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Torbay Retail Study Update 2013

Main Text

Torbay Council

December 2013

4.30 Table 9a indicates that based upon these commitments plus existing floorspace, which also includes the recently opened ASDA stores in Torquay and Paignton, there is a considerable over-supply of convenience goods floorspace across Torbay with a negative capacity which will exist until 2026. At 2026, surplus capacity will be small, at 374sq m net, rising to 2,182sq m by 2031. These forecasts are a significant contrast to the 2011 study forecasts, which indicated surplus capacity of 3,500sq m net at 2016, rising to 4,900sq m net by 2021 and 8,000sq m net by 2031. However, this change is unsurprising given the amount of retail floorspace permitted/opened after the completion of the 2011 study.

Torbay – Baseline Capacity (Comparison)

4.31 The predicted quantitative need for comparisison goods floorspace across Torbay is shown in Table 10a. When making a judgement for the baseline turnover of existing comparison stores in Torbay we have set this at the same level as current spending in existing floorspace (i.e. £395m). This is lower than the baseline level set for the 2011 study, although this is appropriate given the materially different baseline per capita expenditure and population data now been provided by Experian.

4.32 Within Table 10a, the comparison goods floorspace associated with the commitments listed at paragraph 4.29 above are also included and it has been assumed that, due to the nature of these commitments[6], they will not increase the overall market share of Torbay beyond existing levels.

4.33 In addition, within Table 10a and all of the other comparison goods capacity tables, an allowance has been made for existing and committed floorspace to benefits from increases in floorspace efficiency. The levels of efficiency are detailed in the notes to the tables and take into account our view that existing floorspace, particularly floorspace in the town centres, should benefit from a large part of the growth in expenditure in order to protect and enhance town centre viability in Torbay.

[6] For the avoidance of doubt, commitments comprises schemes with planning permission. Emerging Local Plan allocations without planning permission have not been included.

4.34 The analysis at Table 10a indicates that there is, at 2013, no quantitative need for additional comparison goods across Torbay and this situation will remain up to 2016 as committed floorspace takes up short-term growth. However, by 2021, and taking into account the increases in available expenditure and increases in floorspace sales efficiency, a quantitative need for additional comparison goods floorspace arises and Table 10a indicates that this will be around 700sq m. Clearly, this is an aggregate figure for the whole of Torbay and the analysis for each of the three individual towns provides further detail as to how they each contribute to the overall quantitative need.

4.35 Moving forwards beyond 2021, the quantitative need rises to 6,100sq m net in 2026, 12,000sq m net by 2031. We would recommend that due to the number of assumptions used in the calculation of future quantitative need, the capacity predictions beyond 2021 should be treated with caution.

4.36 We have also been asked by the Council to examine the potential quantitative capacity for bulky comparison goods floorspace in Torbay. Bulky goods can be defined as: DIY, furniture/floorcoverings and electrical goods. There is no requirement within the NPPF to disaggregate quantitative need for comparison goods retail floorspace into bulky and non-bulky goods uses and the precision of such assessments is open to debate particularly over how the results can be usefully applied to the spatial planning process (as some types of bulky comparison goods can be sold from both town centre and out of centre locations). This is compounded in this instance by the lack of any previous assessments of bulky goods retail floorspace capacity in the two previous GVA retail studies for the Council. However, we provide an indicative assessment at Table 10a2 which makes the following assumptions:

- The assessment at Table 10a2 utilises available expenditure within the four bulky goods categories and, using data from the various versions of Table 7 (Appendix B), estimates how much expenditure is flowing to bulky goods retail facilities in Torbay.
- In the absence of any previous data on benchmark turnover levels in Torbay, we adopt a position for baseline turnover at 2013 which is broadly reflective of the main comparison goods floorspace assessment at Table 10a1 (i.e. broad equilibrium).
- When translating the surplus expenditure into a floorspace equivalent we remain with the sales density used in Table 10a1 for consistency purposes. However, this is indicative only as the benchmark sales density of bulky goods retailers can vary

significantly and, like the other parts of our quantitative need assessment, reference should be made in the first instance to the scale of surplus expenditure (i.e. the residual expenditure row in Table 10a2) rather than the floorspace equivalent.

4.37 The results of the indicative quantitative capacity exercise at Table 10a2, when compared with data in Table 10a1, suggest that between 30%-40% of potentially available surplus expenditure can be assigned to bulky comparison goods. In other words, 30%-40% of additional floorspace which could be justified under our quantitative needs model could be used to accommodate bulky goods retailers. This is broadly reflective of the proportion of retail (comparison goods) expenditure retail expenditure on these types of goods.

4.38 When determining how to utilise this capacity, it would be incorrect to assign it all to out of centre retail warehousing provision which is traditionally associated with this type of retailing. The household shopping patterns survey evidence supporting this study indicates that shopping trips associated with bulky goods flow to a variety destinations including a significant amount to the town centre. As such, we do not recommend that the identified need for non-bulky comparison goods floorspace should be assigned to the town centre and the need for bulky goods floorspace assigned to out of centre locations. Instead, the focus for the whole of the identified need (bulky and non-bulky goods floorspace) will be on town centre locations in the first instance with the acceptance that some of the identified need cannot realistically be accommodated in central locations due to the style of business model required for some sectors. A good example of this is DIY and hardware goods.

Torquay – Baseline Capacity (Convenience)

4.39 The first of the three towns to be considered in terms of quantitative need is Torquay and its convenience goods floorspace analysis is contained in Table 9b at Appendix B. Now that the ASDA store on Newton Road has opened for trade, there is no need to follow the approach in the 2011 study where two alternative forecasts are provided and Table 9a indicates that, taking into account the ASDA store, plus other existing provision and commitments, the supply of convenience goods floorspace in Torquay is broadly in equilibrium with demand (i.e. surplus capacity of only 158sq m net at 2013). Moving forwards to 2016, the quantitative capacity increases to circa 338sq m net, rising to 1,000sq m net by 2021, 1,800sq m net by 2026 and 2,700sq m net by 2031. Paradoxically, these capacity levels for Torquay are higher than the capacity levels for the wider Torbay area due to, as will be explained below, surplus capacity levels in Paignton and, to a lesser extent, Brixham.

Torquay – Baseline Capacity (Comparison)

4.40 Turning to comparison goods, the quantitative need assessment for Torquay is shown in Table 10b (Appendix B). Table 10b indicates that by 2016, there will not be any surplus quantitative capacity due to a combination of commitments in Torquay and Paignton[7] and the assignment of part of the growth in expenditure to existing stores. However, by 2021 surplus capacity will exist, at 1,800sq m, rising to 6,200sq m net by 2026 and 11,100sq m net by 2031. If these figures are compared with the overall Torbay figure, it is clear that the quantitative capacity in Torquay is by far the highest contributor to additional floorspace capacity across the bay.

Paignton – Baseline Capacity (Convenience)

4.41 The baseline capacity forecasts for convenience goods floorspace in Paignton are contained in Table 9c at Appendix B. Like Torquay, there is now no need to provide two alternative capacity forecasts for Paignton now that the ASDA store is open for trade and Table 9c indicates that as a consequence of this new store, along with the committed Sainsburys extension and Yannons Farm/White Rock local centres, there is a significant over-supply of conveneince goods floorspace in Paignton. Indeed, the over-supply is so significant that Table 9c predicts that there will not be any surplus capacity in Paignton up to 2031.

Paignton – Baseline Capacity (Comparison)

4.42 As already noted, Torquay's comparison goods quantitative need is comparable to the global quantitative need figure for the whole of Torbay, thus suggesting that Paignton and Brixham have significantly lower capacity levels at least in the short term (i.e. the amount of floorspace (supply) exceeds the amount of expenditure flowing to Paignton

[7] It has been assumed that the Sainsburys extension and other commitments in Paignton will draw a small amount of trade away from stores in Torquay

(demand)). This is proven by the data contained in Table 10c at Appendix B which indicates that, due to commitments in the town and the effect of the proposed Tesco in Brixham, quantitative capacity for additional comparison goods floorspace in Paignton (will only arise after 2026 with a requirement for 644sq m net by 2031.

Brixham – Baseline Capacity (Convenience)

4.43 Table 9d at Appendix B sets out the baseline capacity assessment for convenience goods floorspace in Brixham. It shows that the current level of expenditure flowing to convenience goods stores in Brixham is broadly equivalent to the baseline turnover of existing facilities, indicating no obvious imbalance between demand and supply. However, the proposed Tesco supermarket should now be added in to the capacity assessment and the market share of the town amended accordingly to account for the significant impact that the Tesco will have on shopping patterns. Table 9d therefore models an increased market share for Brixham of 5.4% from 2016 onwards and this results in the Tesco store being able to be accommodated in the increased level of surplus convenience goods expenditure which will result from the increase in market share.

Brixham – Baseline Capacity (Comparison)

4.44 Like Paignton, our comparison goods floorspace quantitative assessment contained at Table 10d (Appendix B) indicates that there is a negative capacity for comparison floorspace in Brixham as current turnover levels are below our updated baseline turnover levels and committed floorspace (Tesco). Table 10d indicates that there is unlikely to be any quantitative need for additional comparison over the assessment period to 2021 as any increase in market share as a consequence of the Tesco store will be soaked up this new floorspace. Beyond 2021, the capacity by 2031 will be circa 620sq m net.

Qualitative Need

4.45 The DCLG Practice Guidance provides information on the factors which are frequently identified as part of qualitative assessments:

1. Deficiencies or gaps in provision
2. Consumer choice and competition
3. Overtrading, congestion and overcrowding of existing stores
4. Location specific needs

5. The quality of existing provision

4.46 Within previous studies, particularly those in 2006 and 2008, the focus of the qualitative assessments was on shopping patterns, the quality of existing provision and the balance of retail provision between town centre, district centre and out of centre locations, which met criterion No.5 and parts of criteria 1-3 above. In addition, the 2011 study took account of a gap area analysis provided by the Council which made an important contribution to criterion No.1 above. The methodology for the gap area analysis was contained at Appendix E to the 2011 study and is therefore not repeated.

4.47 A key part of the Council's gap area analysis was a series of maps showing accessibility to the main defined centres and main foodstores/supermarkets in Torbay using its Accession computer software package. Some of the plans in the 2011 study have now been superseded by new store openings, such as the ASDA stores in Paignton and Torquay, plus the prospect of a Tesco store in Brixham town centre becoming closer. Therefore, at Appendix E to this report we provide updates to the plans in the 2011 study.

Torquay (Convenience Goods)

4.48 Within the previous studies, a consistent theme of imbalance between the Willows District Centre and the town centre was outlined, along with a suggestion that the district centre was experiencing overtrading and congestion. Since the 2011 study, the ASDA store on Newton Road has opened and this has added to choice and competition in Torquay and, in our view, likely to have reduced overtrading and congestion at The Willows. However, this store lies in an out of centre location and therefore has not altered the conclusions of the 2011 which identified an imbalance in convenience goods floorspace in Torquay and a qualitattive deficiency in convenience retail floorspace within the town centre.

Torquay (Comparison Goods)

4.49 Turning to comparison goods retail provision in Torquay, the previous retail studies found that there was a qualitative need to improve provision, based on shopping patterns, retailer requirements and the views of local residents. This general approach remains for this study, although the following factors are important:

- Torquay has the best quality of comparison goods retail offer across Torbay as a whole. It significantly out-performs Paignton and Brixham in terms of the scale and type of retail floorspace available. As a consequence, whilst there are qualitative opportunities to increase provision, new development should also have regard to the fact that the three centres are performing different roles and new provision should be commensurate with the role of each centre.

- In relation to market share and turnover levels, the balance between the town centre and the Willows appears to have remained relatively static, although out of centre stores appear to have increased their turnover since the previous study (likely to be due to new openings). Overall, there is a continuation of the trends which has been developing over recent years whereby the Willows and out of centre retail warehouses pose significant competition to town centre facilities.
- The household survey indicates that, in terms of expenditure leakage, there is not a significant deficiency in provision in Torquay via excessive loss of shopping trips, although some leakage does indeed occur. In terms of the leakage of expenditure from Torquay the following proportions have been extracted from the quantitative analysis[8]:
    - Clothes and shoes – 28% of zone 5 trips lost to non-Torbay facilities
    - Furniture and carpets and textiles – 40% of zone 5 trips lost to non-Torbay facilities
    - DIY goods - 9% of zone 5 trips lost to non-Torbay facilities
    - Domestic appliances - 9% of zone 5 trips lost to non-Torbay facilities
    - Smaller electrical goods - 9% of zone 5 trips lost to non-Torbay facilities
    - Personal and luxury goods - 22% of zone 5 trips lost to non-Torbay facilities
    - Recreational goods - 36% of zone 5 trips lost to non-Torbay facilities
- In terms of the quality of existing provision, the physical floorspace stock at the Willows and out of centre retail warehouses is considered to be good whilst there are varying levels of provision in the town centre. The quality of existing town centre provision is

[8] The survey data quoted here is the 2011 survey informing the 2011, and has not been altered to take into account the effects of recent store openings on shopping patterns

likely to have a relationship with the vacancy rate in the centre and this will be a focus for the qualitative aspects of need in Torquay.

- In terms of overtrading and congestion, we do not consider that the town centre, whilst it is clearly popular, to suffer from significant overtrading and congestion. The centre is likely to perform at reasonable sales density levels although they are now lower and are unlikely to achieve levels which would suggest clear overtrading. A similar situation is also likely to occur in terms of the retail warehouse floorspace in Torquay. In contrast, there is more of case to consider the Willows district centre to be overtrading for comparison goods shopping.

4.50 Overall, we remain of the view that there is an opportunity for qualitative improvements to occur in Torquay. However, this is very much focused upon the town centre's retail offer in light of the quality of the existing stock of floorspace and the significant competition which is posed by out of centre retail warehouse provision and the Willows district centre. in terms of the types of comparison goods which offer the qualitative need for improvement, these are the non-bulky categories of clothes/shoes, personal/luxury and recreational goods, whilst there is a clear opportunity to retain more shopping trips associated with furnitire, floorcoverings and textile goods.

Torquay (Gap Area Analysis)

4.51 With regards to the gap area analysis conducted by the Council, this has focused upon walking, public transport and car accessibility to all district and local centres and the main convenience retail facilities in Torbay. Having regard to Torquay, the 2011 study identified the following types of gap area[9]:

- When accessibility on foot and by bus to all existing and planned local and district centres is considered (Appendix F) the Meadfoot, Lower Babbacombe and Hele/Torre area had poor accessibility.
- There were no noticeable issues regarding access to local and district centres in Torquay via private car (Appendix G).

[9] References in this paragraph are to appendices in the 2011 study

- If the focus turns towards access to convenience shopping facilities, the gap area analysis showed the following information
  - If all foodstores, excluding very small stores such as cornershops, are considered (see Appendix H) then the majority of Torquay lies within a 5-10 minutes walking bus journey area. The exceptions to this were Meadfoot, Lower Babbacombe, Livermead and parts of Chelston.
  - If those smaller convenience stores which may not be able to meet all top-up food shopping needs are removed (see Appendix I) then the gap areas widened with larger parts of Chelston and Livermead being included, plus the western part of Shiphay, plus Babbacombe, Wellswood and Meadfoot (although the Tesco Express in Babbacombe will reduces the extent of the gap area in this part of Torquay).
  - With regards the main supermarkets in Torquay, the 2011 study only had the benefit of the Sainsburys at The Willows and using that store alone showed that the majority of Torquay residents are outside of a 10 minute walking distance. In addition, parts of Babbacombe, Wellswood, Meadfoot and Livermead were outside of a reasonable drivetime. However, that position has been superseded and we outline below the effect that the ASDA store on Newtown Road has had on accessibility.
  - Finally, the 2011 study shows that if all foodstores are included in the accessibility by car analysis then all parts of Torquay are covered within a 10 minute drive time.

4.52 The 2011 analysis has been updated to take into account the effect of the opening of the ASDA stores in Paignton and Torquay, along with the proposed Tesco store in Brixham town centre. In addition, further plans have been prepared in order to show the effect on accessibility if the Town Hall car park site in Torquay is redeveloped for a supermarket. These plans are attached at Appendix E to this report. These plans show that:

- It remains the case that walking and bus accessibility to all foodstores and convenience stores across Torquay is very good (Plan H1);
- The new ASDA store in Torquay has made a modest improvement in the accessibility to major supermarkets by walking and bus (Plan J1);
- The new ASDA store in Torquay has made a material difference to the accessibility of Torquay residents to major supermarkets by car. A much greater area of the town is now within 5 and 10 minutes of a supermarket (see Plan K1). For example,

Babbacombe, Ellacombe and Meadfoot are now within 10 minutes of a major supermarket, which is a material difference from the 2011 gap area analysis. Moreover, there is now only a very small area of east Torquay which is outside of the 10 minute drive time area, and the difference between the 5 and 10 minute drive time areas on Plan K1 indicates that the areas outside of the 10 minute boundary are likely to be only 1-2 minutes additional drive time from a major supermarket.

- A plan has also been produced to indicate the changes in accessibility should a new supermarket be opened on the Town Hall car park in Torquay town centre. At present, the Council is working with a private sector developer to deliver a redevelopment of this site to provide a large supermarket and, as a consequence, it is appropriate for this analysis to take this eventuality into account. When a supermarket development is placed upon the Town Hall car park site in Torquay town centre, Plan J2 at Appendix E indicates that almost all of Torquay is within 20 minute travel time by walking or bus. This is a significant change from the original accessibility shown in Appendix J in the 2011 study and shows the positive impact of placing a new supermarket in a sequentially preferable location.
- Whilst the ASDA store on Newton Road in Torquay has made a material difference to the extent Torquay residents who are beyond a 10 minute drive time, Plan K2 indicates the impact of placing a supermarket on the Town Hall car park. A significant proportion of Torquay residents would be within a five minute drive of a major supermarket and all residents would be within a 10 minute drive.

4.53 In our opinion, the above analysis has shown that since 2011, the accessibility to convenience shopping provision, and supermarkets in particular, has improved. Babbacombe, Ellacombe and Meadfoot, specifically referred to in the 2010 analysis as gap areas, are now more accessible to food retail provision locations. The strength of any 'gaps' has, in our opinion, been significantly diluted to the extent that any concern over accessibility to food retail provision in Torquay should also reduce. Moreover, in line with town centre first approach to retail planning advocated by the NPPF, a new supermarket on the Town Hall car park would also make further improvements to accessibility, with the town centre being the most accessible location in Torquay via a choice of means of transport.

Paignton (Convenience Goods)

4.54 In line with the previous studies, we do not consider that there is a significant qualitative deficiency in convenience retailing provision in Paignton as a whole. The town centre has a number of foodstores, albeit orientated towards smaller scale top-up food shopping provision, whilst there are three large supermarkets (Sainsburys, ASDA and Morrisons) in out of centre locations. As a result of this provision, Paignton is able to retain a large majority of its main and top-up food shopping trips. There is a small amount of leakage and this generally flows to the Willows in Torquay and stores outside of Torbay, although this leakage is in itself not a reason to increase the level of qualitative need.

4.55 Like Torquay, the main qualitative issue in Paignton is the balance between out of centre and town centre convenience retail provision. The out of centre stores dominate main food shopping trips whilst the town centre stores focus more on top-up food shopping trips. Therefore, when planning for additional provision, consideration should be given to whether there are opportunities in the town centre to redress this balance by providing a store which can attract main/bulk food shopping trips from local residents and compete with the Sainsburys, ASDA and Morrisons stores.

Paignton (Comparison Goods)

4.56 Within the previous retail studies, the ability to improve the qualitative aspects of comparison goods floorspace provision have been discussed and whilst the aspiration to improve provision has been supported, this has come with some qualifications namely the need to support the health of the town centre and concentrate development in central locations. The need to support the town centre stems from its worsening trading performance, the competition posed by Torquay and the quality of existing space in the town centre which can retain and attract occupiers.

4.57 Some realism is required in terms of the provision of comparison goods floorspace within Paignton. It is located in close proximity to Torquay and whilst some retailers may have a requirement for stores in both towns, this is unlikely to be a common occurrence and our commercial analysis has found that the majority of demand for new comparison goods space will be directed towards Torquay in the future. As such, the qualitative need for improvement in Paignton is likely to focus upon the improvement in the quality of the existing floorspace stock and promoting smaller scale development opportunities than Torquay to attract new comparison goods retailers. Given the extent of commercial demand towards Paignton, it is unlikely that comparison goods retailers alone will be able anchor a new town centre development scheme.

Paignton (Gap Areas Analysis)

4.58 Turning to the Council's gap areas analysis, poor accessibility was highlighted in the 2011 study for parts of the Preston and Preston Down Road areas in relation to walking and bus travel to foodstores and some defined centres. These areas are less disadvantaged in terms of car accessibility to the large supermarkets in Paignton and the eastern part of this area benefits from close proximity to Preston District Centre which provides a range of facilities including the recently opened Tesco Express and Sainsburys Local stores, along with a Morrisons M Local convenience store. The opening of the two ASDA stores has also materially helped accessibility by car in these areas.

4.59 Elsewhere in Paignton, the areas surrounding the town centre and to the western part of the urban area have good walking, bus and car accessibility to both large convenience store provision and defined centres.

4.60 To the south of Paignton town centre, the Roundham and St Michaels areas have poor accessibility via walking and public transport to convenience retail provision and local centres. These areas fare better in terms of access to foodstore by private car, which has improved following the new ASDA store, although areas to the south in the Clennon Valley also have poor accessibility. Moving further to the south, access becomes better in terms of walking and public transport accessibility to defined centres and boosted by access to the Co-op at Cherrybrook Square. On the western edge of Paignton, accessibility is considered to be reasonably good, although this is based on the existing situation and should further residential development occur to the west of Brixham Road then a gap area would emerge.

4.61 To the south of the main Paignton urban area, between the town and Brixham, a gap area around Galmpton and Churston Ferrers had also been identified in the 2011 study, in relatio to acces to foodstores and defined centres in terms of walking, public transport and private car. However, this gap has been reduced/removed by the new ASDA store in Paignton and the proposed Tesco in Brixham.

Brixham (Convenience Goods)

4.62 Throughout previous retail studies, a clear consistent message of qualitative deficiency in convenience goods retail provision was given. This is based on existing provision in the town centre focusing on top-up food shopping trips and resulting in a significant leakage of main food shopping trips from Brixham to the out of centre supermarkets in Paignton and, as a second choice destination, the Willows district centre in Torquay. This has resulted in the Council supporting proposals for a new supermarket in Brixham town centre and the Tesco application now benefits from a Council resolution to grant planning permission.

Brixham (Comparison Goods)

4.63 The picture for comparison goods retail provision in Brixham is similar to the historic convenience goods situation, namely a significant outflow of shopping trips primarily to Torquay although trips to Paignton and outside of Torbay also occur. As a consequence, there is an opportunity to improve qualitative aspects of provision within Brixham, although commercial issues surrounding retailer demand indicate that qualitative improvements are likely to be modest (such as the comparison goods floorspace element of the Tesco store).

Brixham (Gap Areas Analysis)

4.64 As noted above, Brixham has long been identified as possessing a gap area in terms of the scale of convenience retail provision. This has been reinforced by the results of the Council's previous gap areas analysis which showed that whilst there is good access to small foodstores and the town and local centres (see appendices H & I in the previous study), the whole of the urban area is well beyond a 10 minute drive and a 20 minute walking distance from large supermarkets. However, the proposed Tesco supermarket in the town centre would effectively remove all of the identified gap areas in Brixham.

5. Review of Potential Retail Development Opportunities

Introduction

5.1 A key component of a proactive approach to meeting needs is the identification of appropriate sites together with policies to bring forward new development. Where quantitative and/or qualitative needs for retail development have been identified, existing and potential sites within town centres, or on the edge of centres should be examined along with the potential to expand existing centres and/or promote new ones.

5.2 As a consequence, this section of the 2013 retail study update examines potential development opportunities across the Torbay area. It is split into two parts, with the first part dealing with town centre and edge of centre sites in Torquay, Paignton and Brixham and the second focusing on potential retail development opportunities arising out of the gap areas analysis undertaken by the Council and expanded upon the previous section of this report. When reading this analysis, it should also be borne in mind that Torbay Council will shortly commission masterplanning exercises for Torquay and Paignton town centres, along with Torqua Gateway and Collaton st Mary, and this work will provide further evidence base information for retail development opportunties in these towns.

Town Centre / Edge of Centre Potential Retail Development Sites

5.3 Previous studies considered a range of sites within or on the edge of the three town centres in Torbay. For the 2011 retail study update, the list of potential development locations was revisited and the focus for our assessment was on the following list of sites (against each site we provide a commentary on whether any changes have been made since the previous studies):

Torquay

- **Union Street**. This site was previously known as Temperance Street in the previous studies and has been expanded to include Nos.22-144 Union Street and the nearby telephone exchange, plus the multi-storey car park included in the original analysis.

- **Debenhams unit and adjoining properties**. Previously the former Royal Garage was included in this site assessment, although this area has been excluded for the purposes of this latest analysis (due to planning permission being granted for a redevelopment scheme).
- **Nos. 3-19 Union Street**. Previously Nos. 3-39 Union Street were included in this analysis although this has been reduced to Nos. 3-19 as the other units in the previous analysis have been re-occupied and therefore offer little prospect for redevelopment.
- **The Pavilion, multi-storey car park and Princess Gardens**. The Pavilion and MSCP were included in the previous studies although this site has been expanded to include Princess Gardens for this latest analysis (due to the allocation within the THAAP).
- **Nos. 2-28 Market Street**. No change in this site from the previous studies.
- **Riviera Centre**. A new potential development location for inclusion in this latest analysis.

Paignton[10]

- **Crossways**. No change in this site from the previous studies.
- **Station Lane**. This site has been reduced in size due to the development of a library in the central part of this site.
- **Victoria Square.** No change in this site from the previous studies.

Brixham

- **Former multi-storey car park**. No change in this site from the previous studies.

5.4 Since the 2011 study, the Council has sought to encourage the redevelopment of the Town Hall car park in Torquay town centre and therefore this additional site is now also included in the analysis.

5.5 Site assessment proformas for the above sites are contained at Appendix D. The sites in each town are discussed in turn below.

Torquay

5.6 Within Torquay town centre, the Union Street area provides the best opportunity to provide significant comparison retail development and should form the focus for the Council's efforts as its major town centre retail development scheme. It lies on one of the few areas in the core retail area where there is sufficient retail frontage and depth to provide significant levels of new floorspace. However, like many other town centre redevelopments this area has challenges in terms of its redevelopment potential. It is occupied by existing retail floorspace (which will have an effect on land uses and development viability) and, as the Action Framework Plan (prepared by LDA) supporting the Mayoral Vision notes, redevelopment proposals may need to retain some building due to their architectural merit.

5.7 The most ambitious proposals for the western side of Union Street would include the Factory Row car park, the multi-storey car park and the entire retail frontage. Incorporation of the car parking areas gives the advantage of greater depth of retail development and the opportunity for substantially increased retail footprint. It also provides the opportunity for a multi-level development which takes advantage of the topography and height already created by the existing structure.

5.8 There is also the potential to incorporate the telephone exchange building within the redevelopment proposals in the wider area. It may not be connected with the main retail redevelopment area along Union Street but, as the LDA Action Framework Plan notes, it can provide a large retail unit if the adjacent properties fronting Union Street can be included (as suggested by the 2006 retail study).

5.9 The main land uses suitable for this area are comparison goods retailers, supplemented by food & drink uses and a smaller convenience retail offer. This area is also potentially suitable for commercial leisure development including a cinema use although such a use

[10] In the 2011 study, Victoria Park was included within the site assessments. However, we understand that the local community and the Council has subsequently made it clear that the Park should not be redeveloped and therefore it has been removed from this study.

may also be suitable for the harbourside area (see below for further details). Redevelopment is also likely to require reprovision of car parking as the Temperance Street car park is one of the largest facilities in the town centre. In relation to the potential of this area for convenience goods shopping, particularly a supermarket facility, we consider that the constrained nature of the site and access arrangements may affect commercial demand.

5.10 Overall, the Union Street area offers the best potential in Torquay town centre to achieve a retail led mixed use scheme which aspires to compare with the Princesshay and Drakes Circus schemes in Exeter and Plymouth. Should this area be pursued by the Council for this type of development, then we recommend that efforts are made to promote this site through the planning system (including the preparation of a development brief, specific mention in the Local Plan as a strategic regeneration project and proactive actions from the Council and the Torbay Development Agency regarding further redevelopment feasibility work (examining development options, land values and development viability), site assembly and site promotion – including where necessary the use of CPO powers). Such actions will be essential to progress the delivery of this project and also resist less appropriate out of centre schemes elsewhere in the Torbay area (which could attract tenants which would otherwise occupy new floorsapce in the town centre).

5.11 The other key retail development site in the town centre is the Town Hall car park site, which lies at the northern end of the centre. The Council has resolved to promote this site for redevelopment and has entered into a development agreement with a developer which intends that a large supermarket and car parking area is provided. Such a proposal will be a key contributor to an improved level of health in Torquay town centre, which has suffered from falling convenience goods floorspace and sales over recent years. Indeed, it will remove a qualitative deficiency in the town centre and provide a better distribution of floorspace. The Council has also highlighted that the Town Hall car park site lies in a sequentiallty preferable location to the two recent other supermarket proposals in Torquay (Tesco at Edginswell and Morrisons in Babbacombe) and has been used as a reason for refusal in the determination of both of those applications.

5.12 Moving southwards through the town centre the next site is Nos. 2-14 Market Street. Previous studies highlighted the potential for this site to provide for a mixed use development including retail uses to create a retail circuit with the adjacent to Union Square Shopping Centre. We remain with this view although the types of retail uses which are likely to be attracted to Market Street are unlikely to be the higher value comparison goods retailers which would occupy to Union Street scheme. In contrast, it is likely that a broader mix of land uses will be achieved, including retail development on the ground floor and residential / commercial uses on the upper floors. Part of this site has recently changed from a Blockbuster unit to a Morrisons M Local convenience store which has improved the level and choice of convenience goods floorspace in the town centre.

5.13 The Debenhams unit on the Strand at the southern edge of the town centre was also subject to an assessment in the 2006 retail study and it was recommended that improvements could be made to the appearance of this site and the amount of floorspace which it can accommodate. Indeed, it is possible that this site could become available in due course if the Union Street retail scheme were to proceed as Debenhams has the potential to relocate and become the anchor retailer. In terms of future uses, this site has the potential to provide a number of smaller retail units and/or provide leisure uses which are clearly compatible with the function of the harbour.

5.14 The North Quay, Pavillion and Princess Gardens area was identified in the now abandoned Torquay Harbour AAP for the development of a major waterfront destination including hotel, niche retail, food and drink and residential land uses, plus a new use for the Pavillion, entertainment and art space and parking facilities. The 2006 retail study also highlighted the potential advantages of redeveloping the North Quay areas, whilst the LDA Action Framework Plan outlined ambitious proposals for the wider areas including retail, leisure, casino and hotel uses plus refurbishment of Pavillion Gardens.

5.15 For retail provision to both suceed and be acceptable in this area, it should be differentiated from the existing and proposed provision in other parts of the town centre. Retail provision could be orientated towards the leisure sector, provide for niche uses, and be of an appropriate scale. We share the aspirations outlined in the Mayor's Vision for this area which concentrates upon improving the leisure offer in the town centre and we consider that the harbour area should promote itself as the leisure quarter in the town centre. As such, it may be more appropriate for a new cinema use to be located in this part of the town centre to complement a leisure-led development scheme.

5.16 The final site considered in Torquay is the Riviera centre. Whilst it is included in the town centre / edge of centre category, in reality it does not meet either classification and is in fact a stand alone out of centre site. The site itself is relatively large and could accommodate a relatively large amount of either food or non-food retail development. However, with little ability to provide effective linkages with either Torquay town centre or the surrounding smaller local centres, the Riviera Centre is unlikely to offer an appropriate site for retail development which can have a positive effect on retailing in Torbay. There is however a possibility that this site could offer some potential in terms of the leisure tourism industry in Torbay.

Paignton

5.17 The three locations in Paignton town centre (Crossways, Victoria Square and Station Lane) all featured as part of the 2006 retail study site analysis. They all provide important sites to the health and attractiveness of Paignton town centre.

5.18 In the 2006 retail study, the recommendations for Victoria Square included the need to investigate ways to include this site within a retail circuit and potentially reduce the size of the 'hard' open space. Since the completion of that study, the Mayor Vision re-examined this area which a view to more comprehensive redevelopment with the Lidl store, other retail units and the MSCP removed to make way for significant residential accommodation. Such a proposal would, in our view, have an impact upon the health and attractiveness of the town centre, removing one of the main foodstores and removing the largest car park in the town centre. Whilst we note that other parts of the LDA Action Framework Plan provide for a new foodstore on the Station Lane site, reprovision of car parking does not appear to be catered for.

5.19 Whilst the Victoria Square area is in clear need of improvement, we consider that a retail-led redevelopment scheme would have more benefit to the overall health and attractiveness of the town centre. The most likely retail uses are likely to come in the form of convenience goods floorspace within a supermarket (which will also include an element of comparison goods floorspace) as demand for high street comparison goods floorspace in Paignton is low and, in any event, this area of the town centre is unlikely to attract a sufficient critical mass of retailers. In order to attract an anchor supermarket retailer and provide for main/bulk food shopping trips we would recommend that a store of a minimum 30,000sq ft net sales is promoted, although stores considerably larger than this will be constrained by the overall physical size of the site, the height of development which can be achieved and accessibility considerations. Commercial demand is likely to be predicated on the whole site being available and a much better frontage to Torbay

Road being created. However, this is likely to take some time and redevelopment within the next five years is unlikely.

5.20 A supermarket led development would require the demolition of the whole of this site (Lidl, other retail units and MSCP) and we consider that providing alternative premises for Lidl (who make an important contribution to the range of convenience retail provision in Paignton) and provision replacement car parking provision are both very important principles to be agreed at an early stage.

5.21 A further important consideration for the redevelopment of this site will be access, in order to make any redevelopment acceptable in planning terms and also to attract an anchor foodstore operator. The visibility of the Victoria Square area from the main road network in Paignton is poor and therefore retail development in this location will need to be of a sufficient size and quality in order to attract customers. Access to the site is via Garfield Road and the network of streets which link to the seafront and we recommend that further investigations regarding an access strategy for this redevelopment area.

5.22 Every effort should be made to keep the Lidl store in the town centre and the remaining parts of the Station Lane site (see below) may be an opportunity to accomplish this. However, the significance of the loss of Lidl to another location in Paignton would be at least partially mitigated by the redevelopment of the site for a larger supermarket and improved parking provision.

5.23 Overall, the Victoria Square area presents a significant redevelopment opportunity for Paignton town centre, albeit one which is likely to occur in the medium to longer term. As an alternative to the proposals within the Mayoral Vision, we consider that its best opportunity for retail led redevelopment is via a supermarket use. This would require total redevelopment of the site and further consideration will need to be given to the potential relocation requirements for Lidl, the scale of car parking which will need to be reprovided and also access arrangements.

5.24 Turning to other sites in the town centre, the Crossways centre was recommended for physical improvement in the 2006 study, along with increased prominence being given to the promotion of retail and leisure uses across this site and surrounding area. Since the completion of the 2006 study, the centre has moved into new ownership and has also been subject to proposals in the Mayoral Vision. It has also been subject to some refurbishments, although the Council's Retail Monitor indicates that it retains a high number of vacancies. The LDA Action Framework Plan shows three redevelopment options for the Crossways centre to allow for retail, residential and hotel uses. Given the level of demand for additional retail floorspace (particularly comparison goods floorspace) in Paignton we support the approach taken by the LDA document which seeks to redevelopment existing space and diversify the land use mix in this area. Like the Victoria Centre, redevelopment of Crossways is likely to be a medium to longer term project, due to the multiple occupiers in this area.

5.25 The final site in Paignton town centre is Station Lane. In the 2006 study this site's potential for retail and leisure development was identified and its potential to expand the primary shopping area in Paignton. Since the completion of the 2006 report, funding was secured for a new library complex and this project has now been completed. With this new development in place, the former Station Lane site is now split into two parts, with the northern part comprising the bus station and a car parking area and the southern part accommodating further car parking provision.

5.26 We do not consider that the southern car park (to the south of the new library) should remain a potential retail development site as it has become detached from the main retail area in Paignton and is better suited to car parking uses. In terms of the northern part of the site (accommodating the bus station and parking), we remain of the view that it offers a good opportunity to expand the core retail area in the town centre. The LDA Action Framework Plan indicates the potential for either a foodstore or retail uses with residential uses above across the bus station and car park sites. We would support both of these options, and note the potential for the site to accommodate a relocated Lidl store from Victoria Square. It is likely that the bus station site is better suited to accommodate a relocated Lidl store as it is unlikely to be able to accommodate the scale of store which can be provided on a redeveloped Victoria Square site and which can provide for main food shopping trips.

5.27 However, a key consideration for this site will be the need to provide a new bus station complex which is a very important facility for the town centre. The LDA document indicates a new transport hub on the eastern side of Great Western Road close to the railway station which is a concept that we support, although it is likely that future work will need to be undertaken to establish whether sufficient space exists in this location for bus station facilities and/or whether another location in the town centre can provide suitable accommodation. Whilst this section provides an indication of the development potential of key sites in Paignton town centre, we understand that the Council will shortly commission a masterplan for Paignton town centre. This masterplanning exercise will provide more certainty over the delivery of redevelopment at the Victoria Centre and Crossways and may also identify other potential development areas, and should be used to guide the sequential site testing analysis when proposals for out of centre food and non-food development proposal come forward.

Brixham

5.28 Having regard to potential development sites in Brixham town centre, the focus remains on the former multi-storey car park site and we reiterate our support for the redevelopment of this site to provide a foodstore use as part of a mixed use scheme (including car parking provision). The LDA Action Framework Plan also supports this project, which will enable the qualitative deficiency in convenience retail provision to be removed and a higher proportion of main/bulk food shopping trips retained within Brixham.

5.29 Should the supermarket-led redevelopment occur, it is possible that existing convenience goods retail provision within the town centre (Tesco Express and Co-op stores) could be affected. For example, with Tesco the preferred occupier of the new store, the Tesco Express unit on Fore Street may close as a consequence and new occupiers found (possible via the refurbishment / sub-division of that unit).

The Gap Area Analysis

5.30 Beyond the town centre and edge of centre development opportunities outlined above, there are a number of areas across Torbay which have been identified as gap areas in terms of their access to convenience shopping facilities. Therefore, alongside the examination of town centre and edge of centre sites, it is important to identify the potential development opportunities in these identified gap areas which have the potential to remove any deficiencies identified in the gap areas analysis.

5.31 For the avoidance ot doubt, removing any identified gap areas should be performed through the plan-making process via the identification of planned local centres. It is in this context that our osbervations and recommendations are made.

Torquay

5.32 Within Torquay, the 2011 study highlighted an area around Babbacombe, Wellswood and Meadfoot as lying within a gap. The study noted that there was an existing centre within the local area (Wellswood), although it is small scale and does not offer any immediate opportunities for expansion to provide convenience retail provision. It was also noted that opportunities existing for increased retail provision in nearby Babbacombe Local Centre and St Marychurch District Centre although it was observed that the scale of improvements would only be modest and unlikely to change the results of the gap areas analysis.

5.33 The 2011 study went on to consider opportunities to remove the perceived gap, although this analysis has now been superseded by the opening of the ASDA store on Newton Road and also the proposals being progressed by the Council on the Town Hall car park site in Torquay town centre. As has already been noted, retail development in both of these locations removes the Council's previously identified gap and therefore, for the purposes of the 2013 study we recommend that there is no need to identify further retail development in the Babbacombe, Wellswood and Meadfoot area.

5.34 The next gap area identified in 2011 study was the Chelston and Livermead area. Within Livermead itself there are very few development opportunities and no opportunity to expand the existing defined local centre. Within Chelston, opportunities to improve provision via the redevelopment of sites within the defined Walnut Road Local Centre have been taken, including the redevelopment of the formerDavid Meek garage/car showroom premises for a Co-op store. This has the potential to accommodate a modest sized convenience store and improve accessibility to local top-up food shopping destinations. However, this gap area would also be removed by a new supermarket on the Town Hall car park, thus reinforcing the positive case for a new supermarket in Torquay town centre.

5.35 Looking to the future, we have already indicated that should additional significant residential growth occur around Edginswell it is likely that a gap area will also be created in that locality. The 'gap' will result from poor access to local centre provision rather than car access to large supermarket provision, which will already be available at the Willows District Centre. Having regard to the topography and urban form in this area, including linkages to the surrounding neighbourhoods of Shiphay and Edginswell, it will be inappropriate to provide new provision outside of this planned new neighbourhood in, for example, the Edginswell employment land allocation (E1.2(B)). The Edginswell area has been identified as a highly accessible opportunity for employment uses in the Employment Land Review (2013). Should significant new residential development be planned consideration should be given to a new appropriately sized local centre as part of the masterplanning of the area.

Paignton

5.36 The central residential area of Preston plus the area around Preston's defined district centre has been highlighted as a potential gap by the Council's analysis. The gap is primarily generated by the lack of a large supermarket, as the the Tesco Express and Sainsburys Local stores within the District Centre provide good walking and public transport accessibility for the eastern part of the Preston area. Therefore, in order to remove this perceived gap a site would need to be found to accommodate a supermarket of sufficient scale to attract main/bulk food shopping trips. However, with the whole of the Preston area benefitting from reasonable car accessibility to the supermarkets on the western edge of Paignton, plus the recent increases in convenience stores in the district centre in recent years (Tesco Express and Sainsburys Local), then this is not considered to be a high priority gap area.

5.37 In line with the sequential approach, the focus will be on Preston District Centre followed by other parts of the Preston suburb should the Council wish to remove this perceived gap. Within the district centre, a number of sites can be considered, which include: the Vauxhall Motors garage/car showroom on the corner of Torquay Road and Orient Road plus the CJ Motors site including warehousing (and possibly the Ship Inn) to the rear. However, both of these sites, whilst potential development opportunities, are modest in size and, should they become available in the future, are only able to offer modest amounts of retail floorspace. As a consequence, convenience retail floorspace on these sites is unlikely to change the nature of convenience goods shopping patterns in and around the Preston area, which concentrates upon top-up food shopping.

5.38 Within other parts of central Preston and Foxhole residential areas in the north-western part of the Paignton urban area, its dense urban form/layout makes it difficult to find suitable sites within or on the edge existing small scale centres in this area. Since the completion of the Council's analysis, provision has recently improved with the provision of a Co-op foodstore within a former public house site. This store is modest in size but provides better accessibility to local residents in terms of day to day top-up food shopping facilities.

5.39 Beyond the existing urban area, the only further opportunities to remove this gap would be via sites close to the A380 in the Marldon area. A new Local Centre in this area has the potential to improve accessibility by walking, public transport and private car, and a centre is planned as part of the Great Park Phase 2 development, although the overall benefit to existing residential areas to the east of the A380 is curtailed by the barrier created by the A380.

5.40 Overall, in terms of the perceived gap area around Preston and Foxhole, we have found little opportunity to provide a new supermarket development which would meet the provisions of the sequential approach and/or provide good accessibility via a choice of means of transport.

5.41 Moving southwards in Paignton, to the south of the town centre, the Clennon Valley / St Michaels / Roundham area is identified as a gap area. It has poor accessibility by walking and bus provision and parts are also outside of the 10 minute drive time for travel by private car to the major supermarkets in Paignton. In order to rectify this situation, two opportunities exist: better/larger supermarket provision in the town centre (as the town centre has a close relationship with parts of this area); and, improved provision in Three Beaches Local Centre. Whilst a new supermarket in Paignton town centre is unlikely to offer a significant change to the walking and bus travel travel catchment areas it has the potential to improve the range and choice of provision within the centre and it will also greatly improve the accessibility of convenience goods retail provision via private car.

5.42 Alongside improved provision in the town centre, there is an opportunity to improve convenience goods floorspace provision in the central part of this area via the introduction of new provision in Three Beaches Local Centre. The distribution of defined centres in this part of Paignton is not in question, instead it is the lack of conveneince floorspace which causes the perceived 'gap' and therefore there is no obvious need for a new centre as the focus is on access to convenience shopping. Within Three Beaches Local Centre, there is a potential opportunity on the western side of Dartmouth Road currently occupied by a public house and garage uses. Should these uses become available, and the Council accepts the loss of these uses, a modest amount of convenience goods floorspace would improve walking and bus travel access to day to day top up food shopping facilities and also offer qualitative benefits.

5.43 In addition, and further to the south, any opportunities for the improvement of convenience goods floorspace at Cherrybrook Square Local Centre (i.e. expansion of the Co-op store), would also help to improve access to day to day top-up food shopping provision in the southern part of the Paignton urban area.

5.44 On the western side of Paignton, the Council's analysis identifies the Collaton St Mary area as lying within a gap. This 'gap' is caused by the lack of defined local or district centres in the local area, rather than substantially poor accessibility to supermarkets via walking, public transport and private car access (although the layout of the urban area is not conducive to easy walking and cycling trips. Therefore, we recommend that the focus in this area, particularly in light of the planned residential growth in the Torbay Core Strategy, is the promotion of a new centre to serve existing and future residents. At present there is very little retail and service uses along Totnes Road and little retail/commercial space which can be transformed into a new planned centre. Instead, should significant new residential development be planned for the Collaton St Mary area in the Core Strategy, we recommend that consideration given to a planned new Local Centre which should be provided as part of any planned residential development and lie in the heart of this area.

5.45 Further to the south, along Brixham Road at Yalberton / White Rock, the Council's analysis does not indicate an existing gap at present, particularly as there is limited residential use to the west of Brixham Road. However, the need for provision is likely to be created in the future should residential development be promoted, reinforced by the separation caused by Brixham Road. We note that this need has been met by the planned new local centres at Yannons Farm and Whilte Rock, thus eliminating the need for additional provision in this area.

5.46 Alongside these new centres, we note the extant commitment to extend the Sainsburys store on Yalberton Road. Sainsburys have implemented this permission on their existing site and, as a consequence, there may be little that this study can do in terms of refining these proposals for expansion. Whether or not Sainsburys decide to pursue a revised proposal, we do not consider such a proposal is needed to remove any gap areas in the western part of Paignton.

5.47 The final gap area lies across Galmpton Broadway and Churston Ferrers, which are two small villages lying between Paignton and Brixham. These settlements do not contain any existing centres or significant retail provision and they no significant identifiable opportunities to provide new retail floorspace. In any event, these perceived gap areas will be improved by provision of new space in Brixham and improvements in the southern part of the Paignton urban area.

6. Retail & Town Centre Policy Options Analysis

Introduction

6.1 Having identified the expenditure capacity/demand which exists, considered qualitative needs, and reviewed current and potential sites, the next critical stage of preparing an effective retail strategy is to identify the policy options for development. This will involve identifying different centres' strengths/weaknesses, opportunities and threats. The outcome of this exercise will be to identify what scale and form of development is likely to be supportable in different locations, including the scope to enhance the role of existing centres, to expand or create new centres, and where appropriate, to plan for diversification and manage decline.

6.2 A key element of developing and evaluating policy options is to understand the implications of alternative policy choices. For example, where potential exists to expand the role of a particular centre, and to seek to increase its market share and reduce 'leakage' of expenditure, it will be necessary to understand the implications for neighbouring centres in terms of their current or potential role. If there is insufficient expenditure capacity or demand to support development of all the identified opportunities, it may be necessary to review the pros and cons of each option, and to weigh their relative merits in reaching a decision. This may involve choices between the development of one opportunity or another, or may lead to a strategy to phase new development, and to identify priorities.

6.3 At the policy formulation stage, it may be useful to assess alternative options against national, regional and local policy objectives and priorities. For example, having identified a 'need' for new development in its area, the Practice Guidance identifies a framework of considerations that local planning authority may wish to evaluate how best to plan to accommodate this need within a network of centres:

- Which option secures the maximum investment within existing centres, and the wider socio-economic benefits of different options.
- What distribution of new development is likely to contribute to an effective network and hierarchy of centres, and promote sustainable shopping patterns.

- Which centres(s) are most likely to be able to accommodate new development in sequentially preferable locations, and are likely to be most accessible to their current/potential catchments.
- Which options are likely to be most consistent with sustaining and enhancing the vitality and viability of different centres.

6.4 Within the two previous studies these broad principles were followed, with the options of maintaining or changing the market share of convenience and comparison goods shopping in Torquay, Paignton and Brixham examined. As part of this consideration, national and local policy factors such as qualitative needs and the availability and location of potential development sites were incorporated into the analysis. This approach is continued within this latest update, although the analysis is expanded to inclulde the influence of the gap area analysis outlined in previous parts of this report.

Convenience goods retailing: the Options

6.5 For convenience retailing, the 2011 study outlined a range of options including: concentrate all new development within the three town centres; concentrate new development in the gap areas in new and existing local centres; a combination of these options, with disbursed development across town, district and local centres and gap areas

6.6 In our view re-consideration of these options is not now necessary because: the level of quantitative capacity for new convenience goods floorspace has fallen considerably; two new large ASDA supermarkets have opened in Paignton and Torquay; planning permissions have been granted for new local centres in Paignton and the Council has resolved to grant planning permission for a large Tesco supermarket in Brixham town centre.

6.7 Based upon these events, the focus for new convenience goods floorspace is now very much focused upon Torquay and Paignton town centres given that new foodstores in these centres can eliminate many remaining gap areas and in any event are supported by the need to improve the quality of provision in these centres:

- Torquay town centre. The focus of efforts should remain on the Town Hall car park, with the Council working to assist the private sector in the delivery of a supermarket in this location.
- Paignton town centre. Should the Council wish to proceed with the redevelopment of Victoria Square, further investigations are required over the potential for the Victoria Square site to accommodate convenience goods floorspace including options over the scale of potential accommodation. We consider that efforts should be made to accommodate a main/bulk food shopping facility, which is likely to have a minimum sales area of circa 30,000sq ft net. This should also be accompanied by the identification of options for the relocation of the Lidl store.

6.8 In relation to the remaining gap areas, the emerging Local Plan allocates new centres to White Rock, Collaton St Mary, Yannons Farm and Great Parks. The analysis within this study supports these allocations given the location of substantial new residential development in these areas and the need for new local facilities to serve these growing communities.

Comparison goods retailing: the options

6.9 For comparison goods retailing, the options are influenced by a number of factors, including: the desireability/appropriateness of maintaining or changing market share levels in each town; the operation of the sequential approach to site selection; the availability and suitability of sites in or on the edge of town centres to accommodate different types of new comparison goods floorspace; and, the ability to provide sustainable shopping patterns.

6.10 The starting point for the options analysis should be the results of the quantitative assessment and forecasts of need for additional space should existing shopping patterns continue in the future. As noted in Section 4, the overall capacity for additional comparision goods floorspace is falling when compared with previous studies and now stands at 700sq m by 2021, 6,100sq m net by 2026 and 12,000sq m net by 2031.

6.11 If this global Torbay capacity is broken down into its three constituent parts, Tables 10b, 10c and 10d (at Appendix B) indicate that Torquay attracts most of this capacity with Brixham and Paignton possessing much lower levels. Should these 'constant market share' floorspace capacity be pursued then only Torquay would be able to provide new comparison goods floorspace in the longer term, with expenditure growth in Brixham and Paignton used to support existing businesses prior to additional growth occuring in the medium term onwards.

6.12 The alternative option to meet the identified quantitative need is via the redistribution of some of the identified capacity to benefit Paignton and Brixham with the effect that Torquay has a lower short term capacity but Paignton and, to a lesser extent, Brixham have a quantitative need to provide additional floorspace in the short term. Whilst this scenario would offer the opportunity for redistribution of the identified capacity with a more equal share of new comparison goods floorspace, it does not receive significant support from either the qualitative assessment or our commercial assessment. These assessments indicate that there is little commercial requirement for additional comparison goods retail floospace in either Paignton or Brixham town centres and the opportunity for improving the quality of the comparison goods floorspace offer should focus upon the redevelopment and recycling of existing stock, particularly within Paignton. This is evidenced by the proposals to redevelop Victoria Square and Crossway Centre sites in Paignton town centre and the amount of vacant floorspace in Paignton.

6.13 Therefore, in quantitative and qualitative terms, and also supported by our commercial assessment, the majority of comparison goods floorspace need for additional floorspace falls to Torquay. A key consideration for the Council will be how much new floorspace to plan for and what types of floorspace need to be accommodated. As an overarching principle, we recommend that a reasonable balance is struck between promoting comparison goods floorspace growth in Torquay (as the only one of the three towns being capacity of attracting new investment in comparison goods retail provision) and protecting the health of Brixham and Paignton. One logical approach will be to adopt the global quantitative need forecasts for Torbay as a whole as this balances the under-performance of Paignton and Brixham against the better performance of Torquay. Therefore, there is a logical argument to suggest that, as a guide, the quantitative capacity levels shown in Table 10a1 at Appendix B should be seen as maximums.

6.14 This is also supported by the need to balance the ability to provide new retail floorspace against the redevelopment of existing floorspace. Whilst our quantitative assessment indicates the opportunity through surplus expenditure to accommodate additional floorspace in the longer term, our qualitative assessment indicates that existing floorspace should be redeveloped to make way for new more modern development which can better meet commercial requirements. This is supported by the level of vacancy in Torquay town centre and our commercial opinion that existing floorspace within the town centre is not meeting the needs of the modern retail sector and there is simpy too much surplus floorspace.

6.15 Therefore, in terms of a strategy for the provision of new comparison goods floorspace, whether it be new floorspace or replacement floorspace for existing provision, our recommendation is for the majority of development to be directed to Torquay. This is not to exclude Paignton and Brixham from the ability to secure new development, which clearly should be encouraged by the Council. Instead it acknowledges that there is much lower demand for additional floorspace in Paignton and Brixham and the focus will be on: supporting existing retailers (through control of the scale of provision in out of centre locations and the scale of new development in Torquay) and the redevelopment and improvement of existing floorspace.

6.16 Similar actions will also be undertaken in Torquay although there are opportunities, supported by potential commercial demand, to expand its floorspace in both town centre and (subject to impact and sequential approach policy tests) in District/Local centre and out of centre locations. Our commercial analysis indicates that whilst Torquay currently has a good level of comparison good retailing, there are opportunities to expand this further and opportunities to be explored in terms of attracting new retailers to the town centre. In order to attract new retailers and also allow existing retailers with small / poorly configured space to expand/relocate, significant modern new floorspace will be required. The best opportunities assessed as part of this study appears to be the Union Street area and sites around the harbour area, with smaller scale opportunities along Market Street and as and when individual properties / groups of properties become available.

6.17 With further work recommended by this study in relation to the viability and delivery of large scale retail development in the Union Street area, plus the amount of retail development which can and should be accommodated in and around the harbour / sea front area, it would be inappropriate for this study to seek to restrict new comparison goods floorspace to one site in particular. Instead, the recommendations of this study, including the short list of preferred development locations, should be taken forward as the basis for additional necessary work by the Council to agree a town centre retail development site strategy. However, at the heart of this strategy, this study recommends the following key principles and strategic actions:

- In order to improve the health of Torquay town centre, and to improve its role in the regional shopping hierarchy, the Council will need to be proactive over its promotion of town centre development sites. Further steps should be taken to try and accommodate the majority of the identified need for additional comparison goods floorspace (particularly the non-bulky goods floorspace need, but also some bulky comparison goods[11]), in Torquay town centre. As a priority, and where a choice between retailers should be made, precedence should be given to non-bulky comparison goods retailers as they are vital to the health of Torquay town centre. A proactive stance from the Council is required in order to meet two key aims. First, action by the Council is required in order to progress what will be complex town centre development projects, including initial feasibility and masterplanning work and a commitment to assist with site assembly and use CPO powers where necessary. Second, proactive action by the Council will also be important to withstand inappropriate proposals for comparison goods floorspace elsewhere in the Torbay area. Without clear town centre proposals, the ability to secure permission for additional out of centre retail provision, along with widening the range of goods which can be sold from existing retail warehouses, increases in potential.

- Whilst there are a number of large scale potential development sites in Torquay town centre, particularly Union Street and around the harbour area, the phasing and packaging of sites will be particularly important. The level of potential commercial demand for new floorspace within Torquay is such as that only one large scale retail development scheme can be promoted. In addition, whilst the Union Street area is more appropriate for retail development and the harbour area more appropriate for new commercial leisure provision, the Council must ensure that both schemes can be delivered alongside each other. Indeed, whilst there is likely to be commercial demand for new retail floorspace plus new commercial leisure uses such as a cinema and food & drink uses, we would recommend that there is further market testing as and when further feasibility work is undertaken in relation to the Union Street and harbour areas in order to understand whether separate retail and leisure schemes can be developed or whether all uses should be combined into one scheme.

- In relation to new commercial leisure provision, it is our view that there is potential demand including opportunities for new food & drink uses and potentially a new cinema. The importance of securing these uses in Torquay town centre attracts the same level of importance as non-bulky comparison goods uses as they are vital to ensure to continued vitality of the centre. Location of such uses away from the town centre would, in our opinion, have a significant adverse impact upon the health of the town centre as both local residents and tourists are drawn away.

- From a commercial perspective there is unlikely to be demand for a traditional high quality 'high street' retail development plus an 'outlet village' type development. This is also supported by the quantitative assessment of retail need over the short to medium term. Moreover, should demand materialise for an 'outlet village' it is likely to have a noticeable negative impact upon Torquay town centre, particularly where it is located outside of the town centre area (which seems a likely scenario given the number and physical scale of sites available). Even where such a scheme were to be placed in the town centre, we would question its overall benefit beyond the potential to attract new visitors to the area, simply because the business model of an outlet village would compete directly with existing mainstream 'full price' retailers. In the case of Torquay, this could reinforce current health issues in the town centre.

6.18 Whilst the strategy for comparison goods retailing in Torbay should be to try and accommodate as much of the identified need in new town centre development, there will inevitably be instances where the business models and trading formats of certain bulky goods retails cannot be accommodated in a town centre environment. Where there is

[11] Where appropriate business models exist

demand from particular bulky goods retailers and it is proven that town centre and edge of centre sites and premises are not suitable then out of centre locations would be appropriate (subject to impact issues), particularly where it helps to improve qualitative aspects of provision and stop leakage of trips to other settlements further away. There is potentially demand for new space from bulky goods retailers and therefore, subject to the parameters outlined above, the Council should consider adopting a strategy which directs bulky goods retail development to a particular area. As already noted in Section 3 of this report, the Riviera Way, Newton Road and junction of Torquay Road/Hamelin Way are the most appropriate locations.

The role of Torbay in the regional shopping hierarchy and the role and function of Torbay's three town centres

6.19 One element of the project brief issued by Torbay Council for this study asks for guidance on how Torbay can redefine its role in the regional shopping hierarchy, through strategic actions such as major town centre regeneration sites, strategic bulky goods locations, leisure parks and outlet villages.

6.20 As we have already noted, Torbay lies behind centres such as Exeter and Plymouth in terms of its overall performance and attractiveness and will continue to struggle to compete on an even playing field with these two centres given its accessibility characteristics and size of catchment area. There are opportunities for improvement, such as the South Devon Link Road which will improve accessibility and, whilst it would be unrealistic to suggest that Torquay can compete directly with Exeter or Plymouth, our assessment of need indicates that there remains capacity for additional comparison and convenience retailing.

6.21 For comparison retailing, the identified need is centred on Torquay, with little commercial opportunity for significant town centre development in Paignton and Brixham where the focus should instead be on maintaining and enhancing existing floorspace provision. Indeed, there is a three tier retail hierarchy in Torbay with Torquay adopting the role of main comparison goods centre, with Paignton and Brixham catering for more localised needs, with a more limited selection of retailers.

6.22 In terms of the strategic actions which need to take place to improve Torbay's role, Torquay should be identified as the focus for new comparison goods floorspace and commercial leisure provision (including a new cinema), with efforts made to promote development sites. This study has identified that the largest opportunity lies on the western side of Union Street and further investigations need to be made as soon as possible regarding the commercial viability of promoting a large mixed use regeneration scheme in this area. We recommend an examination of the availability of different plots/retail units, potential options for development mix and development costs/values. Similar exercises should also be undertaken for other key development sites in order to ensure that there is evidence of delivery to support the identification of these sites in the Local Plan.

6.23 Overall, in order to improve the health of Torquay town centre, and to improve its role in the regional shopping hierarchy, we recommend that the Council will need to be proactive over its promotion of town centre development sites. Leading on from the valuable work undertaken by the Mayoral Vision, further feasibility work should be undertaken to understand how to accommodate the majority of the identified need for additional comparison goods floorspace, both bulky and non-bulky goods, plus an element convenience retail floorspace in Torquay town centre. This work will also consider development viability issues and those issues surrounding site assembly. As a consequence we are not unduly prescriptive over the type and scale of retail and leisure uses which can be accommodated on, for example, the Pavilion / MSCP / Princess Gardens and Union Street sites. However, a proactive stance from the Council in terms of further feasibility work and planning strategy is required in order to meet two key aims. First, action by the Council is required in order to progress what will be complex town centre development projects, including initial feasibility and masterplanning work and a commitment to assist with site assembly and use CPO powers where necessary. Second, proactive action by the Council will also be important to withstand inappropriate proposals for comparison goods floorspace elsewhere in the Torbay area.

6.24 Beyond the clear strategy for new comparison goods provision within Torquay town centre, there may be opportunities for additional bulky goods floorspace within Torbay and again new provision will be focused in Torquay due to commercial market influences. In principle, where demand exists and where it cannot be accommodated within town centres, there are opportunities to improve the role and status of Torbay in the sub-region through new bulky goods retail provision. In order to control development, a specific area should be identified and, in our opinion, this is likely to be in the Torquay Gateway area or nearby in the north-western part of Torquay.

6.25 However, before a strategic allocation is made we recommend that the Council investigate the potential implications of a strategic bulky goods allocation. For example, where there are existing bulky goods units in Torbay (currently occupied by bulky goods retailers) which have a relaxed planning permission (i.e. not just restricted to bulky comparison goods) and a new bulky goods allocation allows the existing (bulky goods) tenants to move, this would freeing up the existing units for occupation of non-bulky comparison retailers which should be directed to town centre locations.

6.26 Finally, in relation to convenience goods retailing, we do not consider that there is any overriding need to redefine Torbay's role in the sub-region. As a whole, Torbay is relatively self-sufficient in terms of convenience shopping trips along with the Willows district centre able to attract shopping trips from further afield. Instead, rather than a strategy which seeks to change the relationship of Torbay with surrounding areas, the focus will be on improving the retention of shopping trips in Brixham and improving provision in Torquay and Paignton town centres.

6.27 Therefore, to summarise, the future of Torbay's three town centres has the potential to incorporate the following characteristics:

- Torquay. Torquay's town centre is likely to remain the dominant town centre in the Bay, attracting the largest amount of comparison goods expenditure and the largest amount of retail and service floorspace. Torquay town centre will be the focus for national multiple retailers and the focus for new town centre comparison goods retail development, which may be redeveloping existing floorspace stock as well as potentially new floorspace. The town centre's comparison goods floorspace will sit alongside convenience goods retail provision, which has the potential to improve as part of town centre redevelopment schemes (particularly the Town Hall car park scheme), plus the centre's ongoing role as an important tourist destination, providing a large amount of leisure and service uses.
- Paignton. Paignton's future role is likely to depend on its ability to react to the continuing dominance of Torquay in the local area, ongoing trends in the retail sector which could put pressure on the viability of national multiple retailers in the town centre, and the wider dominance of Exeter and Plymouth. The future focus for Paignton is likely to lie in the redevelopment and refurbishment of existing retail floorspace to retain existing retail and service uses, plus the ability to provide a new main/bulk food shopping destination and reinforce the leisure and service function of

the centre (for local residents and tourists alike). Local independent retailers and service providers are likely to play a significant role in the future of Paignton town centre, emphasising a point of difference between Paignton and the larger centre at Torquay.

- Brixham. The future for Brixham town centre is likely to lie in its continued role as a day to day top-up shopping and service destination for local residents and its key tourist role. Local independent and niche retailers/service providers will provide a key point of difference for Brixham, which will draw visitors due to centre. A key change for the future could well be the development of a large foodstore which would retain a greater number of main and top-up food shopping trips and have the potential for positive spin-off benefits for other parts of the town centre.

Floorspace and location threshold trigger for the assessment of impact

6.28 Both the NPPF and the project brief for this study ask for the identification of floorspace and location thresholds for the scale of edge of centre and out of centre propsals which should be subject to an assessment of impacts under paragraph 26 of the NPPF.

6.29 Whatever the content of an adopted development plan, paragraph 26 of the NPPF requires all retail proposals over 2,500sq m gross to be subject to the impact tests in that paragraph although there is an opportunity in the emerging Torbay Local Plan to impose a local impact test threshold for some retail developments under 2,500sq m. No minimum size threshold is set for the sequential approach to site selection for new retail proposals.

6.30 Therefore, as a consequence of the NPPF, the Council and this study must consider whether the default 2,500sq m gross threshold provides sufficient comfort that retail development across Torbay can be controlled in terms of its impact. In order to determine an appropriate threshold we consider it important to examine the scale of existing retail stores across town, district and local centres in Torbay, particularly those stores which serve to underpin/anchor defined centres.

6.31 In relation to convenience retail provision, there is a wide range of store sizes from the three large supermarkets to a large number of stores which are below 1,000sq m gross and are located in District and Local Centres. Indeed many convenience stores in Local Centres do not extend beyond 400-500sq m gross. In many cases, particularly in District and Local Centres, small foodstores provide an important contribution to the health of centres and in some cases provide an anchor role. In many cases they are also the largest units in District and Local Centres and therefore proposals for similar sized stores in edge or out of centre locations are unlikely to be caught by the sequential test as no comparable vacant premises/sites will exist. Therefore, we consider that a trigger point of 500sq m gross for retail proposals involving the potential sale of convenience goods should be introduced in the Local Plan. This should apply to new stand alone retail floorspace, proposed extensions to existing stores and applications to vary the range of goods to be sold from existing floorspace. In addition, this threshold should apply consistently across the whole of the Torbay areas for both edge of centre and out of centre locations.

6.32 Turning to comparison goods retailing a similar exercise has been undertaken. This has found a wide variety of unit sizes, varying from smaller units in general in Local and District Centres (excluding the Willows District Centre) with a larger average size of unit in the town centres, particularly Torquay. In out of centre locations, unit sizes tend to be large, focusing on large format bulky goods sales along with the large units at the Willows / Wren Park which are occupied by non-bulky goods retailers. Generally speaking, single comparison goods retailers do not provide a lone sole anchor to defined centres, although the range and quality of comparison goods retailers provides a very important contribution to its health and attractiveness. With such a range of retailers present in the Torbay area it is difficult to be precise over the exact scale of floorspace which could have a detrimental impact upon the health of defined centres, however given trends in the retail sector in recent years and the evolution of the retail warehousing sector, we consider that floorspace of trigger of 500sq m gross should be applied to impact assessments for comparison goods floorspace. This should also apply to new stand alone retail floorspace, proposed extensions to existing stores and applications to vary the range of goods to be sold from existing floorspace. In addition, this threshold should apply to bulky and non-bulky goods proposals and, like convenience goods uses, be applied consistently across the whole of the Torbay areas for both edge of centre and out of centre locations.

Definition of locally important impacts

6.33 Like PPS4 before it, the NPPF offers the opportunity for local planning authorities to define locally important impact tests which can be applied to retail proposals. No guidance is provided on what a locally important impact can or should be defined as although it is likely to be reflective of the key attributes of town centre health in a particular area, including: key land use sectors which contribute to a centre's health, key threats to the erosion of the range of services in defined centres, the threats posed by particular centres in the hierarchy over other centres; and, in the case of Torbay, the balance to be struck between meeting the needs of the local community and visitors to the area.

6.34 As a key contributor to defining locally important impacts, we would recommend that the Council consult upon this issue within its Local Plan and, where necessary, other development plan documents as this will engage the local community, local businesses and other key stakeholders in defining any important local issues. It would also support the spirit of the NPPF's aspiration on this issue. Alongside this local engagement, we outline below a range of issues which should be taken into account by the Council when defining locally important impact issues.

Local impact criteria to be included within edge/out of centre retail development policies

6.35 Beyond standard aspects of impact, we consider that there are a couple of additional impact criteria which should be considered by the Council in relation to Torbay: the impact on the role and function of the three main centres in Torbay, and the impact upon the spatial distribution of retail facilities, particularly convenience retail facilities, across Torbay. These are outlined below.

6.36 It is clear from both this study and previous retail studies in Torbay that there is a complex relationship between Torquay, Paignton and Brixham. Whilst they are classified as three towns and three town centres, Torquay, Paignton and Brixham effectively function as one urban area. For convenience goods shopping Torquay and Paignton have the ability to be self-sufficient and there is a clear strategy to allow Brixham to achieve this status also. For comparison goods shopping, we have already commended that there is a three tier hierarchy, with Torquay acting as the dominant town centre, supported by the quasi-District Centre status of Paignton and Brixham. Torquay is successful in attracting comparison goods shopping trips from Brixham and Paignton and effectively functions as the main comparison goods 'town centre' for the whole of Torbay. The role and function of the three settlements has been outlined earlier in this section and we consider that it should form the basis of a useful local impact test. In particular, we would recommend that the Council gives consideration to a further impact which requires edge of centre and out of centre retail development to be considered against its effect on (and compatibility with) the role and function of the three main centres in Torbay. In order to inform the use of such an impact criterion we would recommend that the Local Plan retailing and town centres chapter provides a clear outline of the current role and function of the three town centres and also the strategy for these centres going forwards.

6.37 The second potential local impact criterion for the Council's edge of centre / out of centre retail development relates to the spatial distribution of retail facilities, particularly convenience goods retail facilities. Whilst it is likely that the impact of new development will be picked up by the standard impact policies in the Local Plan and the NPPF, it is clear through its gap areas analysis that the Council places particular weight on its network of town, district and local centres, the distribution of convenience goods retail floorspace provision and their combined contribution towards an accessible retail hierarchy. As such, with a finite amount of quantitative need and specific qualitative aspects of retail provision, there is a need to ensure that where new retail floorspace is provided it is provided in such a manner that: removes gap areas, meets quantitative and qualitative needs and does not unnecessarily duplicate existing provision. As a consequence, we recommend that consideration is given to a further 'local impact' test which seeks to control new retail development, particularly convenience goods retail floorspace, against its impact on the balance/spatial distribution of retail provision across Torbay.

The Willows District Centre

6.38 In contrast to the type of centre envisaged in its initial stages of planning, the Willows District Centre in Torquay has grown into a sub-regional shopping destination and a destination in Torbay which clearly competes with the existing three town centres and also draws shoppers into the Torbay area from outside (Teignbridge, South Hams etc). In recent years the District Centre, particularly the Sainsburys and Marks & Spencer stores, have continued to expand which is likely to have led to an increased level of expenditure flowing to the District Centre. As a consequence, we consider that a key locally important impact to be outlined in the Local Plan is the impact of proposals at the Willows District Centre on the remainder of the retail hierarchy in Torbay. This issue has also been raised in the previous retail studies and we would recommend that if the Willows is to retain its formal District Centre status then it should be controlled by the 'local impacts' policy criteria. This is effectively a continuation and strengthening of Policy S9 of the adopted Local Plan.

The balance between retail uses and other main town uses in town centres.

6.39 The final 'local impact' which has the potential for inclusion in the Local Plan is the need to consider the balance between Class A1 retail and non-A1 uses in defined centres, particularly the three town centres. In recent years, Torbay Council, like many other Councils, has operated a primary shopping frontages policy (S3 in the adopted Local Plan) which seeks to retain a primary (Class A1) retail character and role of the defined primary frontage areas. We would recommend that continued focus is given this issue in the Council's suite of development plan documents and it is highlighted as a local impact given the increased competition for town centre space which occurs in Torbay as a result of the influence of the tourism industry. The retail land use sector is a key contributor to the overall health of town centres in Torbay, although the contribution of the leisure/tourism sectors is also substantial and should not be under-estimated. Therefore, the Council should give consideration to a 'local impact' test which seeks to control the balance between retail and non-retail uses within its town centres.

6.40 However, in April 2013, changes to the Permitted Development regime were introduced. Amongst the changes was the ability for premises falling within use classes A1/2/3/4/5, B1, D1/2 to change to A1, A2, A3 and B1 for a limited period of up to two years.

6.41 Such changes will, in principle, have an impact upon how policies within the emerging Local Plan will operate. For example, with the inability to control changes of use within the primary and secondary shopping frontages, the Council will need to carefully consider applications for permanent changes of use which will fall to be considered under local policies.

6.42 For example, a simple review of the proportion/length of frontage of non-Class A1 uses at the time when an application for permanent change of use is made may give rise to misleading results, particularly where owners and occupiers of premises are taking advantage of the new PD rights.

6.43 Therefore, the Council will need to look beyond the situation 'on the ground' and examine the provisions of local polciies in the context of the lawful uses of primary and secondary frontage premises. This will require, for example, the keeping of a database which records the lawful use of premises in the primary and secondary areas and records each instance of an owner or occupier making use of the new PD rights. This will be possible as anyone wishing to take advantage of the PD rights must notify the local planning authority of their intention to do so.

6.44 In this way, we see no need to alter policies in the draft Local Plan, as their operation can be successful, subject of course to the preparation of the recommended database.

7. Summary and Conclusions

Introduction

7.1 This report has been prepared by GVA in response to an instruction by Torbay Council dated August 2013 to prepare a new updated retail study for Torbay. In recent years three previous retail studies have been undertaken for the Torbay administrative area, in 2006, 2008 and 2011, all of which were prepared by GVA. This latest study updates the contents of the 2011 report, retaining its original structure, and providing updated assessments of need and potential development sites. The overall aims of the 2011 project, and which are updated for this report, are:

- To identify available and projected retail expenditure for convenience and comparison goods over the period 2013 to 2031 within Torbay and its retail catchment area.
- To identify market share retention rates available to and within the Bay and the constituent three towns, incorporating indicative potential tourism expenditure.
- To make recommendations for floorspace thresholds for the scale of edge-of-centre and out-of-centre schemes, which should be subject to an impact assessment.
- To make recommendations for potential locally important impacts which could be included within the Council's impact assessment.
- To provide guidance to the Council on how Torbay can redefine its role in the regional shopping hierarchy, through strategic actions such as major town centre regeneration sites, strategic bulky goods locations, leisure parks, and outlet villages within Torbay.
- To provide input in to the Council's emerging growth strategy by providing guidance on Torbay's Retail hierarchy including likely opportunity for future capacity to be met within the Town Centres, District and Local Centres.

Meeting identified needs and redefining Torbay's role in the regional shopping hierarchy

7.2 Across Devon, Torbay lies in the top three largest urban conurbations. It lies second to Plymouth and, as a whole (Torquay, Paignton and Brixham combined) is larger than Exeter. However, given that Torbay is effectively split into three distinct settlements (Torquay, Paignton and Brixham) it has three separate town centres with the largest of these (Torquay town centre) only 60% of the size of Exeter city centre. Whilst Torbay's three town centres combined occupy a similar amount of floorspace to Exeter city centre, this separation of floorspace across a number of centres has an effect on the commercial performance of Torbay's town centres. According to Venuescore, Torquay is ranked 148th nationally, Paignton is ranked 505th and Brixham ranked 1,246th. A further salient issue is the catchment area population of Torquay, the largest town centre, when compared with Exeter: 664,000 people are within 30 minutes drive of Exeter, whilst 640,000 are within 30 minutes of Torquay. The geography of Torbay, being on the coast, is an obvious influencing factor, as is the poor quality of road network between Newton Abbot and Torquay. However, this is likely to change for the better in 2015, with the completion of the South Devon Link Road.

7.3 As a consequence of the above factors, Torbay lies behind centres such as Exeter and Plymouth in terms of its overall attractiveness, which is supported by the rental levels which can be achieved on town centre retail property and the scale and type of retailers which can be attracted to the area. Indeed, a clear distinction can be made in terms of the role and attractiveness of the three town centre areas in Torbay:

- Torquay is the largest centre and the key shopping destination for comparison goods. It has, despite some acknowledged opportunities to improve the quality of provision, a good selection of national multiple high street style comparison goods retailers in the town centre and is also well provided for in terms of out of centre retail warehousing provision. Beyond the town centre, the Willows District Centre, located in the western part of the town, is also a popular shopping destination for both Torbay residents and residents of surrounding Districts. However, despite its dominance in Torbay, the health of Torquay town centre has suffered in recent years with our land use assessment indicating a noticeable fall in the number of comparison retailers and a large rise in the number of vacancies. Vacancies in the town centre are now well above the national average.

- Paignton is the second largest centre in Torbay, in terms of the physical size of its town centre and also the level of expenditure which is attracted from local residents and visitors. The town centre has a mix of national and independent retailers although it has around half the number of multiples as Torquay and has a much smaller retail warehouse sector (due to the poorer quality connections with surrounding areas). Like Torquay, Paignton has suffered from a fall in the number of comparison goods retailers in the centre over the past five years and land use data from the Council shows a doubling of vacant units between 2005 and 2010 (with further increases by 2012). Whilst Paignton is relatively self-sufficient in terms of convenience goods shopping trips, there is a significant amount of leakage to Torquay town centre and the Willows District Centre.
- Brixham has the smallest of the three town centres, in terms of physical size and financial turnover. The centre is occupied by predominantly local independent traders and small convenience stores. As a consequence, there is a significant leakage of convenience and comparison goods shopping trips, with Paignton being the main beneficiary for convenience trips and Paignton and Torquay benefiting from Brixham residents' comparison shopping trips. Unlike Paignton and Torquay, Brixham's town centre land use mix has remained relatively stable in recent years.

7.4 Our assessment of the need for additional retail floorspace across Torbay has found that there is a falling level of quantitative and qualitative need for new provision in both the convenience and comparison goods retail sectors. Within the convenience goods sector there have been a number of store openings and further commitments made since the 2011 study and the need for new provision is now confined to Torquay and Paignton town centres (including a new supermarket on the Town Hall car park in Torquay town centre), along with smaller scale provision as part of planned new local centres at Great Parks, White Rock, Yannons Farm and Collaton St Mary.

7.5 In relation to comparison goods retailing in Torbay, there is also a quantitative and qualitative need for additional floorspace, but this is now a lower term need with a shorter term requirement to examine existing retail floorspace in the town centres. The need for additional provision is focused upon Torquay rather than Paignton and Brixham. Our commercial assessment has found that only Torquay has the potential to generate market demand from retailers not currently present in Torbay and retailers with existing small and poorly configured space. Having regard to quantitative aspects of need, Torquay is likely to benefit from surplus retail expenditure over the longer term to support new floorspace, whilst in the shorter term the focus will be on redevelopment of existing space. In Brixham and Paignton, there is no surplus expenditure capacity, with instead the focus being on supporting existing retailers and redevelopment of existing floorspace rather than providing new stock.

7.6 The quantitative need forecasts are summarised below:

Table 7.1 – convenience goods floorspace capacity forecasts, 2013-2031 (sq m net)

	2013	2016	2021	2026	2031
Torquay	158	338	1,034	1,846	2,701
Paignton	-2,474	-2,919	-2,248	-1,516	-734
Brixham	-1,798	-280	-132	35	205
Torbay	-4,114	-2,852	-1,346	374	2,182

Note: figures may not add to be rounding

Table 7.2 – comparison goods floorspace capacity forecasts, 2013-2031 (sq m net)

	2013	2016	2021	2026	2031
Torquay	-235	-740	1,770	6,201	11,063
Paignton	-2,316	-2,019	-1,408	-435	644
Brixham	-1,220	-61	70	339	621
Torbay	-3,064	-2,404	700	6,124	12,068

Note: figures may not add to be rounding

Table 7.3 – bulky comparison goods floorspace capacity forecasts, 2013-2031 (sq m net)

	2013	2016	2021	2026	2031
Torbay	0	273	1,564	3,832	6,310

Note: figures may not add to be rounding

7.7 Consideration has been given as to how to meet the identified need and, based upon a combination of the need to protect town centre health in Paignton and Brixham plus commercial market interest, it is recommended that the majority of the identified need for additional comparison goods floorspace should be provided for in Torquay with the global capacity levels outlined above treated as maximum levels.

7.8 In terms of the opportunities to meet this identified (comparison goods retail floorspace) need, a number of potential development sites and strategic actions have been considered. Our recommendations are as follows:

- The overall identified need for additional comparison goods floorspace can be split into non-bulky and bulky goods floorspace. In line with long-established national policy, a town centres first approach for all types of comparison goods retail floorspace should be employed and we would expect that the majority of the identified need should be accommodated within Torquay town centre. However, in some instances, a requirement from a particular bulky goods retailer cannot be accommodated within Torquay town centre, thus making an out of centre retail warehouse location potentially acceptable. As such, the Council should seek to identify a specific area in Torquay where bulky goods floorspace should be accommodated and we recommend land off Torquay Road (via the revitalisation of existing employment space/land) , the former landfill site on Browns Bridge Road or land off Hamelin Way as part of comprehensive redevelopment.
- Of the sites within Torquay town centre considered as part of this study, the largest opportunity area lies in the northern part of Union Street. It presents an opportunity for a large scale redevelopment project of a scale which, if delivered, could significantly improve the role of Torquay in the retail hierarchy. This area is however influenced by a number of deliverability considerations, including site assembly, the mix of land uses which are needed to deliver a viable redevelopment scheme and the need to re-accommodate car parking. Such issues are not uncommon to town centre development sites and we see no reason why at this stage the Union Street area should not be given further more detailed consideration by the Council in terms of its ability to deliver a major town centre regeneration scheme.
- Beyond the Union Street area, there are other smaller scale development opportunities which can also deliver additional or redeveloped retail and leisure floorspace. Within the harbour / sea front area, the Pavilion / Marina multi storey car park area is a particularly important opportunity which is best suited to leisure and tourism uses (both supported by smaller amounts of retail floorspace) and has the

ability to significantly improve the attractiveness of the harbour. In terms of ability for Torbay to attract additional commercial leisure uses, it is our view that further uses, such as food & drink uses and potentially a new cinema, can be attracted. Like the non-bulky comparison goods sector, commercial leisure uses are very important to the health of Torquay town centre and we would recommend that the Council concentrates its efforts on bringing forward a development site in the town centre, since an out of centre location for such uses has the potential to be very damaging for the future vitality of the centre.

- We have also considered the merits of the Council taking strategic actions to promote an outlet village (i.e. factory outlet centre) within Torbay. Again, any such demand which may arise would be centred upon Torquay. From a commercial perspective there is unlikely to be demand for a traditional high quality 'high street' retail development plus an 'outlet village' type development. This is also supported by the quantitative assessment of retail need over the short to medium term. Moreover, should demand materialise for an 'outlet village' it is likely to have a noticeable negative impact upon Torquay town centre, particularly where it is located outside of the town centre area (which seems a likely scenario given the number and physical scale of sites available). Even where such a scheme were to be placed in the town centre, we would question its overall benefit beyond the potential to attract new visitors to the area, simply because the business model of an outlet village would compete directly with existing mainstream 'full price' retailers.

7.9 In order to improve the health of Torquay, Paignton and Brixham town centres, and to improve the role of Torquay in the regional shopping hierarchy, we recommend that the Council will need to be proactive over its promotion of town centre development sites. In relation to Torquay, further feasibility work should be undertaken to understand how to accommodate the majority of the identified need for additional comparison goods floorspace, both bulky and non-bulky goods, plus an element of convenience retail floorspace in Torquay town centre. This work will also consider development viability issues and those issues surrounding site assembly. As a consequence we are not unduly prescriptive over the type and scale of retail and leisure uses which can be accommodated on, for example, the Pavilion / Marina MSCP and Union Street sites. However, a proactive stance from the Council in terms of further feasibility work and planning strategy is required in order to meet two key aims. First, action by the Council is required in order to progress what will be complex town centre development projects, including initial feasibility and masterplanning work and a commitment to assist with site assembly and use CPO powers where necessary. Second, proactive action by the Council will also be important to withstand inappropriate proposals for comparison goods floorspace elsewhere in the Torbay area.

7.10 For Paignton, further work is required in relation to the potential of the Victoria Square area, including its ability to physically accommodate new retail development and also the associated issues surrounding relocating existing land uses present on these sites. The Council should take a proactive role in this feasibility work and the forthcoming masterplan for the town centre will enable a preferred development strategy to be established. For Brixham, significant efforts have already been made by the Council and the private sector to deliver the main retail development site (the former mutli-storey car park site) and we simply give our support to these efforts continuing in order that a new foodstore-led development can be provided within the town centre.