.44 When asked if they ever visit Epsom for their non-food shopping, over half of respondents in Zone 1-12 (52.6%) said they did. Within Zone 1, the figure was considerably higher at 95%. When Zone 1-12 were asked how often, 6% said 2-3 times a week, 16% said 1 day a week, 13.6% said once a fortnight, and 20.8% said once a month. We would consider these to be reasonably regular visitation levels for a centre of Epsom's scale and retail offer. Within Zone 1, the frequency of trip was greater as you would expect.
- 5.45 When asked what would make them visit Epsom more often for non-food goods, 29.5% stated a better variety of shops. In Zone 1, this figure was considerably larger at 40%. Within Zone 1-12, respondents also stated that they'd like to see cheaper and easier parking facilities (6.9%). When asked why respondents don't ever visit Epsom, 48.9% stated that it was too inconvenient in terms of trip length. Other reasons included parking difficulties (9.4%), lack of non-food stores (6.7%) and lack of foodstores (3.1%). Only 6 people in Zone 1 never visit Epsom town centre.
- 5.46 Customer perceptions have highlighted a number of 'likes' in relation to the town centre including the range of non-food shops (15.7%); the town being close to home (11.2%); a good range of food shops (7.5%); a safe environment (6.5%); convenient parking facilities (5.1%), and in-door shopping facilities (3.4%). The proportion of people stating 'likes' in Zone 1 were greater, demonstrating their familiarity and loyalty to the town centre; i.e. 24% liked the range of non-food shops, 13% liked the

range of food shops, 10% considered it to be a safe environment, and 7% liked the range of eating and drinking establishments. In Zone 1, 37% stated they liked the fact that the town centre is close to their home/place of work.

- 5.47 The survey results identified the low usage of the town centre in the evenings, with 69.3% of respondents in Zone 1-12 stating that they never visit Epsom town centre. The figure remains high in Core Zone 1 with 45% never visiting the town centre. Within Zone 1, 10% visit once a week, 10% visit once a fortnight, 16% visit once a month, 7% visit once every two months, and 6% visit 3-4 times a year. We have analysed where the catchment population are visiting for restaurants, bars/nightclubs, and the cinema, and we set our findings out below.
- 5.48 In terms of restaurants, Zone 1-12 residents are visiting Kingston (11.1%), Sutton (8.2%), Epsom (7.7%), London (6.2%), Esher (3.8%), and Surbiton (3.5%). In Zone 1, residents are mainly visiting Epsom (38%), Kingston (5%), London (6%) and Ewell (4%). The objective would seem to be to enhance restaurant provision in Epsom to prevent the leakage of such trade from Zone 1, and to encourage a greater frequency of such visit to the town centre.
- 5.49 In terms of bars/nightclubs, 66.1% stated that they don't do this activity, whilst those that do generally visit Kingston (10%), London (4.7%), Sutton (4.4%) and Epsom (2.3%). In Zone 1, 62% don't do this activity, and those that do generally visit Epsom (12%), Kingston (10%), London (5%), and Sutton (2%). The Council would need to make a policy decision about the development of such provision in Epsom town centre which can bring with it associated anti-social behaviour. It is clear, however, that there is some provision in Epsom which appears to be the most popular choice in Zone 1 compared to competing destinations.
- 5.50 The Odeon cinema on Upper High Street in Epsom appears to be the most popular cinema within Zones 1-12, with 21.5% stating this is where they go most often. Other strong responses in Zones 1-12 include Kingston (14.5%), Sutton (11.5%) and Esher (7.1%). Within Zone 1, 56% of respondents visit Epsom most often for cinema trips, with 27% stating that they don't do this activity. Very few people within Zone 1 choose an alternative cinema to the Odeon in the town centre.
- 5.51 Survey work aimed to identify usage of Epsom Race Course and any relationship with the town centre through linked trips. Respondents in Zone 1-12 were asked how often they visit Epsom for horse racing. Within Zones 1-12 the responses were lower with 4.1% visiting 3-4 times a year, 13.8% visiting once a year and 6% visiting less often. Within Zone 1 responses were marginally higher, with 12% visiting 3-4 times a year, 23% visiting once a year and 9% visiting less often.
- 5.52 The potential to enhance the relationship between the race course and Epsom town centre is clear; 15.3% also visit the town centre when visiting the race course, with c.60% of these people taking advantage of the eating/drinking offer. Within Zone 1, 30.4% visit the town centre the same day as visiting the race course, with 64.3% visiting bars and 42.9% visiting restaurants. There are, however,

only 14 race days per year, although the new conference centre and hotel could create opportunities in the future.

## **FEEDBACK Citizen's Panel Survey**

5.53 Epsom and Ewell Council recently commissioned a FEEDBACK Citizen's Panel Survey which was published in 2008. The survey was designed to investigate the public perception of the following issues:

- Epsom town centre
- Food hygiene advice
- Town hall and Bourne Hall reception areas
- Customer services
- Crime, and
- Waste services.

5.54 The survey findings revealed that just over two thirds of respondents (63.8%) visit Epsom town centre at least once a week. The main reason for visiting Epsom was to visit the town's leisure facilities (41.1% of respondents come to use such services as the cinema, restaurants, cafés, pubs and the theatre); 29.9% of respondents come to the town centre primarily for shopping purposes, and a further 12.2% of respondents mainly come to visit the market.

5.55 The majority of respondents visit the town during the morning (43.5%), and only 18.1% of people mainly visit the centre in the evenings. Of those people for whom Epsom is not their main choice for shopping, 53.7% cite prefer Kingston-upon-Thames, and 14.2% choose Sutton. When asked what would make Epsom town centre a better destination most people (27.3%) answered "an improved range of shops". The next most popular answer with 11.6% of responses was the improvement of policing and security in the centre. Only 4.6% of people mentioned Epsom improving it's range of bars and restaurants.

5.56 The Citizens Panel Survey revealed that most people (46.6%) travel to Epsom town centre by car, while 28.1% of people walk to the centre and 14.9% take the bus. When people were asked if the pedestrian facilities could be improved, on a scale where -1 is "no" and +1 is "yes" the mean response from 919 respondents was +0.07 which indicates that on average people are marginally in favour of improving the pedestrian facilities in Epsom. In terms of cycling facilities however, public opinion was more strongly in favour of improving facilities as the mean response was +0.21.

## Business Views

- 5.57 In consultation with Epsom & Ewell Council, we commissioned a local business survey as part of our evidence gathering exercise. Our chosen research and marketing company, NEMS, targeted 70 different business operators in Epsom town centre via a telephone survey from a range of retail and services categories and from both independent and multiple retailers. It was important to ensure that the survey sample represented the broadest spectrum of retailers and service operators in the town centre. Issues ranged from trading circumstances and future intentions, to levels of satisfaction, car parking and their opinions on the strengths/weaknesses and likes/dislikes of the town centre.
- 5.58 Retailer commitment to the town centre is evident with the survey highlighting that 64.3% of businesses have traded in the town centre for more than 4 years, and 50% have traded for more than 10 years. This low turnover rate suggests a healthy town centre with businesses performing well, but also highlights the limited opportunity for new retailers to be represented in the town centre despite growing levels of retailer demand for space. This level of town centre commitment appears to be largely a consequence of businesses (81.4%) being satisfied that their unit meets their current needs. Thirteen retailers were not satisfied largely due to the location in relation to the prime retail pitch. Ten out of seventy retailers stated that their unit is too small.
- 5.59 Businesses were asked what their future plans were for their Epsom store, and 70% stated expansion, relocation or continuation which suggests a positive commitment for the future. When asked to compare their trading performance with their regional company average 26.8% stated they were trading at the same level, whilst 19.6% stated they traded above their company regional average; 19.6% refused to answer.
- 5.60 There does appear to be some vulnerability, however, with 6 businesses planning to contract or close, and 8 stating that they did not know what their future plans were (total 14 businesses). Businesses were also asked how they traded compared to their company's regional average, and 33.9% (19 respondents) stated that their turnover was below average. The results therefore demonstrate that 14 businesses were unsure about their future representation in Epsom town centre and 19 traded below their company's regional average. This suggests the closure of a number of businesses in the near future, although we cannot be certain.
- 5.61 Business opinions vary considerably when asked about the accessibility of Epsom Town Centre, with 30% viewing it as bad or very bad; 32.9% stating neither good nor bad; and 35.7% stating good or very good. This perhaps reflects the perceptions of heavy traffic congestion and the reality of accessibility by a choice of mode of transport and ease of access. Businesses had a greater consensus in respect of the environment with 84.3% stating it was ok, good or very good.
- 5.62 Again, businesses had mixed opinions when commenting on the strengths and weaknesses of the retail offer in Epsom Town Centre in particular. In terms of strengths, responses cited included niche
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retailers (2.9%), range of clothing and footwear retailers (22.9%), mix of goods (12.9%), range of foodstores (4.3%) and good service provision (2.9%). Weaknesses identified included lack of clothing stores (7.1%), poor mix of goods type (52.9%), poor range of multiple retailers (12.9%) and a poor service provision such as banks/hairdressers (5.7%). Epsom is clearly performing its role as a second tier centre but there are evident areas for enhancement and retail improvement in order to consolidate its role encouraged in policy.

- 5.63 The provision of evening entertainment and daytime eating/drinking was generally rated highly by local businesses, with 48.6% stating that evening eating/drinking provision was good or very good and 21.4% stating neither good nor bad. 60% of businesses stated that daytime eating/drinking provision was either good or very good and 17.1% stating it was neither good nor bad. The survey also asked businesses whether Epsom should be aiming to compete with the higher order centres such as Kingston and Croydon, or carving itself its own niche and complementary offer; 65.7% stated it should be carving its own niche, which is a positive outlook for the role of the centre in accordance with the envisaged polycentric network of centres as set out in policy.
- 5.64 More generally, businesses were asked to note their likes and dislikes about the town centre. The majority of businesses liked the historic buildings and character of Epsom (41.4%) whilst 28.6% stated the size and compactness of the centre as a positive aspect; and 7.1% liked the environment and landscaping. The range of 'dislikes' was quite varied, with 37.1% stating the cost, availability and accessibility of car parking, 8.6% stating crime and anti-social behaviour, 27.1% commenting again on the limited range of national multiple retailers and poor mix of retailers; 7.1% highlighting poor street cleaning, and 5.7% stating poor traffic flow.
- 5.65 When asked what could be improved in the town centre, c.70% make comments in respect of car parking and traffic, including cheaper car parking (27.1%), more car parking (28.6%), and better traffic system (15.7%). Other areas for improvement included better pedestrianised areas (8.6%), improved cleanliness (5.7%), better range of retailers (14.3%), more upmarket shops (4.3%), and more policing/better security (2.9%).
- 5.66 When asked what businesses thought were the main issues facing Epsom town centre, at least 90% mentioned car parking and traffic problems, including insufficient car parking availability (40%), the need to improve traffic calming (30%) and enhancement of the pedestrian environment (18.6%). These are large percentages suggesting strong views and consensus on key issues. The second major area for concern relates to the retail offer and growing competition from other centres, with 7.1% stating out of centre competition, 17.1% stating the limited range of national multiple retailers and 8.6% stating competing centres.
- 5.67 Overall, the business survey demonstrates an overall long term commitment to the town centre and low business turnover; but this also suggests an inability to enhance the retail mix on the basis that there is no supply to meet the demand in respect of premises. Nevertheless, it would appear that 14-

19 businesses are unsure of their future trading position in Epsom although the growing demand for space is likely to fill any voids arising depending on the size and format of unit left vacant.

- 5.68 Businesses are generally opposed to major physical expansion and instead support the consolidation of its existing role and the enhancement of a more specialist and niche role to develop a differentiated retail offer to higher order competing centres, together with an improved representation from higher quality national multiple retailers. Car parking availability, traffic calming measures and the pedestrian environment are identified as key issues facing Epsom town centre over the forthcoming LDF period.

### **Shopper Catchment Profile**

- 5.69 In order to develop a future town centre strategy for Epsom Town Centre it is crucial to understand the shopper catchment profile in terms of the social/economic mix. Drawing on the Experian Business Strategies database we have compared with social grade profile for Epsom, within a 0-15 minute drive time, against the national average. This gives an indication of the type and mix of supply in terms of retail and leisure offer required to meet the type of demand arising within the catchment area, based largely on their disposable income. Occupational group is broken down into the following categories:

- AB - Middle/Upper Middle Class: Managerial, administrative, professional;
- C1 - Lower Middle Class: Supervisory or clerical, junior managerial, administrative or professional;
- C2 - Skilled Working Class: Skilled Manual Workers;
- D/E - On state-benefit, unemployed, casual or lowest grade workers.

- 5.70 Table 5.1 below outlines the findings of this comparison. It is clear that Epsom has a strong representation of those from the professional and higher income groups with the AB and C1 category being well above national average. Likewise, there is a low proportion from the lower grade categories when compared to the national average. This suggests that the disposable income levels in Epsom's catchment area are high compared to the national average and there are clear opportunities for the town centre to consolidate it's offer to meet the demand arising from the local catchment population. This is consistent with the findings of the CACI 2007 report.

- 5.71 In particular, the catchment is more likely to support higher quality and specialist/niche retailers in Epsom town centre which would help achieve the objectives of a 'differentiated retail offer' to the more mainstream higher order competing shopping centres. This could comprise a range of national multiples and high quality specialist independent retailers. The appeal of Epsom to these retailers is

likely to stem from the quality of the environment in the first instance to stimulate the demand, and the representation of one or two retailers will stimulate further demand.

**Table 5.1: Shopper Profile Comparison with National Average 0-15 Minute Drive Time from Epsom**

	A/B	C1	C2	D/E
Epsom Catchment Social Grade Profile	31	36	11	22
National Average Social Grade Profile	22	29	15	33

Source: Experian Business Strategies February 2009

## Offices

- 5.72 An employment land review was published in April 2006 which forms part of the evidence base informing the local development documents within the Local Development Framework. The study investigates the use and supply of land within the Borough of Epsom & Ewell for employment purposes over the first ten years of the plan period. For the purposes of this Retail Study, we have undertaken a broad review of office use in Epsom town centre and highlight the key conclusions arising from the Employment Land Study with the aim of focusing on the town centre rather than the whole borough.
- 5.73 Office uses in the primary shopping area are reasonably limited and small in scale, generally being found in edge of centre locations or above shop units. It is evident from our review and the Employment Land Study that the majority of current employment land is located outside the primary shopping area but within the town centre, as well as within the Longmead & Nonsuch industrial estates. Almost half of the Borough's jobs are provided by the 34 biggest employers (100+), employing a total of 11,700 people.
- 5.74 Hospitals and schools across the borough employ about 3,800 people, whilst the five largest retailers in the borough, including Sainsbury's, House of Fraser, Marks & Spencer, Homebase and Waitrose employ about 1,200. The largest supplier of office based, professional employment is Atkins, with their headquarters in Epsom town centre providing about 1,800 jobs. Epsom & Ewell Borough Council are located on The Parade within a short walking distance of the town centre. Royal Mail and Hewitt Bacon & Woodrow are both located on East Street and both employing between 500-1,000 people.
- 5.75 It is clear that small scale office space comprises older buildings converted to offices, rather than purpose built major office developments, and are interspersed with retail units. Only 4% of the office stock in the borough has been built since 1991, and from our observations this would appear to be consistent within the town centre. It is unlikely that the identified potential town centre development

opportunity sites would be suitable for employment uses, although we would not rule this out on the upper floors. Residential accommodation is likely to drive the required end values.

- 5.76 The employment study highlights that there have been a number of losses of employment land from sustainable sites. Church Street, for example, which is located in the Town Centre, has lost offices (Hope Lodge and Capitol House) to residential developments, while office space has also been lost from Upper High Street to make way for retail proposals. The employment study concludes that the borough has a limited supply of employment space with relatively little scope for large scale additional land supply, and a cautious approach should therefore be taken to losses of employment land. Within the primary shopping area there is limited office accommodation but a greater scale of provision on the outskirts. Employment numbers contribute to the vitality and viability of the retail centre.

## Strengths/Weaknesses

- 5.77 Drawing on the health check analysis set out in this section we summarise in Table 5.2 the key strengths and weaknesses which demonstrate the opportunities and threats to Epsom over the forthcoming LDF period.

**Table 5.2: SWOT Analysis: Vitality and Viability of Epsom Town Centre**

Strengths/Opportunities	Weaknesses/Threats
<ul style="list-style-type: none"> <li>○ Proportion of comparison retailers is marginally above the national average; Proportion of vacant units is below the national average; Proportion of leisure and financial services is above the national average;</li> <li>○ Rents have remained static since 2003 (£1,238 per sq m net) / Yields have fallen from 5.25% in 2004, to 4.5% in 2008;</li> <li>○ Retail requirements for space have steadily increased from a national rank position of 132<sup>nd</sup> in 2002 to 61<sup>st</sup> in 2007. This equates to a rise from 51 retailers to 84 looking for new premises;</li> <li>○ The mix of retailers with a requirement for the town centre is reasonably limited but does include a number of multiples that could consolidate the town centre's performance and market share, and encourage other higher quality retailers to follow;</li> <li>○ Multiple retailers comprise 70% of the comparison shopping offer and includes a reasonable mix of low-mid range and high street retailers;</li> <li>○ A good selection of anchor retailers including House of Fraser, Waitrose, M&amp;S;</li> </ul>	<ul style="list-style-type: none"> <li>○ Retail rank position (Javelin) has declined from 176<sup>th</sup> in 2005, to 188<sup>th</sup> in 2006 and again to 191<sup>st</sup> in 2007;</li> <li>○ Proportion of units and proportion of convenience goods floorspace is below the national average;</li> <li>○ Epsom is performing well in terms of the growing number of requirements for retail space, although vacancy rates are low and the space to accommodate them, and encourage others, is unavailable – hence it's decline in the javelin rankings;</li> <li>○ The Ashley Centre has provided a strong anchor in the town centre, but this has seen footfall decrease on High Street, particularly the eastern end. Woolworths and Boots have also recently left the eastern end which is likely to have further detrimental impacts on footfall;</li> <li>○ Heavy traffic restricts pedestrian movement around the centre, and the large central reservation along High Street creates a physical barrier;</li> <li>○ Three heavily trafficked road junctions restrict ease of pedestrian movement between High Street western end, High Street eastern end and Upper High Street;</li> </ul>

<ul style="list-style-type: none"> <li>○ The large Woolworths unit on High Street: Eastern End has become vacant. The land owners are being encouraged to examine options to help improve the permeability of the site. Planned well, this site could attract quality higher order retailers and enhance linkages through to the Ebbisham Centre and eating/drinking piazza.</li> <li>○ South Street provides a good quality eating/drinking area and should be protected from infiltration by Use Class A5 fast food take aways;</li> <li>○ Good levels of accessibility with a choice of mode of transport;</li> <li>○ Relatively limited and long established out of centre retail provision. Provided planning controls further growth there is little risk to the performance of the town centre at this time;</li> <li>○ 29.5% of respondents to the household telephone survey stated they would visit Epsom more often if there was a better variety of shops; whilst 6.9% cited cheaper and easier parking;</li> <li>○ Customer perceptions have highlighted a number of 'like' in relation to the town centre including the range of non-food shops (15.7%), close to home (11.2%), good range of food shops (7.5%), safe environment (6.5%), convenient parking facilities (5.1%), indoor shopping (3.4%);</li> <li>○ The potential enhanced relationship between the race course and the town centre is clear from the telephone survey results. Already 15.3% also visit the town centre when visiting the race course, with c.60% using the eating/drinking offer;</li> <li>○ Businesses have demonstrated a long standing commitment to the town centre, and are generally opposed to major physical expansion and instead support the consolidation of the centre and a focus on higher quality, specialist and niche retailing;</li> <li>○ Social Class mix demonstrates a catchment area with a high disposable income and subsequent opportunities for Epsom to use this profile to attract higher quality retailers and meet the evident demand;</li> </ul>	<ul style="list-style-type: none"> <li>○ Upper High Street has a good range of specialist independent retailers occupying attractive historic buildings with character, although poor quality fascias detract from the overall environment and shopper perceptions;</li> <li>○ At present, Epsom has a 6.3% market share within Zone 1-12 of the survey area, and only a 26.4% market share within core Zone 1 of the survey area. The town centre faces strong competition for comparison goods trade, although should focus on consolidation rather than a step change to compete with higher order centres;</li> <li>○ Town centre foodstore's face strong competition from the out-of-centre Sainsbury's on Kiln Lane, which is currently trading well above company average levels. For main food shopping Sainsbury's accounts for 54.7% of convenience expenditure in Zone 1 compared to 6.3% for Waitrose and 3.2% for M&amp;S;</li> <li>○ Considerable leakage of bulky comparison goods expenditure beyond the Borough boundary;</li> <li>○ 9.4% of respondents to the household telephone survey stated that they never visit Epsom because it is too difficult to park, whilst 6.7% were deterred from visiting due to the lack of non-food stores;</li> <li>○ Usage of the town centre in the evenings is low. 69.3% of respondents within Zone 1-12 never visit the town centre in the evenings, and the figure remains high in core Zone 1 - 45%.</li> </ul>
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Source: GVA Grimley Epsom Town Centre Health Check 2009

## Summary

- Epsom appears to be a generally healthy town centre performing adequately in a number of key areas. The town centre's role and function appears to meet the expectations in the RSS and Structure Plan as a second tier centre below regional centres such as Kingston and Guildford,

but there are clear signs pointing to areas for improvement and consolidation over the LDF period to prevent the centre from slipping into a lower order 'clone' town.

- At the current time the centre has a strong representation of comparison goods retailers and leisure and service businesses; it has improved its position in the national retailer demand rankings; Prime Zone A rents have remained static in recent years, retail yields have improved, and vacancy rates are low.
- Epsom has, however, fallen in the Javelin rankings reflecting the failure to improve the range and mix of higher order retailing compared to other centres of a similar scale in the UK. The retail offer comprises a high number of mid offer multiple retailers, but the representation from higher quality multiples and niche/specialist and independent retailers is weak and does not seem to be improving. Indeed, High Street eastern end has lost two key anchors, Woolworths and Boots, and gained a number of charity shops.
- The Social Grade mix demonstrates a wealthy catchment area with a high disposable income, and the challenge over the LDF period will be to develop the town centre's retail and leisure offer to enhance it's quality and capture the strong proportion of available expenditure within the 15 minute drive time catchment area. This is consistent with the CACI 2007 report.
- The greatest threat to Epsom isn't necessarily the larger centres which will continue to trade at a higher level, but rather the decline of it's own retail offer and the consequent influx of fast food take aways and charity shops, for example. The focus of multiple retailing is on the Ashley Centre at the current time, whilst High Street eastern end is losing such retailers in favour of lower order shops. Given the catchment area and built environment on High Street (eastern end) this stretch should be in a good position to attract the higher quality niche retailers.
- Incremental and longer terms solutions to the quality of the physical and pedestrian environment will be crucial to attract the higher order retailers and service businesses. The future of the Woolworths unit will be an important catalyst to change in this part of the town centre. Overcoming traffic congestion and encouraging ease of pedestrian movement throughout the town centre should form a crucial element of the forthcoming Area Action Plan.

## 6. CAPACITY PROJECTIONS

- 6.1 In this section we estimate the current performance of Epsom Town Centre and the limited out-of-centre retail provision, as the basis for forecasting the need for additional retail floorspace to the period 2026, incorporating interim years of 2013, 2018 and 2026. The capacity tables accompanying this assessment are attached in Appendix 4 and 5.
- 6.2 We have used a conventional and widely accepted step-by-step methodology, consistent with best practice, which draws upon the results of the household telephone survey of existing shopping patterns to model the existing flow of available expenditure to Epsom town centre and out of centre retail provision. In order to develop the baseline position, we have:
- Calculated the total amount of convenience and comparison goods expenditure which is available within the postcode areas comprising the Epsom catchment area;
  - Allocated the available expenditure to the convenience and comparison goods shopping destinations, on the basis of the household telephone survey of shopping patterns, so as to provide estimates on current sales and forecasts of future sales;
  - Compared the total expenditure attracted to each shopping destination with current retail floorspace to assess sales densities in each shopping destination.
- 6.3 Building on the baseline position, we have explored the capacity for further convenience and comparison goods retail floorspace within the town centre.

### Data Inputs

#### Survey Area and Household Survey

- 6.4 In order to provide detailed factual information on shopping patterns in the town, we commissioned a new household telephone survey covering 1,000 households. GVA Grimley designed the survey questionnaire in consultation with Epsom & Ewell Borough Council and NEMs market research company – who undertook interviewing and data processing. The survey area is shown on Plan 1.
- 6.5 The survey results identify shopping habits of households for both convenience and comparison goods. Where necessary, the survey results have been re-based to remove certain responses, such as 'internet/mail order shopping', to ensure consistency with categories excluded in the expenditure projections. For convenience goods, the household telephone survey included questions on main food and top-up food shopping. The results of the two types of food expenditure were then merged

through the application of a weight, which reflects the estimated proportion of expenditure accounted for by each type.

6.6 For food we use a 75%/25% top-up food weighting. This forms a composite pattern of convenience spending, expressed as a market share for each destination centre or foodstore, for each survey zone. The survey also includes seven questions on specific comparison goods types, which coincide with Experian Business Strategies definitions of comparison goods expenditure. The retail and needs modelling exercise uses the weighted averages of the household survey responses for each goods type based on the proportion of per capita spend on that goods type. This process establishes the pattern of spending for residents of each zone in terms of the following types of goods:

- Clothing and footwear;
- Furniture, floor coverings and household textiles;
- DIY and decorating supplies;
- Domestic and small electrical appliances (TV, hi-fi, radio etc.);
- Personal goods (jewellery, glassware, books, stationery, gardening and pet related products);
- Recreational & sporting goods.

### Estimates of Population in the Survey Area

6.7 Population estimates and forecasts were prepared from the Experian E-marketer in-house system. This provides estimates of population based on trend-line projections and the 2001 census for small, localised areas. Overall, the population of the survey area within Zones 1-12 is currently 454,197. It is forecast to grow to 468,306 by 2013, 482,322 by 2018 and finally to 506,135 by 2026 (Table 1, Appendix 4). Overall, population is forecast to grow by 11.4% between 2008 and 2026 within the whole survey area.

### Available Expenditure in the Survey Area

6.8 The Experian E-Marketer System provides estimates of the per capita expenditure for convenience and comparison goods in 2007 prices. We have made deductions for special forms of trading (SFT) which represents expenditure not available to spend in the shops, i.e. Internet and catalogue shopping. We have applied individual per capita expenditure figures across each survey zone to provide a more detailed understanding of available expenditure in different parts of the catchment area.

- 6.9 As explained in detail in Section 3, we now use growth rates for comparison goods of 3.7% for the period 2007-2008; 0.5% for the period 2008-2013; 2.2% from 2013-2016; and the recovery at 3.7% from 2016 onwards. For convenience goods we now use growth rates of 0.3% for the period 2007-2008; 0.2% for the period 2008-2016; and recovery at 0.3% from 2016 onwards. These indicate that more growth will take place on comparison goods as opposed to convenience goods; the scope to purchase more food is more limited than the scope to purchase non-food goods.
- 6.10 These figures reflect the slowdown in the economy and have been adjusted accordingly from higher levels twelve months ago. In February 2009 Experian Business Strategies released a supplementary note to their October 2008 annual economic and projections report. In it they state:-

*“The extremely rapid deterioration in the UK’s economic performance during the final months of 2008 has changed the estimated out-turn for 2008. More significantly, the near- and medium – term outlook for key aspects of the economy has darkened appreciably since we report in October.*

*The detailed consumer spending forecasts used in the October document were based on figure available before the eruption of the major financial crisis in September, the collapse of consumer and business confidence and the sharp decline in the global economy.*

*Since that forecast, there have been dramatic changes in the UK’s performance.*

*The new forecast incorporates the substantial decline in GDP in the second half of 2008; the sharp increase in unemployment in recent months; gloomy survey evidence that has emerged in 2009; fiscal measures adopted in an attempt to shore up the economy and the steep decline in Bank rate in the past few months.”*

*Experian Business Strategies, February 2009*

- 6.11 The requirement to lower growth rates and incorporate lower expectations in respect of sales efficiency rates is crucial to ensure consistency with the reality of the economy. Such adjustments are necessary as demonstrated by the dismissal of a recent appeal by Tesco Stores Ltd in respect of out of centre proposals in Honiton, Devon (APP/U1105/A/08/2072491). The Inspector noted that no allowance had been made over the next 5 years for the current economic downturn, and considered it unlikely that growth in the town centre will return to the same level in 5 years time as it would have done if the downturn had not occurred. The Inspector concludes that the extent of need may have been overstated and that, consequently, the size of the proposal may be too large for Honiton’s position in the hierarchy of centres.
-

- 6.12 Taking these considerations into account, we have generated expenditure by zone to highlight variations across the survey area and grown them accordingly to 2013, 2018 and 2016, the required PPS6 5 year forecasting periods. Table 2, Appendix 4, applies per capita expenditure within each zone to population forecasts, which indicates that total available convenience goods expenditure within the survey area is currently £804m. This is forecast to grow to £820.2m by 2013, to £852m by 2018 and finally to £915.5m by 2026, equating to an overall growth of £111,519 (13.9%) between 2008 and 2026 (Table 3, Appendix 4).

### Floorspace Data

- 6.13 The comparison and convenience floorspace data used in our modelling, and verified by the Council, has been drawn from a range of data sources including the Institute of Grocery Distribution (IGD), the Epsom and Ewell Council, the Trevor Woods retail warehouse database and Experian Goad town centre category reports. Our floorspace assumptions for the foodstores include, where appropriate, an adjustment to identify the proportion of purely convenience goods floorspace. Most superstores include a proportion of non-food floorspace; we have adjusted the net floorspace to identify the proportion of sales space allocated for convenience goods. This accords with the expenditure data and the expenditure assumptions used.

### Convenience Goods Shopping Patterns

- 6.14 Key foodstore provision in the Borough includes the town centre Waitrose and M&S and an out of centre Sainsbury's foodstore. We have reviewed the shopping patterns of those residents living in Zones 1 and 2 to assess where people are undertaking their main food and top up food shopping trips.
- 6.15 The findings are illustrated in Appendix 3, and for main food shopping demonstrate that Zone 1 residents are using the out of centre Sainsbury's (54.7%), the Waitrose Epsom town centre (6.3%), the M&S Epsom town centre (3.2%), the Tesco at New Malden (5.3%) and Asda at Tadworth (14.7%). For main food shopping, Zone 2 shoppers are using the out of centre Sainsbury's in Epsom (10.3%), Waitrose (1%), M&S (1%), Tesco New Malden (13.4%), Sainsbury's North Cheam (29.9%) and Waitrose Worcester Park (10.3%).
- 6.16 For top up food shopping, Zone 1 residents are using the out of centre Sainsbury's (35.6%), Waitrose (10.3%), M&S (5.7%), other Epsom local stores (5.7%), and Asda Kingston (5.7%). Zone 2 residents are using the out of centre Sainsbury's (3.9%), M&S (5.3%), Waitrose (0%), other local stores in Epsom (3.9%). There is clearly some leakage of convenience goods trade to foodstore provision in adjoining Boroughs although this is likely to be a consequence of proximity and catchment areas, with residents in the outer areas of Zone 1 and 2 living closer to a foodstore in an adjoining authority. In policy and sustainability terms this pattern of travel is acceptable.

## Convenience Goods Capacity Projections

### Epsom Town Centre

- 6.17 Our methodology estimates the trade draw of Epsom Town Centre for convenience goods (Table 4, Appendix 4). This comprises an examination of the trade drawn to both the Waitrose and Marks & Spencer Simply Food in the Ashley shopping centre, as well as “other local stores in Epsom” which includes the Co-op stores and any butchers, grocers, bakers, convenience stores or newsagents. We estimate that the Waitrose store in the Ashley Centre currently has a convenience goods turnover of £10.1m and that the M&S currently turns over only £5.8m. We estimate that “other stores in Epsom town centre” have a combined turnover of £4.1m.
- 6.18 Based on a net convenience floorspace figure of 1,186 sq m we estimate that the Waitrose store has an average convenience goods sales density of £8,527 per sq m which is below the Waitrose company average sales density figure of £11,601 per sq m. The survey results suggest that M&S is trading at £6,489 per sq m which is significantly less than the company average sales density of £11,800 per sq m.
- 6.19 Both stores are likely to function as top up destinations and our analysis of shopping patterns discussed above suggests relatively low usage in both Zones 1 and 2. Nevertheless, it is often the case that the usage of smaller top up town centre stores can be somewhat underestimated in telephone surveys which do not pick up passers by, linked trip shoppers, local employees and ‘quick stop’ shopping trips etc. They appeared to be modern, popular and well used stores on the days of the site visits; they were busy and show signs of good trading levels. We are aware of an application for a major mixed use scheme including a Tesco superstore at the Tolworth MOD site, which could have implications on food shopping patterns in the future.

### Epsom Out-of-Centre

- 6.20 Our analysis of the household telephone survey has identified the trade draw and catchment area of the principal and out-of-centre foodstore in Epsom & Ewell: Sainsbury’s Kiln Lane. The Sainsbury’s foodstore in Kiln Lane is the largest foodstore in the Borough. We estimate the store currently has a turnover of approximately £62.8m, which is three times the turnover of Epsom town centre’s combined convenience provision.
- 6.21 Based on this turnover, and with a net convenience goods sales area of 3,983 sq m, we estimate the sales density of the store to be £15,755 per sq m net. This sales density is higher than Sainsbury’s company average sales density (£9,744 per sq m net), and indicates that the store is performing above company expectations. This is clearly the dominant foodstore in the Borough, and this performance has been taken into consideration when forecasting the need for additional floorspace.

## Convenience Goods Global Capacity

- 6.22 Based on population and expenditure growth, and the detailed performance analysis of existing floorspace, we believe there is no capacity to support further convenience goods floorspace in Epsom. We have assumed a 0% sales efficiency rate for existing floorspace. Our projections are summarised in Table 7, Appendix 4, which indicates that by 2013 there will be an identified residual expenditure of £15.5m, and this is set to grow to £18.9m by 2018 and £26.4m by 2026. It should be noted that projections beyond 2018 should be treated with caution given the fact that margins of error increase over longer time periods, and the economy is going through a significant period of change and the future is increasingly uncertain.
- 6.23 Based on the average sales densities of the major foodstore operators (£10,703 per sq m net) we forecast capacity for 1,448 sq m net by 2013, growing to 1,767 sq m net by 2018, and 2,466 sq m net by 2026. Based on the average sales densities of the discounter food retailers (£4,558 per sq m net) we estimate capacity for c.3,399 sq m by 2013, 4,149 sq m by 2018 and 5,791 sq m by 2026.

**Table 6.1: Projected Residual Expenditure and Capacity based on different format scenarios**

Year	2013	2018	2026
Residual Expenditure	£15.5m	£18.9m	£26.4m
Capacity Assuming Large Store Format (£10,703 per sq m)	1,448 sq m	1,767 sq m	2,466 sq m
Capacity Assuming Discounter Store Format (£4,558 per sq m)	3,399 sq m	4,149 sq m	5,791 sq m

- 6.24 The capacity figures cited above have not taken into consideration the commitment for retail development at 40-52 Upper High Street, an edge of centre site which received consent for 2,768 sq m in May 2004, but which expires in May 2009. We understand the applicant wishes to re-submit the application and receive a new consent prior to expiration this year, and if it does proceed either through development or a new consent with a 5 year time frame, this scheme would absorb 2,768 sq m of capacity identified within the 'large store format' figures above in Table 6.1. On this basis, there is a deficiency in capacity of -1,320 sq m net by 2013; -1,001 sq m net by 2018; and -302 sq m net by 2026.
- 6.25 Our assessment identifies that there is no capacity for additional convenience goods floorspace over the forthcoming LDF period; and the overtrading of the Sainsbury's foodstore has been taken into consideration within our assessment.

## Comparison Goods Assessment

### Epsom Town Centre

- 6.26 In terms of comparison goods, total available comparison goods expenditure within the survey area is currently £1.41b, and is forecast to £1.44b by 2016, £1.71b by 2018 and £2.40b by 2026. This equates to an overall growth of c.£1b (70%) between 2008 and 2026 (Table 3, Appendix 5). We have also factored in an inflow of expenditure (5%) from outside the survey area based on the extent of market share within the survey area identified through the results of the household telephone survey.
- 6.27 Tables 4 and 5, Appendix 5, indicate the trade draw of Epsom town centre, and Plan 8 illustrates the extent of the town centre's influence throughout the defined survey area highlighting variations in market share. It is evident that the influence of Epsom extends across most of the survey area apart from Zones 3, 11 and 12 where shoppers are looking to Kingston-upon-Thames, New Malden and Sutton or Croydon for their comparison shopping needs.
- 6.28 Within the whole survey area, Epsom town centre draws 6.6% of total available comparison goods expenditure (£92.5m). The majority of this spend comes from Zones 1, 7 and 8 from which Epsom absorbs 26.9%, 18.3% and 20% of available spend in each zone respectively. Epsom has virtually no market share in Zones 3, 11 and 12 as spend from this area is being drawn to competing centres like Kingston-upon-Thames and Sutton.
- 6.29 It should also be noted that the growth in internet spending, which has increased substantially in recent years, will be taking a growing proportion of expenditure. We have accounted for expected increases in special forms of trading (SFT) and estimated that by 2026 13.9% of overall available comparison expenditure will be diverted from 'bricks and mortar' retail floorspace. Not only will Epsom have to compete with the growth of comparison retailing in competing centres, but the town centre will also need to compete with the internet through developing the overall 'visitor experience' that the internet cannot compete with.
- 6.30 On the basis of current market shares, taking account of SFT and the expected inflow of expenditure we estimate that Epsom town centre will have a turnover of £94.6m of comparison goods expenditure in 2013, rising to £111.7m in 2018 and £157.3m in 2026 (Table 8, Appendix 5). Similarly, on the basis of current market shares, and the inflow of expenditure, we estimate that the town centre currently has a comparison goods sales density of approximately £3,948 per sq m net.
- 6.31 This average sales density is lower than what we would expect for a centre of this scale and position in the retail hierarchy, i.e. c.£5,000 per sq m net. Our health check identified a reasonably healthy town centre, although highlighted areas of vulnerability and threats to its future performance. The

lower than expected sales density could be a reflection of the proportion of comparison goods retail floorspace increasingly occupied by lower end retailers, particularly on High Street (eastern end). We consider there is an opportunity for existing floorspace to enhance it's trading performance through qualitative improvements to the unit, surrounding area and/or retail operator.

## Retail Warehousing

- 6.32 Epsom has a small range of retail warehousing within the town centre's wider urban area. The out-of-centre Staples and Majestic Wine units on East Street, and the Wickes and Halfords units at Kiln Lane. The combined out-of-centre net retail floorspace provision amounts to 9,170 sq m (including the comparison element in Sainsbury's, Kiln Lane). The East Street units are not highlighted within the results of the household telephone survey as key destinations to undertake comparison goods shopping. Wickes and Halfords are highlighted in the survey results, although it is clear that there is some leakage of bulky goods trade from the Borough.
- 6.33 Table 6.3 and 6.4 illustrate where shoppers are visiting for their 'furniture and floor coverings' and 'DIY and Decorating Goods'. It is evident that for the softer furniture and floor coverings category, shoppers are choosing Kingston, Croydon and Homebase in Ewell as their preferred option, with only 8.5% choosing Epsom town centre. In the more bulky goods DIY category, shoppers are choosing the B&Q stores in Sutton and Leatherhead, and the Homebase in Ewell, whilst and 7.1% are visiting Epsom town centre. In Zone 2, Epsom town centre is a much weaker attractor for those living further a field.

**Table 6.3: Furniture and Floor Coverings Shopping Patterns**

Location	Zone 1	Zones 1-12
Kingston Upon Thames Town Centre	22.0%	27.9%
Sutton Town Centre	1.7%	7.5%
Croydon Town Centre	10.2%	7.4%
New Malden Town Centre	3.4%	3.3%
Shannon Corner Retail Park	1.7%	2.6%
Purley Way	6.8%	2.4%
Ikea, Volta Way, Croydon	3.4%	2.3%
Epsom Town Centre	8.5%	2.3%
Homebase, Ewell	10.2%	1.9%
Kingston Road, New Malden	3.4%	1.1%

**Table 6.4: DIY and Decorating Goods**

Location	Zone 1	Zones 1-12
B & Q, Sutton	22.4%	24.2%
B & Q / Comet, New Malden	1.2%	17.7%
B & Q, Leatherhead	12.9%	15.1%
Homebase, Ewell	36.5%	8.9%
Sutton Town Centre	0.0%	4.2%
New Malden Town Centre	0.0%	4.0%
Kingston Upon Thames Town Centre	1.2%	3.2%
Epsom Town Centre	7.1%	1.4%
Kingston Road, New Malden	1.2%	1.0%
The Peel Centre, Kiln Lane	2.4%	0.7%

## Comparison Goods Global Capacity

- 6.34 In assessing capacity for future comparison goods floorspace, we have assumed that the efficiency with which existing floorspace is being used will increase over time, and we have assumed an annual growth in existing sales per sq m net of 2%. Based on the performance of existing floorspace (£3,948 per sq m net) we would expect new quality floorspace to achieve at least £4,500 per sq m, and have translated residual expenditure into floorspace on this basis. This assessment has assumed that Epsom town centre will maintain its existing market share and we have forecast the capacity for new floorspace in the years 2013, 2018 and 2026.
- 6.35 By virtue of growth in population and expenditure we have projected that increases in available comparison expenditure will create a residual expenditure (less the Council's retail commitments at Station Approach and 58 High Street) of -£0.1m by 2013, £13.2m by 2018 and £48.0m by 2026. This translates to an oversupply of -1,044 sq m net by 2013; and surplus capacity to accommodate an additional 1,676 sq m net retail floorspace by 2018, growing to 7,730 sq m net by 2026 (See Table 8, Appendix 5).

**Table 6.3: Projected Residual Expenditure and Capacity: Comparison Goods**

Year	2013	2018	2026
Residual Expenditure	-£0.149m	£13.2m	£48.0m
Residual Expenditure Less Commitments	-£4.8m	£8.0m	£42.0m
Capacity sq m net	-1,044 sq m	1,676 sq m	7,730 sq m

Note: Commitments: 58 High Street and Station Approach

- 6.36 In the latter part of the LDF, Epsom is likely to face increasing competition from centres in the wider sub-region as they improve and extend their retail offer. The challenge for Epsom will be to consolidate the shopping offer and enhance the quality of the mix of retailing in order to maintain existing market share and its position in the regional retail hierarchy. A proactive approach and strategy is required in the short and longer term to achieve this objective. It should be noted that any capacity generated does not justify the development of further out-of-centre comparison goods floorspace. In line with Government policy it will be necessary to direct global capacity into the town centres in the first instance.

## Summary

- Capacity forecasts are underpinned by robust survey evidence identifying existing shopping patterns and the market share and catchment area of Epsom town centre. Capacity projections indicate that the total population of the survey area is forecast to grow from 454,197 in 2008 to 506,135 in 2026 – an increase of 11.4%.
- When forecasting expenditure growth, recent commentary published by Experian Business Strategies has warned of the extremely rapid deterioration in the UK's economic performance during the final months of 2008, and have subsequently recommended significantly lower growth rates. Based on these revisions, our assessment estimates that convenience goods expenditure is expected to increase from £804m in 2008 to £915.5m in 2026 (13% increase). In the comparison sector, higher growth rates illustrate that spending will increase from £1.4b in 2008 to £2.4b by 2026 (70%).
- Our assessment has identified no capacity for additional convenience goods floorspace over the LDF period having taken into account the commitment on Upper High Street (albeit this is due to expire). The Sainsbury's at Kiln Lane is performing well, but overall in the Epsom catchment area there is no requirement for additional floorspace given the network of foodstores. As such, the Council should be cautious in respect of edge and out-of-centre proposals, and any foodstore proposals should be directed to the primary shopping area to assist in its vitality and viability.

- In respect of comparison goods, we have identified that Epsom has a lower sales density than expected for a centre of this size and scale in the hierarchy and the objective should be to enhance the performance of existing floorspace, rather than create competition in edge/out-of-centre locations. We have identified capacity for an additional 1,676 sq m net by 2018, and 7,730 sq m net by 2026.

## 7. CONCLUSIONS/RECOMMENDATIONS

- 7.1 Drawing on our qualitative and quantitative analysis, this section considers the key conclusions and policy recommendations moving forwards over the forthcoming LDF period.

### **Policy Priorities**

- 7.2 The RSS encourages the adoption of a polycentric settlement pattern to ensure the sustained growth of centres and identifies Epsom as one of 26 secondary regional centres within this network. Epsom is encouraged to maintain its role in the strategic town centre network, and no major step change is envisaged. Likewise, the Structure Plan (2004) identifies Epsom as an all purpose centre and development is encouraged to concentrate on consolidating its current role rather than aspiring to significant growth and expansion.
- 7.3 The adopted Core Strategy (2007) confirms that the Council is committed to a positive and pro-active approach to town centre development and change. Combined with a high quality townscape and conservation, the vision aims for improved retail attractions, services and facilities, enhanced accessibility, and a thriving day and night-time economy. The Core Strategy identifies the need for an Area Action Plan, which is now being prepared with submission envisaged for winter 2009.

### **Sub-Regional Positioning**

- 7.4 In terms of the sub-regional context, the household telephone survey has identified Banstead, Croydon, Guildford, Kingston-upon-Thames, Leatherhead, New Malden and Sutton as Epsom's main competing centres. Our review of the key performance indicators confirm the higher order shopping roles of Kingston, Croydon, Guildford and Sutton, which are located outside the Zone 1-12 survey area. As expected, they have a superior retail offer and increasingly mobile shoppers and new retail development have led to a continued influence on shopping patterns in Epsom's catchment area.
- 7.5 Epsom performs its role as a second tier shopping centre, as envisaged in the RSS and Structure Plan. Banstead, Leatherhead and New Malden are lower order centres but are located within the Zone 1-12 survey area and therefore capture an element of available trade, albeit relatively limited. Epsom must consolidate and improve its town centre function and retail offer in order maintain its position in the wider regional and sub-regional shopping hierarchy as envisaged in the Core Strategy for the forthcoming LDF period.
- 7.6 Policy does not require Epsom to compete with the higher order centres nor to achieve a step change to the same level in the hierarchy. Rather, policy requires Epsom to perform the role of a major all-purpose centre as part of a polycentric settlement pattern. Nevertheless, improving higher order centres in the catchment area will erode Epsom's market share in a 'do nothing' scenario,

which in itself highlights a threat to the future health of the town centre. Epsom therefore needs to strike a balance over the forthcoming LDF period to enhance the retail and leisure offer and wider mix of uses whilst protecting the character of the built environment and enhancing its physical environment and general visitor attraction.

- 7.7 Within the whole survey area, Epsom town centre draws 6.6% of total available comparison goods expenditure (£92.5m). The majority of this spend comes from Zones 1, 7 and 8 from which Epsom absorbs 26.9%, 18.3% and 20% of available spend in each zone respectively. Epsom has virtually no market share in the zones to the north of the survey area (3, 11 and 12) as spend from this area is being drawn to competing centres like Kingston and Sutton.
- 7.8 Within Zones 1 and 2, the zones which broadly correspond to the borough boundary, Epsom has only a 15% market share, demonstrating the weak influence it has in the core catchment area. Epsom's market share (6.6% and 15%) should be monitored over the forthcoming LDF period which will provide a clear indication of it's growth, consolidation or decline.

### **Current Performance**

- 7.9 Epsom appears to be a generally healthy town centre performing adequately in a number of key areas. The town centre's role and function appears to meet the expectations in the RSS and Structure Plan as a second tier centre below regional centres such as Kingston and Guildford, but there are clear signs pointing to areas for improvement and consolidation over the LDF period to prevent the centre from slipping into a lower order 'clone' town.
- 7.10 At the current time the centre has a good representation of multiple comparison goods retailers and leisure and service businesses; it has improved its position in the national retailer demand rankings; Prime Zone A rents have remained static in recent years, retail yields have improved, and vacancy rates are low.
- 7.11 Epsom has, however, fallen in the Javelin rankings reflecting the failure to improve the range and mix of higher order retailing compared to other centres of a similar scale in the UK. The retail offer comprises a high number of mid offer multiple retailers, but the representation from higher quality multiples and niche/specialist and independent retailers is weak and does not seem to be improving. Indeed, High Street eastern end has lost two key anchors, Woolworths and Boots, and gained a number of charity shops.
- 7.12 The Social Grade mix demonstrates a wealthy catchment area with a high disposable income, and the challenge over the LDF period will be to develop the town centre's retail and leisure offer to enhance it's quality and capture the strong proportion of available expenditure within the 15 minute drive time catchment area. Our assessment demonstrates that Epsom is not utilising the opportunities that the catchment presents to it.

- 7.13 The greatest threat to Epsom isn't only the larger centres which will continue to trade at a higher level and improve their retail offer, but also the decline of it's own retail offer and the consequent influx of fast food take-aways and charity shops, for example. The focus of multiple retailing is on the Ashley Centre at the current time, whilst High Street eastern end is losing such retailers in favour of lower order shops. Our assessment has identified only 6 clothing/footwear retailers on High Street eastern end at the current time. Given the catchment area and built environment on High Street (eastern end) this stretch should be in a good position to attract the higher quality niche retailers provided the appropriate policy measures are put in place.
- 7.14 Longer term solutions to the quality of the physical and pedestrian environment will be crucial to attract the higher order retailers and service businesses, and incremental development should take place within a wider comprehensive strategy for the town centre. The future of the Woolworths unit should be viewed as an important catalyst to change in this part of the town centre. Overcoming traffic congestion and encouraging ease of pedestrian movement along the full extent of High Street western/eastern end, and Upper High Street should form a crucial element of the forthcoming Area Action Plan. The AAP should also review parking availability, pricing and recommend whether changes are required.

### **Shopping Frontages**

- 7.15 The previous Local Plan (2000) did not define primary and secondary retail frontages, and moving forwards the LDF should identify and protect such definitions in accordance with national policy. PPS6 states that primary frontages should contain a high proportion of retail uses, while secondary frontages provide the greatest opportunities for flexibility and a diversity of uses.
- 7.16 Our qualitative health check enabled a detailed understanding of retail composition and pedestrian footfall throughout different areas of the town centre and as such gave a clear indication of where the frontage designations should be drawn. It should be noted that what appears to be a declining retail frontage should not necessarily be relegated to a more secondary role, and should instead be given the opportunity to develop and improve over the LDF period through policy intervention; thereby retaining it's role.
- 7.17 On this basis, we recommend that primary shopping frontages are drawn to comprise the Ashley Shopping Centre, High Street: western end, and High Street: eastern end. Policy should protect A1 retail uses throughout this area and prevent the infiltration of A3/4/5 uses and control against the further loss of A1 uses within the primary shopping frontages.
- 7.18 The representation of national multiple retailers and high end specialist and niche retailers should be encouraged in the primary shopping frontages, and whilst the Ashley Centre provides the dominant representation of mainstream high street retailers, the units on High Street, and in particular those at the eastern end, could be suitable for higher end quality comparison retailers – both multiples and

independents. We know that 67% of units on High Street: Eastern End are A1, but policy should aim to prevent any further reduction in this figure.

- 7.19 We recommend that secondary shopping frontages are drawn on South Street and Upper High Street. These areas already have a considerably more mixed composition of retail and leisure service businesses, and this should be encouraged over the LDF period.
- 7.20 South Street and Upper High Street in particular have a good quality and mix of specialist and niche independent retailers which should be encouraged. On South Street and Upper High Street we suggest a restriction against the further representation of A5 fast food take-aways which can seriously undermine the mix of uses and vibrancy of an area. South Street has a good representation of restaurants and public houses which should be encouraged in this area, and Upper High Street already has a selection of fast food take-aways and their further infiltration will damage the range of goods on offer and daytime frontage activity.
- 7.21 West Street, Waterloo Road and Church Street should fall within the Primary Shopping Area, but outside primary and secondary frontages leaving them more flexible to a range of retail, leisure and other town centre uses including, for example, fast food takeaways.
- 7.22 PPS6 states that the Primary Shopping Area '*generally*' comprises the primary and those secondary frontages which are contiguous and closely related to the primary shopping frontage. More recently, the revised Use Classes Order has given local authorities greater control over the mix of A3/4 and 5 restaurant, café, pubs and fast food take-aways, and this should be taken advantage of to protect the vitality and viability of centres. It would seem appropriate therefore for the LDF to provide greater protection of uses in the primary and secondary frontages resisting fast food restaurants where necessary, and allowing more flexibility beyond these frontages but perhaps still within the primary shopping area.
- 7.23 In respect of capacity for additional comparison goods floorspace, our assessment has identified a need for 889 sq m net by 2013, growing to 3,626 sq m net by 2018, and again to 8,916 sq m net by 2026. We discuss development opportunities further below, but within the primary shopping area these are generally smaller scale infill sites. Our assessment has also demonstrated that the RSS does not promote a step change in the role of Epsom upwards in the retail hierarchy. Taking on board these findings, it is apparent that the overriding objective is consolidation and enhancement of the existing composition of the town centre. Our assessment has demonstrated that Epsom has the potential to consolidate and enhance its market share through investment in the existing building stock, the adjoining environment and infill redevelopment, rather than through the facilitation of major new development sites.
- 7.24 In terms of convenience goods provision, Epsom is well served by foodstore retailers, offering a Marks & Spencer (mixed use food and non-food), Waitrose, two refurbished Co-Operative stores, the

street market twice a week and a small selection of smaller independent retailers, notably the popular butchers shop on Upper High Street. The out-of-centre Sainsbury's performs well, and our assessment identifies that it is overtrading.

- 7.25 Taking into consideration the actual trading performance of all foodstores, either under or over performing, our assessment identifies no capacity for additional convenience goods floorspace over the LDF period once the commitment on Upper High Street (edge of centre) is factored in. Indeed, there is an overprovision, and we conclude that there is an opportunity to enhance the performance of existing town centre foodstores. We understand, however, that this is due to expire in the next 2-3 months and without the consent, our assessment identifies capacity for 1,448 sq m net of convenience goods floorspace by 2013. In accordance with PPS6 this should be directed towards the primary shopping area in the first instance, and as a consequence of the economic slowdown a number of potentially suitable units for additional foodstore provision have become available.

### **Development Opportunity Sites**

- 7.26 Our brief requested us to review the scope for new development in quantitative terms but also in physical capacity terms. It is evident that there are few opportunities to redevelop existing retail sites in Epsom town centre given the historic nature of many buildings. Nevertheless, we have identified a selection of sites which may warrant further consideration as potential improvement sites which have the potential to promote investment and provide modern quality units in accordance with a comprehensive design strategy. The site proformas are attached in Appendix 8 and highlight seven potential opportunities spread throughout the town centre.
- 7.27 The key retail sites include those identified on Upper High Street (Site 4); Waterloo Road North (Site 5); High Street, TK Maxx (Site 6); and the vacant Woolworths Unit (Site 7). Others identified are on the periphery of the centre and are much smaller in scale. We are also aware of the large boarded up site on Upper High Street which is the subject of an old retail consent due to expire, and which is subject to ongoing development proposals for a major, high density Tesco foodstore. Many of the sites are in prominent locations and could contribute significantly to enhancing the physical appearance of the town centre, facilitating enhanced retailer attraction and in turn, further investment.
- 7.28 Whilst this assessment is not a comprehensive Housing Capacity study, we have drawn on our in-house expertise to provide an indication of the number of residential units that could be provided on each development site. The 'Strategic Housing Land Availability Assessments Practice Guidance' recommends how to estimate the housing potential of a site, and suggests comparing the site with a sample scheme which represents the form of development to be considered desirable in a particular area. We do not have sample schemes available, but on the basis that the subject sites are in the built up urban area of the town centre, and would likely include retail uses at ground floor, we envisage the type of residential unit to be town style flats incorporating 1 and 2 bedroom developments.

- 7.29 PPS3 states that Local Planning Authorities may wish to set out a range of densities across the plan area rather than one broad density range although 30 dwellings per hectare (dph) net should be used as a national indicative minimum to guide policy development and decision-making, until local density policies are in place. This figure is, however, highly conservative for town centres/urban areas which provide the environment for more high density flat accommodation on multiple storeys.
- 7.30 Table 7.1 sets out a broad indication of the number of residential units we believe could be accommodated on each of the identified development opportunity sites, on the basis of retail at ground floor level. Based on our experience, we have incorporated an average unit size of 65 sq m gross external, and this takes into account circulation space. Our calculations assume that 50% of the site comprises 1 bed flats (58 sq m gross) and 50% of the site comprises 2 bed flats (72 sq m gross), with 15-16% allowance for circulation space/corridors etc.
- 7.31 Our calculations also assume 100% of the site area will be built out; but evidently in the larger blocks (Site 3, 6 and 7) this might not be the case. The Woolworths site in particular is likely to be retained as a two-storey unit and the development efficiency is therefore considerably more conservative. Evidently, each site would need to be reviewed in more detail when development proposals come forward in terms of site efficiency, parking, amenity, circulation/servicing etc.

**Table 7.1: Minimum Residential Site Capacity per Development Opportunity Site**

Site	Site Address	Size sq m	Number of Floors	Total Floor Area sq m	Average Unit Size sq m	Minimum Residential Capacity
1	Waterloo Road North	780	2	1,560	65	24
2	Station Approach	230	0	0	0	0
3	East Street/Hook Road	6,440	2	12,880	65	198
4	Upper High Street	630	2	1,260	65	19
5	Waterloo Road North	950	2	1,900	65	29
6	High Street, TK Maxx	5,850	2	11,700	65	180
7	Woolworths	730	1	730	65	11
<b>TOTAL RESIDENTIAL UNITS, 1 BED/2 BED, 50:50 SPLIT</b>						<b>461</b>

Source: GVA Grimley, March 2009

## Attracting Retailers / Consolidation

- 7.32 Planning policy can't commit retailers to a town centre, but can develop and facilitate the creation of an environment with which to enhance the demand for representation. Epsom is in a good location to enhance the mix of retailing, benefiting from a catchment area with a higher than average disposable income and excellent accessibility links via a choice of mode of transport. Epsom is not intending to compete with the higher order centres, but must retain it's role as an attractive secondary shopping centre, diversifying the mix of goods to offer a better quality of goods, differentiating itself as a niche shopping destination.
- 7.33 The Ashley Centre offers the mainstream mid-range high street retailers, but the town centre should aim further to encourage a higher order, quality and specialist retail mix, taking advantage of the catchment area and not becoming a 'clone town'. Within the designated primary shopping frontages, and given the catchment profile, Epsom should aspire to the quality retailers such as Russell & Bromley, Molton Brown, East, Karen Millen, LK Bennett, Reiss, Hobbs, Whistles, Jigsaw, Ted Baker, Zara, Mango, Space NK and Cath Kidston.
- 7.34 A large number of these retailers are likely to be represented in the higher order centres like Kingston and Guildford already, but given the right environment and catchment such retailers may increase their representation within a catchment area. Retailers mentioned above are all multiple retailers, but would in turn encourage the representation of independent niche and specialist retailers. The consolidation and enhanced attraction of retailing in Epsom town centre does not necessarily need to be delivered through the representation of mainstream fashion and clothing high street retailers. Indeed, the overall objective should be to provide a more accessible niche retailing role not comparable to the higher order centres.
- 7.35 Aside from controlling uses within the primary shopping area and designated frontages, the LDF and future strategy for Epsom should also enhance the environment, tackle negative perceptions of car parking and congestion and facilitate pedestrian movement around the centre. As we have seen in policy and through our assessment of the town centre's retail structure, Epsom is not envisaged to expand significantly and the focus should be on enhancing the existing composition and environment in order to consolidate its role and attract new retailers to the town centre. Car parking continues to receive negative perceptions, and as set out in Section 5, we strongly recommend a Parking Strategy to take forwards over the LDF period and to feed into / form part of the AAP.
- 7.36 A large proportion of buildings in Epsom town centre are attractive with historic character and shopfronts should respect the building of which they are part. As set out in the Local Plan (2000), pressures are for the extension of shopfronts across separate buildings, larger window display areas and more competitive advertising. In 2000, the local authority also published 'Shopfronts: Design Guidance', and we recommend that the Council monitors and reviews this document throughout the LDF period to enhance and maintain a high quality appearance. The vacant Woolworths is a good

opportunity to enhance the quality of unit appearance and format but any proposals should come forward within a comprehensive town centre strategy. Inconsistent fascia redevelopment could have significant detrimental impacts on the appearance of the town centre in the future.

7.37 The AAP should focus on an implementation strategy to enhance the environment through a comprehensive and consistent policy. Specifically, the Area Action Plan should set out a strategy to improve the public realm and pedestrian circulation. Such measures have been implemented elsewhere in town centres, one example being Kensington High Street – a busy shopping two way traffic through route. The measures adopted were, and continue to be driven by an emphasis on ‘simple, classical design, free of unnecessary clutter and barriers, and on high quality materials and craftsmanship’.

7.38 Evidently, every town centre will differ and options need to be tested according to local circumstances, but we have identified a number of barriers to pedestrian movement and circulation including the lengthy central reservation barrier on High Street that should be reviewed through the LDF process. Epsom could look to incorporate elements of other successful schemes such as the example at High Street Kensington or others across the UK. The scheme in Kensington, known as ‘Streetscape’, believes that elements of the streetscene, such as paving, street furniture, lighting and signing, when designed well and carefully co-ordinated, can be used to enhance the built form, giving greater emphasis to the qualities of particular buildings and landmarks. They explain the approach as follows:

*“In recent years, the conventional approach to street management has been based on a ‘one is good, so more must be better’ approach. This accounts for the increasing plethora of signs, markings and street furniture”*

7.39 ‘Streetscape’ challenges this approach through it’s philosophy of less is more. The document specifically states that the competition for road space between different users presents new challenges to streetscape design that need a thoughtful and imaginative approach to resolve them elegantly. Key targets were based on the following principles:

- Eliminating unnecessary signs and markings reduces visual clutter;
- Footways and street surfaces provide the context in which buildings are seen and should be a neutral carpet complementing the adjacent buildings;
- The finest streetscapes have the minimum amount of street furniture. Only items that make a positive contribution deserve a place in the street;
- Traffic schemes: a holistic approach where there is a proven need;
- Caring for the environment we have inherited and the one we are creating.

- 7.40 Of relevance to Epsom and the perception of barriers to pedestrian movement across High Street, 'streetscape' believes that guard railings are unsightly, and create a hostile, caged environment for pedestrians and can encourage higher vehicle speeds. During the renovation, 715 metres of guard railing was removed and only 60 metres re-introduced. The scheme concluded the following:

*"The scheme has been vigorously monitored and it has been found that not only do a surprising number of pedestrians voluntarily use the crossings correctly but the safety record is as good as other crossings with guardrails. The benefits of dispensing with guard railings have been a sense of openness and empowerment for pedestrians..."*

- 7.41 As mentioned already, this is just one example of potential themes and principles to enhance a shopping environment, but one which is particularly relevant to Epsom which also faces the challenge of pedestrian and traffic conflict. We understand that the routing of the High Street (A24) is unlikely to change over the forthcoming LDF period, and the future strategy will need to remove the perceptions of barriers to encourage pedestrian circulation and the attraction of the centre for retailers. Such far-reaching changes will evidently need to be tested and a strategy tailored specifically to Epsom developed, but in order to leverage the higher quality retailers and in turn a stronger catchment area, a key starting point would have to include the public realm and the environment.
- 7.42 Our assessment has also highlighted extreme negative perceptions in respect of parking and traffic congestion. This should be addressed through the Area Action Plan and the formulation of a robust evidence base to identify the extent – if any – of current problems and the means to address them. Epsom does benefit from strong accessibility linkages including good public transport routes and an implementation strategy should be formulated to tackle the negative perceptions that prevail. Perceptions should be addressed alongside the overall strategy for the town centre and improvement implementation measures.

### **Eating / Drinking / Entertainment**

- 7.43 Our assessment has demonstrated that the proportion of leisure uses in Epsom town centre is above the national average, and South Street and the piazza between The Ebbisham Centre and High Street eastern end are the current focus for such activity. South Street provides a range of independent and multiple restaurant and public house businesses, whilst the Ebbisham Centre forms a newer development and is occupied by a number of well known multiple restaurant / bar businesses.
- 7.44 The local catchment largely choose Epsom town centre over other destinations, and even in the wider catchment area (Zones 1-12) Epsom is competing reasonably well with Kingston and Sutton as the two preferred choices. Epsom is clearly performing well as a restaurant destination at the current

time. The Odeon cinema is the most popular destination for residents living throughout Zones 1-12, and bar usage compares favourably with Kingston, London and Sutton. The relationship with the race course has been identified, with a reasonable proportion of linked trips (30.4% within Zone 1) to the town centre for shopping and eating / drinking activities identified in the survey results.

7.45 Evidently evening entertainment can bring with it anti-social behaviour and the Council should incorporate policy to manage this. We make the following recommendations:

- We recommend that A5 uses be prevented within the primary shopping frontage and on South Street and Upper High Street.
- On South Street, Upper High Street and on the piazza between the Ebbisham Centre and High Street eastern end, 'restaurants and cafes' (A3) and 'drinking establishments' (A4) should be allowed to ensure the continued vibrancy of this activity. The Council could control the proportion / number of A4 (drinking establishment) uses which in turn would control any growth in anti-social behaviour and promote the quality restaurant offer.
- Restaurants and cafes (A3 uses) should be allowed within the primary shopping frontage, although the proportion / number should be controlled. The overriding objective is to retain the A1 retail function of the primary shopping frontages.
- The Council should review means to exploit the race course / town centre relationship, particularly in light of new hotel and conference facilities.

## **Town Centre Management**

7.46 Our findings have identified the need to consolidate Epsom's position and retail/leisure offer rather than promoting major expansion. The key focus is the encouragement of new, higher quality operators, the enhancement of the environment and connectivity, and quality in-fill redevelopment. This can partly be achieved through policy, but would also benefit significantly from focused management to facilitate business partnership working between key stakeholders, commercial contacts with key operators (both existing and potential), the monitoring of key performance indicators, and the promotion of marketing and publicity campaigns.

7.47 Working with planning officers and other organisations, the role of a town centre manager often includes the following key tasks:

- Development of a Town Centre Business Plan through consultation with key stakeholders. The intention is generally to engage the wider business community in working to help develop the plan for the future;
- Making and maintaining commercial contacts in the retail/town centre sector;

- Monitor and maintain the continued control/awareness of cleanliness, security, physical environment and other potentially problematic issues; and monitor key performance indicators;
- Maintain and develop good intelligence over the financial performance of the town centre;
- Prepare and deliver a marketing strategy, promotional material and publicity to achieve an increased awareness of the town centre. This should include cultural and entertainment events and local activities.

7.48 Based on the issues identified in Epsom town centre within this study, we would recommend the establishment of a Town Centre Manager role to facilitate it's future direction, growth and enhanced vitality and improved perceptions.

## Summary

- Policy allows for Epsom to maintain its role in the regional retail hierarchy and does not envisage a step change upwards to compete with higher order centres such as Kingston. Instead, our assessment has highlighted the importance of Epsom carving out a niche/complementary role enhancing the shopper and visitor attraction.
- In this context there is no requirement for major expansion of the primary shopping area, and identified development opportunities are small in scale forming infill redevelopment opportunities. The overall objective should be the enhancement of the existing building stock and adjoining public realm/environment, which in itself should facilitate the attraction of new retailers and has the potential to consolidate and enhance market share.
- The control of frontages appears to be crucial in Epsom town centre over the forthcoming LDF period, as there has recently been a loss of a number of key retail attractors which underpin footfall and which have not been replaced by comparable retailers. High Street eastern end is a notable example where the retail offer appears to have deteriorated in recent months. Policy should protect against the further loss of A1 retailers in the primary shopping frontages and control the infiltration of A5 and to some extent A3 and A4 uses.
- The lever to attract the retailers is not therefore a major new shopping centre development as experienced in other towns and cities across the UK in recent years, but a design and environment led approach driven by quality. The focus should be on enhancing the existing building stock via a comprehensive and consistent strategy. The socio-economic catchment is strong with a high proportion of higher income groups, and the strategy should encourage pedestrian circulation, remove barriers to movement and tackle negative perceptions of congestion and parking.