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Torbay Retail Study Update 2011

Main Text

Torbay Council

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CONTENTS

Appendices

1. Introduction

Scope and Purpose

1.1 This report has been prepared by GVA in response to an instruction by Torbay Council dated January 2011 to prepare a new updated retail study for Torbay. In recent years two previous retail studies have been undertaken for the Torbay administrative area, in 2006 and 2008, both of which were prepared by GVA. This latest study is required in response to a number of factors, including the need to obtain up to date information relating to local retailing issues and the need to respond to guidance contained in Planning Policy Statement 4: Planning for Sustainable Economic Growth which was published in December 2009.

1.2 Also, since the commencement of this report DCLG has recently published the draft National Planning Policy Framework (July 2011). Whilst it is a consultation document and, therefore, subject to potential amendment, nevertheless it gives a clear indication of the Government's `direction of travel' in planning policy. Therefore, the draft National Planning Policy Framework is capable of being a material consideration, although the weight to be given to it will be a matter for judgment. We summarise those parts of the draft NPPF which are salient to this study in Section 2 of this report.

Objectives of the Retail Study Update

1.3 The overall aims of this project are:

- To identify available and projected retail expenditure for convenience and comparison goods over the period 2011 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 Councils 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 Councils 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.

1.4 This 2011 update report will replace the 2008 version of the retail study (which in turn replaced parts of the 2006 retail), superseding its quantitative analysis, retail floorspace capacity predictions and recommendations for the Torbay retail strategy. However, some parts of the 2006 retail study remain, including the parts of the detailed town centre health checks for Torbay's town and district centres and the town centre traders surveys.

1.5 As part of the preparation of this study, group of stakeholders were invited to a presentation of the draft study findings in May 2011 and contribute their views thereafter.

Content of this Report

1.6 The remainder of this report is structured as follows:

- Section 2 provides an overview of recent retail trends and an overview of those changes in national, regional, and local planning policy since the previous 2008 study which are relevant for the purposes of this study.
- In Section 3 we update the retail land use composition of the town and district centres in Torbay, along with other town centre health indicators such as rental levels and yields on retail property. This section also provides a commercial assessment of the performance and attractiveness of the three towns in Torbay, looking at their role in the sub-regional hierarchy, their attractiveness to the retail and leisure sectors and current retailer requirements.
- Section 4 sets out an updated assessment of the need for additional retail floorspace provision in Torbay over the period up to 2031. It provides a new analysis of quantitative need, based upon a new household survey and new population and expenditure forecasts, and expresses estimates of quantitative need in terms of convenience (food) and comparison (non-food) goods floorspace. This section also

re-visits the qualitative assessments of retail need contained within the 2006 and 2008 studies to consider whether they remain relevant for the purposes of this 2011 update. It also examines the implications of a gap area analysis undertaken by the Council in relation to accessibility via various modes of transport to District and Local Centres and the major foodstores/supermarkets in Torbay.

- An assessment of potential retail development opportunities is contained within Section 5, including a re-examination of some town centre and edge of centre locations included in previous studies, new potential development opportunities and opportunities within the 'gap areas' identified within the previous section.
- Drawing upon the findings of the preceding chapters, Section 6 outlines the broad policy options for the Torbay LDF, examining different approaches to food and non-food retail provision across the Torbay area.
- Section 7 provides an updated retail strategy for each Torbay town, drawing together and summarising the contents of this report.

1.7 All plans, statistical tables and other documents referred to in the text of this report are contained in appendices at the rear of this document.

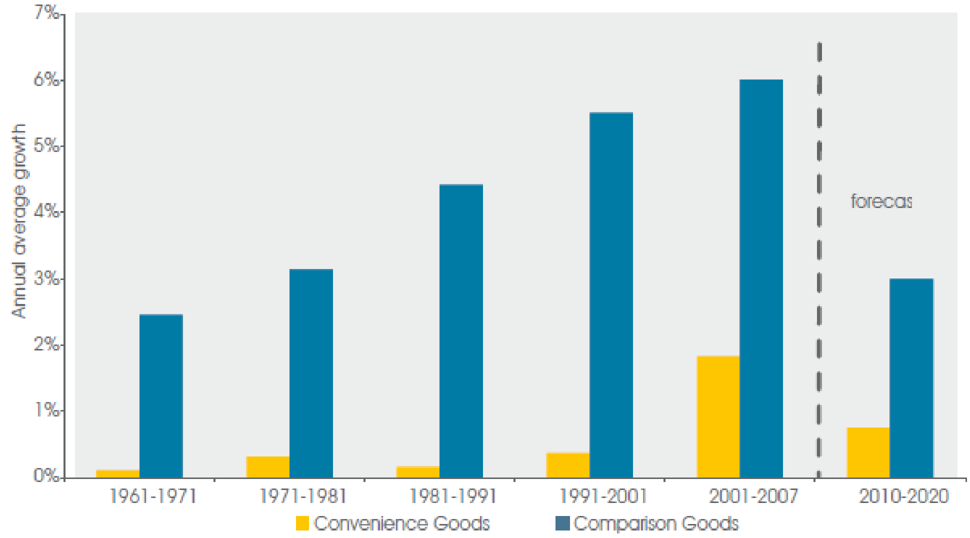
2. Background Context and Policy Review

Recent and Future Retail Trends

Retail spending growth

2.1 The last 40 years (1968 – 2008) have seen retail expenditure per head grow at 2.8% pa. This is higher than consumer expenditure per head growth at 2.4% pa, which was more in line with overall economic growth. As incomes have risen, greater proportions have been spent on retail goods and in particular on comparison or non-food goods, fuelling the demand for retail floorspace. Growth in spending per head on comparison (non-food) goods has been exceptional. Chart 1 belowshows it accelerating from an average of just under 3% pa during the 1960s and 1970s to just over 4% pa in the 1980s, 5.5% pa in the 1990s and 6% pa from 2001 to 2007. In contrast spending on food has grown at a slow, steady rate of c.0.5% pa.

Chart 1: Expenditure per head



Source: Pitney Bowes/MapInfo/URPI Information Briefs 09/02, 06/02, 93/3, 83/1, Experian, GVA

2.2 The very strong growth in non-food expenditure per head, until the onset of recession, was underpinned by numerous factors including a lower tax burden, low inflation/interest rates, lower levels of savings and higher borrowing. Price deflation also boosted nonfood spending, with cheaper imports from China/the Far East, coupled with competition from the internet forcing down prices. Total spending was also reinforced by strong population growth.

2.3 Many of these trends were unsustainable and the debt fuelled boom eventually led to a major recession. This has resulted in much weaker non-food expenditure growth, which even turned negative in 2009. Growth in food spending has been more resilient. The next five years are set to see major cuts in public sector spending and employment, plus tax increases to reduce the huge annual budget deficit and public debt. This is likely to mean a relatively weak economic upturn and for the retail sector weaker income and expenditure growth for many years. This will be reinforced by the ageing population and pension concerns.

2.4 The outlook:

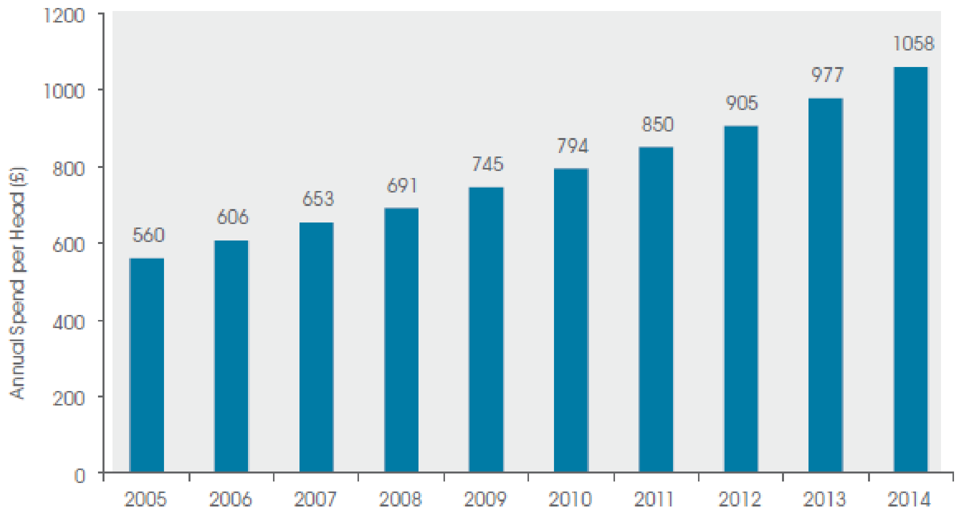
- Recent forecasts by Experian expect non-food expenditure per head growth to average about 2.5% pa over the next five years and about 3% pa over the next 15 years. These rates are much lower than recent and longer term trends but are more in line with overall growth in the economy.
- Less development will be needed as a result of weaker expenditure growth. In some towns a contraction in retail space may be inevitable. Greater polarisation between centres will be inevitable.
- In many towns, development viability will remain a problem for some years due to weaker expenditure and rental growth, making new development more difficult, particularly for complex sites in multiple ownership.
- Specifically for Torbay: these national trends will impact upon the three towns in Torbay in a similar manner to other similar sized towns, namely less comparison (non-food) goods expenditure to support retail floorspace growth with a greater concentration on expenditure being used to support existing retail floorspace. This will be particularly acute in Paignton and Brixham, both of which have modestly performing comparison goods sectors and a slowdown in comparison goods expenditure growth could hit these town centres harder than Torquay (although Torquay will also feel similar affects too).

The internet and online shopping

2.5 The need for physical space in the retail sector and the way retail space is used has been affected by the rising popularity of online shopping. Whilst the retail market overall has contracted during the recent recession, online expenditure has continued to grow by some 15% pa to £21.2bn in 2009 (Verdict, 2010). Low cost, high speed internet access in more UK homes has led to increasing numbers of adults shopping online, with some 29.6 million forecast to do so in 2010 (nearly 60% of the adult population). This is almost triple the figure from 2004. Further growth in online shoppers will be limited as the numbers of computer literate adults, or those with broadband internet access approach saturation point.

2.6 As customers have gained familiarity and confidence in a service which is often cheaper and more convenient than traditional methods of shopping, levels of online spending have risen. Chart 2 below shows that by 2014 online expenditure per head is forecast to grow by a third. Selling directly to the customer cuts out expensive overheads such as rent and staffing costs. This keeps prices low, which has helped to increase online sales during the economic downturn. E-tail has penetrated certain retail sectors more than others impacting significantly on music and DVD sales in particular. Currently over half of the sector's products are purchased online. With consumers now able to download music and DVD files directly, in-store purchases are expected to continue declining, with online expenditure set to account for 70% of the market by 2013. The increase in illegal downloading has also exacerbated the sector's in-store sales decline.

Chart 2: Online shoppers' annual spend per head



Source: Verdict, 2010

2.7 Other retail sectors have not been as greatly affected, with online spending on goods such as clothing and footwear and food/grocery items growing at a slower, steadier rate, as consumers prefer to examine goods in person before purchasing, but even here attitudes are changing.

2.8 The outlook:

- If on-line sales continue their rapid expansion and expenditure per head growth remains weak, net spending in shops may show hardly any growth while it will still be necessary to improve the quality of stock. This will have implications for quality of floorspace needed and the vitality of existing centres, particularly when sales density increases, due to increased trading efficiency, are allowed for.
- Most forecasters anticipate that the growth in online sales will slow as access to broadband reaches saturation within the next few years. But if this doesn't happen and online sales continue to grow strongly as shoppers become more and more familiar with shopping on line, this would cause serious problems for town centres and retail parks alike.

- With continued strong growth of online shopping the role of bricks and mortar retailing will evolve with shops becoming more like showrooms and collection points for on-line sales. This will lead to further evolution of retailers' branch networks.
- The internet will never completely replace the experience of shopping and the desire of shoppers to touch and feel products before buying them, but it will have to be made more enjoyable and exciting to compete with the convenience and lower cost of online shopping.
- Specifically for Torbay: all of these issues will affect stores and centres across Torbay, as the larger supermarkets grow their on line home delivery services and national brands such as Amazon and ebay continue to dominate comparison goods sales. Whilst some of the national multiple stores across Torbay will be insulated from some of these affects, as they can offer a service which allows customers to pick up goods bought on line in store, smaller local independent stores in town centres will need to carefully consider whether they are able to compete with on line retailers. In the context of Torbay, this could see smaller retailers changing their retail offer in order to minimise competition with on line retailers and serve a more local walk-in customer base (i.e. moving from general comparison retailing to a more service led customer function). There could also be a shift away from the traditional high street for some specialist retailers, who are gaining a larger proportion of their trade from on line sales, and therefore see no need remain in a high street location.

Planning policy evolvement to PPS4

2.9 National retail planning policy has evolved in response to the shift of new development from in-town to out-of-town during the 1980s and early 1990s. Concerns led to PPG6 in 1996 and PPS6 in 2005, placing greater emphasis on town centres and the requirement for all non-central development proposals to pass stringent tests on need, scale, accessibility, site availability and impact. The new policy PPS4 (2009) whilst retaining/strengthening other tests, removed the 'need test' as a separate test in the assessment of new proposals.

2.10 Town centres remain the principal focus for retail developments with impact assessments now the key test for retail proposals in non-central locations. PPS4 also advocates the need to plan appropriately for new development through the local development framework and much of the analysis work required to assess a retail planning application is also vital in providing an evidence base to plan for retail need. Town centre health checks are an important tool within the planning and development framework as they provide a wealth of information which can:

- enable the vitality and viability of a town centre to be monitored
- provide the base from which any potential need can be identified, both in terms of the quantitative need for new retail floorspace and also the qualitative need for improvement
- be used to test the significance of any potential impacts from proposed retail development.

2.11 In response to national policy guidance regarding monitoring the health of town centres, Torbay Council has over a number of years carried out annual land use surveys of its town, district and local centres with the information published in the Retail Monitor reports.

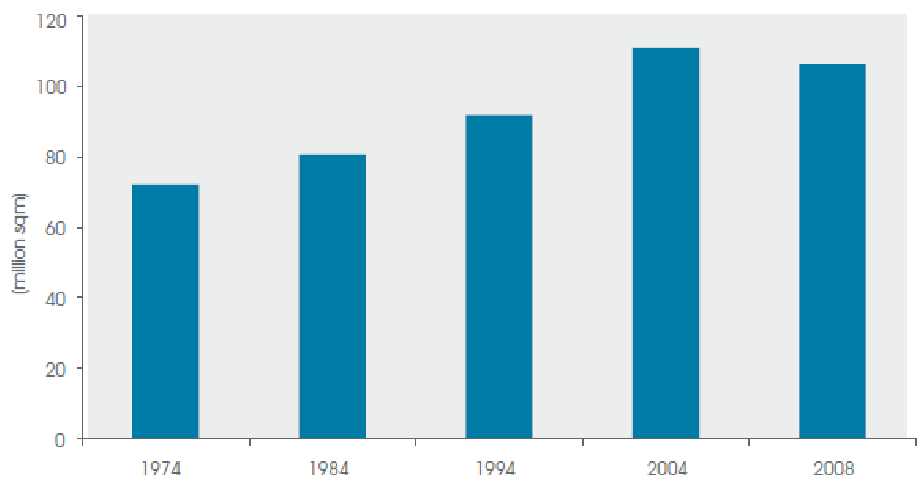
2.12 The outlook:

- The coalition government will look at ways of encouraging retailer efficiency and promoting competition between retailers to keep inflation low and improve consumer choice. This may mean encouraging more development and weakening PPS4 controls on the location of new development. This could put pressure on town centres.
- If the coalition government favours a market led approach to new development and considers that town centres have been relatively unaffected by out-of-centre development, PPS4 controls may be lessened to encourage new development, particularly in edge-of centre locations with good links to the town centre. The trend to edge and out-of-centre development would be reinforced if town centre development viability is weak due to high costs and weak expenditure and rental growth.
- Increasing competition by allowing more development could mean more foodstores and reinforce their expansion into non food areas. Depending on the location of new development, this could have ramifications for town centre vitality and viability.

Retail stock and development trends

2.13 Retail stock in England and Wales has grown steadily over the last 40 years. Between 1971 nd 2004 the total stock increased by 54% from 72.1 million sqm to over 110 million sqm. Direct comparisons with more recent figures are not possible due to definitional changes. Chart 3 below shows the pace of development has accelerated with strongest growth 1994-2004 (+21%) compared with growth of 12-14% over the previous two decades.

Chart 3: Retail stock in England & Wales



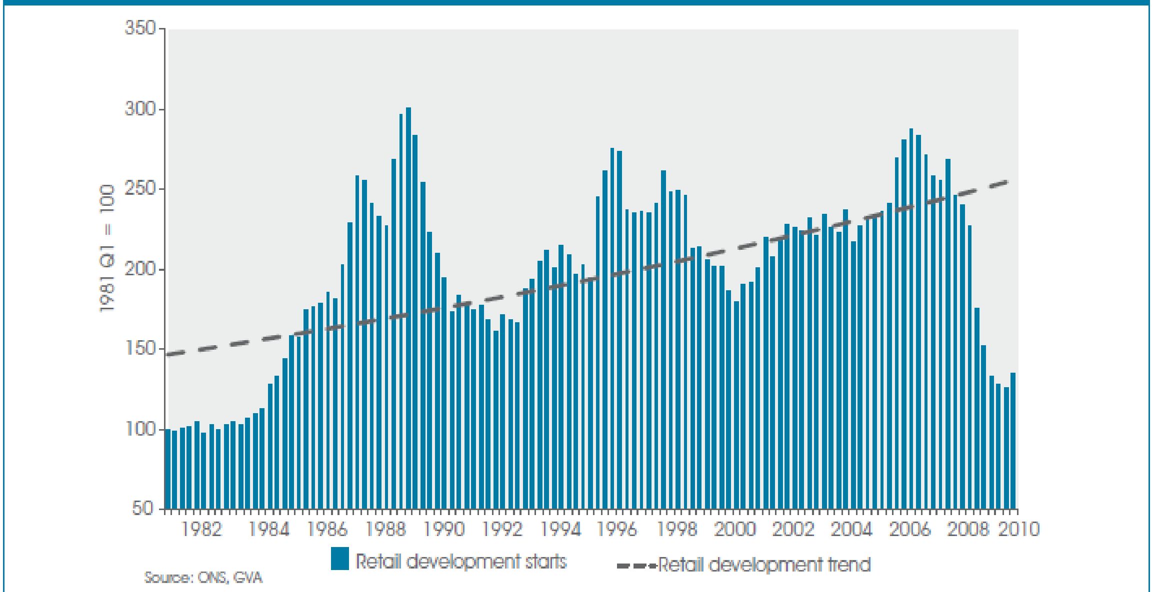
Source: ODPM Commercial & Industrial Floorspace Stats

2.14 Data from the ODPM/DCLG and BCSC showed how the location of new retail development in England has shifted, with the proportion of new space built in town centres decreasing from 64% in the mid 1970s to just 14% in 1994. By 2005, with the tightening of planning policy, 30% of new space was built in town centres and the BCSC predicted that it would reach c.40% by 2010/11. If edge-of-centre developments (within 300m of the primary shopping frontage) are included the respective figures are 23% in 1994, around 40% by 2005, and an estimated 50% by 2010/11.

2.15 The last decade saw an exceptional amount of town centre development, almost 50% greater than in each of the previous two decades, with numerous major schemes such as the Bullring in Birmingham, Liverpool One, Cabot Circus in Bristol, Princesshay in Exeter, Drakes Circus in Plymouth and St David's 2 in Cardiff. In part this was due to the pro-town centre planning policies (PPG6 / PPS6) and in part due to the huge growth in comparison (or non-food) retail expenditure over the latter half of the 1990s and in the 2000s. Strong retail expenditure growth, increased retailer demand, rental growth and lower interest rates resulted in lower investment yields, strong capital value growth and improved development viability. This coupled with the banks willingness/enthusiasm for property lending, encouraged a high level of development activity.

2.16 But when the recession came, investment yields increased dramatically, rental values declined and development activity collapsed as chart 4 below shows. New construction orders for retail at the end of 2009 were, in constant price terms, only 35% of their level two years previously, and lower than in the previous recession despite the UK economy being nearly 50% larger. Major town centre schemes have stalled and there is now only one due for completion in 2011 (Westfield, Stratford) and few major schemes scheduled to open in 2012.

Chart 4: New construction orders (constant prices) - 12 month total



2.17 The outlook:

- Can town centre development activity return to the levels seen in recent years? Developers now face difficult decisions with viability constrained and likely to remain so for some time. Retailer demand, rental growth and consumer confidence will remain weak, and development costs will be under pressure due to planning gain requirements and sustainability issues.
- The challenge for major retail led town centre schemes is their size which makes them costly and lengthy to implement. Will the future see developers opting for smaller, less risky schemes, or development in phases, or will they simply look to redevelop existing assets, or lower cost development solutions in non-central locations?
- The difficulty of obtaining bank finance is likely to persist, putting pressure on the public purse to help finance schemes. Without this many stalled schemes may never get off the ground, however with budget cuts, public funding will also be constrained for the foreseeable future.
- What are the options for local authorities then? Edge and out-of-centre development, with lower development costs and lower operating costs, will remain attractive for developers and retailers. Despite PPS4, can local authorities simply ignore this and risk losing developments to neighbouring towns? With the problems of financing town centre schemes, local authorities may find edge-of-centre development, if well planned and linked in with the town centre, offers the pragmatic solution for achieving new development.
- Much will depend on how planning policy responds to the post recession environment and the stance taken by the coalition government. If it favours a more market led approach to new development, PPS4 controls may be weakened to encourage new development and increase competition. This may open the doors for more non-central development, particularly on edge-of-centre sites.
- <u>Specifically for Torbay</u>: each of the three Torbay towns are likely to be hit by these trends. Even before the recession, town centre development in each of the three town centres was a complicated and, in some cases, difficult to achieve aspiration. This will be reinforced by the economic downturn, with lower levels of retailer requirements for towns such as Torquay, Brixham and Paignton. As such, in order to encourage new retail development, Torbay Council will have to consider whether non-central development is the only realistic proposition.

Development activity by size of town

2.18 PPS4 continues to promote town centres as the focus for development activity. Using the EGi shopping centres database (which covers all schemes of over 50,000 sq ft (4,645 sqm)), town centre development activity has been tracked from 1960 to the end of 2009. The analysis includes all schemes, both new builds and extensions, and includes projects which were already under construction in 2009. London is excluded from the analysis.

2.19 Retail development has fluctuated over the past five decades with 1.4 million sqm built in the 1960s, between 2.2 million and 2.9 million sqm built per decade during the 1970s, 1980s and 1990s and then 4.2 million sqm built between 2000 and 2009. Over the last 50 years, the greatest amount of development, totalling nearly 3.6 million sqm, took place in larger towns with urban populations of 100,000 - 250,000. This equated to 26% of all new town centre retail space. A similar amount of space was built overall in the smallest sized towns (<50,000 people), although with significantly more towns of this size, in terms of space built per person it equates to only 0.15 sqm, compared with 0.57 sqm per person in the larger towns.

2.20 Towns in the two largests size bands have consistently contributed 45%- 50% of the total development in each decade. Nearly all of the largest towns had new development during the 2000s and overall twice as much town centre space was built over the last ten years compared with the previous ten.

2.21 Analysis of the average amount of retail space built per person (see table below) shows that over the last decade medium sized towns (75,000-100,000 people) have seen the most with 0.18 sqm built per person. This compares with 0.13-0.16 sqm per person built in towns of over 100,000 people. The figures show the concentration of development in the medium-large towns with smaller towns seeing much lower levels of development activity (0.045 sqm per person in towns of less than 50,000 people). Torbay falls into the 100,000-250,000 category in the table below.

Town centre retail development activity, 2000-2009			
Town Size Band (Urban population)	Total Space Built (sqm)	% Towns with Development	Space built per person (sqm)
0 - 50,000	1,027,462	3.7%	0.05
50,000-75,000	592,084	42.9%	0.07
75,000-100,000	551,082	57.1%	0.18
100,000 -250,000	993,064	82.0%	0.16
250,000+ (excl. London)	1,051,661	93.8%	0.16

Sources: EGi, GVA

2.22 The outlook:

- The major retailers increasingly favour the larger towns. With strong investor demand for prime town centre retail schemes and with the recent fall in prime yields development viability may soon return. But even in prime towns simpler schemes with lower costs will be the order of the day.
- In smaller, more secondary towns, weak retailer demand, weaker retailer covenants, shorter leases and/or break clauses, and the threat from on-line sales may cause yields to remain high and development viability to remain poor, threatening the future of these towns. While market towns and local centres will be supported by their convenience and services offer, the ongoing pattern of polarisation will pose even more challenges to the mid sized, secondary towns.

Retailer trends

2.23 The retail sector is dynamic and constantly changing in response to consumers'demands. One key trend has been the consolidation of the market into fewer, larger retail businesses, as the table shows. The number of small retail outlets employing less than 10 staff has declined dramatically (-53%), contrasting with 5,837% growth in outlets employing more than 100 staff. Multiple retailers now tend to dominate the core shopping areas of most UK towns giving rise to the term 'clone towns'. The recent recession however has hit the retail market hard with the collapse of numerous 'big' names such as Woolworths, MFI, Rosebys, Zavvi, Borders, Dolcis, Virgin, Faith, Land of Leather and Allied Carpets.

2.24 A key trend during these difficult economic times has been the strong growth at the value end of the retail market. Primark and Matalan, along with numerous 'pound' shops and value grocers such as Lidl and Aldi have all thrived in recent years. Other retailers such as Tesco, Asda, Sainsburys, Morrisons, Marks & Spencer and Waitrose have also launched 'value' ranges to compete for this growing sector of the market. Competition and the fight for market share is driving many retailers to branch out beyond their standard/traditional retail offer to appeal to a wider audience. This is most evident amongst the grocers with the top four (Asda, Morrisons, Sainsbury and Tesco) branching out extensively into non-food markets.

Proportion of non-food floorspace in supermarkets

	Asda	Morrisons	Sainsbury	Tesco
% of Non-food flrsp	48.8%	28.6%	33.2%	40.8%

Source: Verdict UK Grocery Retailing 2009 (Datamonitor). Figures are representative of main store format, i.e. superstores

2.25 As the table above shows, significant proportions of their superstores are now dedicated to nonfood ranges. The fight for increased market share is not restricted to food retailers, with DIY stores offering wider ranges of soft furnishings, Next offering home furnishings/furniture and Boots offering toys, children's clothing, greetings cards, cameras and photo goods. Several retailers, including Asda, Tesco and Wilkinson have also launched their own catalogue services for nonfood items to compete with the likes of Argos, offering home delivery or in-store collection.

2.26 With wider product ranges, demand has grown for larger stores. New store formats have also emerged, e.g. Asda Living, Tesco Homeplus, Next Home, Debenhams Desire stores and John Lewis at Home. In the current climate this has enabled some of these retailers, such as John Lewis, who have struggled to find the right space in town centres, to look at out-of-centre locations. At the other end of the spectrum, food retailers keen to capitalise on the local convenience market, have developed smaller store formats to sit on high streets or in smaller shopping centres (e.g. Tesco Metro/Express). This trend has helped retailers increase market share in areas where planning policy would prevent the development of their larger format stores. These trends all illustrate how the retail sector has evolved. Growth in the size of retail businesses, combined with expanding product ranges and new business formats has led to changes in the types of stores retailers are demanding and the locations they are prepared to trade in.

2.27 The outlook:

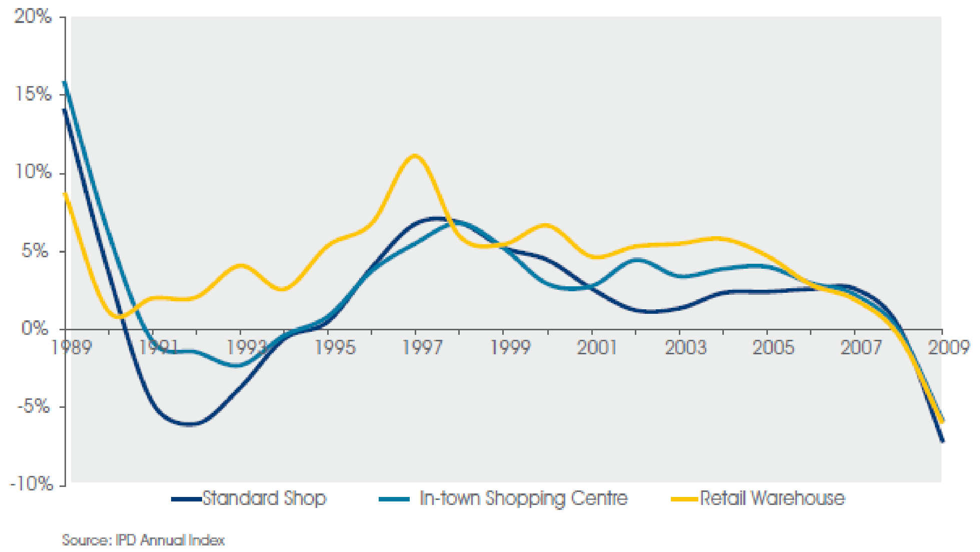
- Retailers will continue seeking larger, modern units. They no longer require stores in every town and the focus will be on the prime markets/larger towns and cities where suitable space can be accommodated.
- What is the future for small/medium towns? Retailers will focus efforts on the top 50-100 locations and aim to achieve all their turnover from large stores in these centres, and use multichannel retailing such as the internet to fulfil other customer needs.
- This will compound the problems experienced by smaller traditional/ historic towns which will find it increasingly difficult to meet retailers' current space requirements. The only solution is to find more innovative designs or consider other options such as opening the door to edge and out of centre retailing. Or will smaller towns have to change focus and opt for a different role moving forward?
- Stores will no longer be simply points of sale, but will increasingly function as show rooms and/or collection points for internet orders, unless town centres can reinvent themselves with a more exciting offer and integrated leisure facilities to make the shopping trip more enjoyable and more of a quasi leisure experience.
- With town centre developments stalled, retailers are again turning their focus to out of centre locations and once they have moved out of centre will they go back? With retailers such as John Lewis, who would previously have anchored major town centre schemes, developing formats which enable them to trade from an out-of-centre location, is the future for town centre development under threat?
- Local authorities will face a difficult dilemma in circumstances where a retailer cannot be accommodated in a town centre. Do they allow them to move out-of-town, which could threaten the viability of future town centre schemes, or risk losing them to a competing town, and thus not have them at all?
- <u>Specifically for Torbay</u>: the above trends are particularly important for (and relevant to) the Torbay towns. The contraction of retail unit numbers is an issue for the three Torbay towns and also their relationship with larger towns and cities further afield. As will be discussed elsewhere in this report, Torbay's ability to sustain three town centres is challenging and this has already led to a greater concentration of national multiples

in Torquay, with lower numbers in Brixham and Paignton. In addition, even Torquay will find it hard to attract and retain national multiple retailers, as some retailers will seek to concentrate in Exeter and Plymouth.

Rental value growth

2.28 In-town sectors have seen a lower rate of rental growth than retail warehouses over the last 20 years, as new supply has been constrained by planning policy (chart 6 below). However, in the recent recession, the performance of in-town and out-of-town retail property was almost identical, but over the last 12 months performance is diverging again.

Chart 6: Retail rental value growth



Average rental growth in real terms				
	1 year	5 years	10 years	20 years (trend rate)
Standard (high street) shops	-9.3%	-2.7%	-1.4%	-0.7%
In-town shopping centres	-8.0%	-2.1%	-0.6%	0%
Retail warehouses	-8.2%	-2.2%	0.3%	2.1%

Sources: IPD, GVA

2.29 Interestingly, in-town sectors have tended to under-perform retail warehouses during cyclical upturns, but performance has tended to be more similar during downturns. Within town centres, standard (high street) shops have underperformed in-town shopping centres and this trend is likely to continue. Since the start of the recent recession town centre rental values have fallen by about 10% on average, but this masks wide divergence at the local level. In central London, for example, prime rental values have increased slightly (significantly in Bond Street), whereas in some cities such as Birmingham, Leeds and Manchester they have decreased by nearly 20% and in others such as Cardiff and Plymouth they have fallen by as much as 35%. The table shows long-term rental performance in real terms (by stripping out RPI inflation to account for the varying inflation environments over the last 20 years). Retail warehouses have seen a very strong trend rate of growth of morethan 2% pa above inflation over the period, compared with in-town shopping centres where growth has been in line with inflation, and standard (high street) shops, which have seen a decline in real terms of -0.7% pa.

2.30 The outlook:

- Retail warehousing is now a more 'mature' sector, and is unlikely to see the degree of out-performance going forward that it experienced over the last 20 years. The restrictions on out-of town development and the focus on revitalising town centres is expected to continue, although there may be changes to planning policies. So supply constraints are likely to remain and this would mean continued out-performance for out-of-town retail property over the long term, although by a lower margin than in the past.
- Specifically for Torbay: Stronger rental growth in out-of-centre locations will increase investor demand and put downward pressure on yields and upward pressure on capital values. This will enhance development viability relative to town centre sites and increase pressure to permit more edge and out-of-centre development.

Demographics

2.31 In 1971, the UK population was just under 56 million. Nearly forty years later it has risen to just over 62.5 million - an average annual increase of 0.3%. However, the population has been growing at an accelerating rate. Between 1971 and 1991 the average growth rate was 0.14% pa, which is significantly lower than the 0.45% pa average between 1991 and 2010. Over the next 20 years (2011–2031) the population is forecast to grow even faster (0.66% pa).

2.32 Advances in healthcare and medicine mean people are living much longer, a trend that will continue for the foreseeable future. Between 1971 and 2011, the number of UK inhabitants aged over 85 almost tripled from just under 0.5 million to 1.45 million. Looking ahead, the number of people in this age bracket is expected to more than double to almost 3 million by 2031. The number of 65 to 84 year olds is also expected to rise considerably (+42%) over the same period (see chart 8). In contrast, the number of UK inhabitants aged 15 to 24 has not changed greatly over the last 40 years, with approximately the same number today (8.2 million) as in 1971 (8.1 million). Over the next decade, the number of people in this age group is expected to drop 8.5% to 7.5 million, before showing signs of starting to increase again.

2.33 Although the fertility rate in the UK has increased year-on-year since 2001, in 2008 it was 1.96 children per woman, remaining just below the natural replacement level of 2.1. This helps in part to explain the imbalance between age group numbers.

2.34 The outlook:

- In terms of the impact for the retail sector, increased life expectancy and immigration combine to add to the UK's 'top heavy' age structure, something which will continue to affect not only levels of expenditure per head but also its composition.
- Older people's purchasing habits are different, with a preference to spend money on leisure activities/holidays, with less on consumer products. This could be significant for the retail sector. The financial burden of supporting an ageing population will also place a further strain on the working generation, potentially reducing disposable income levels and therefore overall consumer expenditure.
- Retailers will need to adapt to the new 'grey market', a market often ignored in the past. It is likely that we see new formats and stores evolve specifically catering for older consumers. Older shoppers tend to favour smaller shops and independent retailers which are original, and provide quality products and strong customer service. They will tend to favour towns with good accessibility, which are not congested, and have an attractive environment where the retail experience is combined with good

eating and drinking leisure facilities. Retailers will need to satisfy wants rather than needs.

- The growth of silver surfers on the internet is another important consideration, as these shoppers move away from traditional mail order/catalogue businesses. As we age mobility problems may make shopping more difficult and certain retailers have cited 'silver surfers' as the fastest growing sector of internet users, with them now making up a large proportion of online customer bases.
- Specifically for Torbay: the above trends are particularly relevant for Torbay, given its older population base. As a consequence, Torbay could see further demand for leisure services and demand for smaller shops, independent retailers and shops providing strong customer service holding up better than in other towns with a younger population base. Whilst this will be of benefit to the independent retail sector, an aging local population base has the potential to affect demand from national multiple retailers who may prefer other centres such as Exeter and Plymouth (who have a younger catchment population) instead.

Mobility

2.35 Retail expenditure over the past 60 years has been significantly affected by improvements to public transport links and the rise in car ownership. The latter in particular, means greater distances can be travelled more easily and quickly, giving consumers better choice and the ability to purchase larger volumes of goods per trip than would be possible on public transport. Sixty years ago, more than 85% of UK households were without a car; today it is only a quarter.

2.36 Currently, approximately 45% of households own one car, 24% have two cars and 6% have three or more cars (see Chart 9). The growing numbers of multiple car households, as well as the general rise in car ownership, has greatly improved shopper mobility. This has fundamentally altered shopping patterns.

2.37 Convenience shopping is no longer about walking to the local shops; it is typically undertaken by car at big supermarkets (bulk trips) and for comparison shopping, people are prepared to travel to visit bigger centres or retail parks. These trends have increasingly favoured the larger, more distant, towns over the smaller nearby towns and out-of-town lcoations, with plentiful free parking, over town centres, with more constrained and costly parking, reinforcing the polarisation within the retail market.

2.38 The outlook

- The Department for Transport predicts that the proportion of households in the UK which do not own a car will continue to fall at a slow and steady rate to around 20% in 2041. There will be marginal growth in levels of car ownership until c.2036 when it appears that saturation of the market may occur.
- Mobility should be a less significant trend for the future as the same growth rate will not be experienced as in the past. Nevertheless, use of the car will remain crucial for shopping and towns that try to deter car usage will suffer. Car borne shopping is intrinsic now and policies to reduce car traffic to town centre schemes will be detrimental to town centre schemes that are in competition with easily accessible out-of-centre locations with ample free parking.
- Town centres that have an attractive shopping environment, with a good range of shops, and are accessible, with convenient inexpensive car parking, will prove successful.
- Specifically for Torbay: like other towns of a similar size and geographical location, the above trends in mobility will have an affect on the future retail performance of the three town centres Torbay. Increasing mobility has seen a change in the roles of Torquay, Paignton and Brixham, with Torquay becoming more dominant for comparison goods shopping. However, increased mobility also leads to increased competition from Exeter and Plymouth, particularly for comparison goods shopping. In relation to convenience goods shopping, mobility is also important with town centres facing competition from non-central locations. However, the polarisation of retail space to larger centres seen in the non-food sector is less marked in the convenience goods sector with most market towns continuing to attract national grocery retailers and smaller scale provision.

Conclusions

- Town centres have suffered from the severe recession with falling rental values and higher vacancies and they will suffer from its aftermath. Government spending cuts and tax increases to reduce the annual budget deficit and high level of debt, will have a lasting effect on employment, income and consumer spending in towns where there is currently a high level of public sector employment. Personal levels of debt, which remain high, will gradually reduce and this will further affect retail spending growth.

- Retailers will also be affected by continuing strong price competition, intensified by the effect from internet based spending. They will look to reduce costs and will demand modern shops that meet their size and layout requirements. All these factors potentially threaten some centres, particularly smaller town centres, and will require town centres to be more proactively managed and maintained.
- Town centre retail turnover will be under pressure for many years to come and this will affect rental and capital value growth and hence the viability of new development. This will threaten some large town centre schemes which are dependant on expensive land assembly, high front-end infrastructure costs, complex design, high development costs, lengthy development timescales and the need for pre-letting to major space users.
- For some town centres, lower growth in expenditure, changing shopping habits and the concentration of shopping in the larger centres may mean that no new development will be viable or that a contraction in the size of the town centre may be required.
- Recognition that some of these trends may be permanent and not just temporary 'blips' is important as where the decline of a centre is already underway, the solution may lie in the form of a managed decline with conversion or redevelopment to other uses. It might be that some high streets/towns will never go back to being major 'retail destinations'. This does not mean they have no future, they simply need to determine a different role/new focus for themselves going forward.
- The appeal of out-of-centre development (foodstores and retail parks) will increase relative to town centre development as development costs will be lower, rental and capital values will show stronger growth and the accommodation of large space users will be easier than in constrained town centre sites. Local authorities will have to be increasingly vigilant about the amount, composition and scale of out of centre development, and be much more proactive over their town centres.
- Local authorities need to be wary of the trends mentioned in this section such as mobility, accessibility and car parking, the sameness of many town centres, lower

expenditure growth and the threat from the internet, the ageing of the population and how this will affect shopping and leisure activities in town centres. The multitude of land ownerships in most town centres makes effective action difficult but not impossible. Even the most proactive authorities may struggle to reverse the effect of some of these trends. Their aspirations have to be realistic, soundly based, and supported by a clear understanding of how new investment will be delivered in this more challenging economic climate.

Policy Framework

2.39 Since the completion of the 2008 Torbay Retail Study there have been a number of changes in the national, regional and local planning policy framework. The 2008 study was written in the context of Planning Policy Statement 6: Planning for Town Centres (2005), which was subsequently replaced by PPS4 in December 2009. At the same time, Practice Guidance on need, impact and the sequential approach was also published by the Department of Communities and Local Government. We set out the salient parts of PPS4 below.

2.40 Following the General Election in May 2010, the Coalition Government has signalled its intention to remove the Regional Strategies (`RS') layer of policy making. Whilst initial attempts to revoke RSSs have been successfully challenged in the courts, the contents of the Localism Bill have reaffirmed this intention and for the purposes of this study it is envisaged that the draft Regional Spatial Strategy, which was used to guide the previous 2006 and 2008 retail studies, will not progress to adoption and guidance provided by RPG10 will also be removed.

PPS4

2.41 In December 2009, the Department for Communities and Local Government published Planning Policy Statement 4: Planning for Sustainable Economic Growth. This document replaces, amongst other things, Planning Policy Statement 6: Planning for Town Centres (2005) and sets out national planning policies for economic development, including main town centre uses. The introductory section of PPS4 notes that the plan-making policies in this document should be taken into account by local planning authorities in the preparation of local development documents and are also a material consideration which must be taken into account in development management decisions.

2.42 The document notes that the overarching objective of central government is for sustainable economic growth and, to help achieve this, the government's objectives for planning are to:

- Building prosperous communities by improving the economic performance of the cities, towns, regions, sub-regions and local areas, both urban and rural.
- To reduce the gap in economic growth rates between regions, promoting regeneration and tackling deprivation.
- Deliver more sustainable patterns of developments to reduce the need to travel, especially by car and respond to climate change.
- Promote the vitality and viability of town and other centres as important places for communities. To do this the government wants:
    1. New economic growth and development of main town centre uses to be focused in existing centres with the aim of offering a wide range of services to communities in an attractive and safe environment and remedying deficiencies in provision in areas with poor access to facilities.
    2. Competition between retailers and enhanced consumer choice through the provision of innovative and efficient shopping, leisure, tourism and local services in town centres which allow genuine choice to meet the needs of the entire community (particularly socially excluded groups).
    3. The historic archaeological and architectural heritage of centres to be conserved and, where appropriate, enhanced to provide a sense of place and focus for the community and for civic activity.

2.43 Policy EC1 of PPS4 deals with using evidence to plan positively. EC1.3 notes that, at the local level, the evidence base should:

- Be informed by regional assessments.
- Assess the detailed need for land or floorspace for economic developments, including for all main town centre uses over the Plan period.
- Identify any deficiencies in the provision of local convenience shopping and other facilities which serve people's day-to-day needs.

- Assess the existing and future supply of land for economic development, ensuring that existing site allocations for economic development are re-assessed against the policies in PPS4.
- Assess the capacity of existing centres to accommodate new town centre development taking account of the role of centres in the hierarchy and identify centres in decline where change needs to be managed.

2.44 When assessing the need for retail and leisure development, local planning authorities should:

- Take account of both the quantitative and qualitative need for additional floorspace for different types of retail and leisure developments.
- In deprived areas, which lack access to a range of services and facilities, give additional weight to meeting these qualitative deficiencies. However any benefits in respect of regeneration and employment should not be taken into account, although they may be material considerations in the site selection process.
- When assessing quantitative need, have regard to relevant market information and economic data, including a realistic assessment of existing and forecast population levels, forecast expenditure for specific classes of goods to be sold (within the broad categories of comparison and convenience goods), forecast improvements in retail sales density.
- When assessing qualitative need for retail uses:
    1. Assess whether there is provision and distribution of shopping, leisure and local services which allow genuine choice to meet the needs of the whole community, particularly those living in deprived areas, in light of the objective to promote the vitality and viability of town centres and the application of the sequential approach.
    2. Take into account the degree to which shops may be over-trading and whether there is a need to increase competition and retail mix.

2.45 Policy EC3 deals with planning for centres and notes that regional planning bodies and local planning authorities should:

- Set flexible policies for their centres which are able to respond to changing economic circumstances and encourage, where appropriate, high density development accessible by public transport, walking and cycling.
- Define a network (a pattern of provision of centres) and hierarchy (the role and relationship of centres in the network) of centres that is resilient to anticipated future economic changes to meet the needs of their catchments, having:

1. Made choices about which centres will accommodate any identified need for growth in town centre uses considering where expansion where necessary taking into account the need to avoid an over-concentration of growth in centres. Identifying deficiencies in the network of centres should be addressed by promoting centres to function at a higher level in the hierarchy or designating new centres where necessary, giving priority to deprived areas which are experiencing significant levels of notable deprivation where there is a need for better access to services, facilities and employment by centrally excluded groups.
2. Ensure any extensions to centres are carefully integrated with the existing centre in terms of design including the need to allow easy pedestrian access.
3. Where existing centres are in decline, consider the scope for consolidating and strengthening the centres by seeking to focus a wider range of services there, promoting the diversification of uses and improving the environment.
4. Where reversing decline in existing centres is not possible, consider re-classifying the centre at a lower level within the hierarchy of centres reflecting this revised status in the policies applied to the area. This may include allowing retail units to change to other uses whilst aiming, wherever possible, to attain opportunities for vital local services.
5. Ensure that the need for any new expanded or redeveloped out-of-centre regional or sub-regional shopping centre or any significant change in the role and function of centres is considered through the regional spatial strategy.
6. At the local level, define the extent of the centre and the primary shopping area in their adopted proposals map, having considered distinguishing between realistically defined primary and secondary frontages in designated centres and set policies that make clear which uses will be permitted in such locations.

7. At the local level, consider setting floorspace thresholds with a scale of edge-of-centre and out-of-centre developments which should be subject to an impact assessment under Policy EC16.1 of PPS4 and specify the geographic areas these thresholds will apply to.
8. Identify any locally important impacts on centres which should be tested under Policy EC16.1.F.
9. At the local level, encourage residential or office development above ground floor retail leisure or other facilities within centres, ensuing that housing in out-of-centre mixed use developments is not in itself used as a reason to justify additional floorspace for main town centre uses in such locations.
10. At the local level, identify sites or buildings within existing centres suitable for development, conversion or change of use.
11. At the local level, use tools such as local development orders, area action plans, compulsory purchase orders and town centre strategies to address the transport land assembly crime prevention planning and design issues associated with the growth and management of their centres.

2.46 Policy EC4 of PPS4 asks that local planning authorities should proactively plan to promote competitive town centre environments and provide consumer choice by:

- Supporting a diverse range of uses which appeal to a wide range of age and social groups, ensuring that these are distributed throughout the centre.
- Planning for a strong retail mix so that the range and quality of the comparison and convenience retail offer meets the requirements of the local catchment area, recognising that smaller shops can significantly enhance the character and vibrancy of a centre.
- Supporting shops, services and other important small scale economic uses (including post offices, petrol stations, village halls and public houses) in local centres and villages.
- Identifying sites in the centre or, failing that, on the edge of the centre capable of accommodating larger format developments where a need for such developments has been identified.

- Retaining and enhancing existing markets and, where appropriate, re-introducing or creating new ones, ensuring that markets remain attractive and competitive by investing in their improvement.
- Taking measures to conserve and, where appropriate, enhance the established character and diversity of their town centres.

2.47 Policy EC5 asks that local planning authorities should identify an appropriate range of sites to accommodate the identified need, ensuring that sites are capable of accommodating a range of business models in terms of scale, format, car parking provision and scope for disaggregation. Further information on Policy EC5, including the application of the sequential approach when selecting sites for town centre uses and assessing the impact of proposed locations, can be found in Section 6 later in this report.

2.48 Policies EC14 to EC17 provide guidance on development management associated with applications for main town centre uses, including retail development. Policy EC14 notes that a sequential assessment is required for planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up to date development plan. In addition, an assessment addressing the impacts of a particular development is required for planning applications for retail uses which are not in an existing centre and not in accordance with an up-to-date development plan. In advance of development plans being revised to reflect PPS4, an assessment of impacts is necessary for planning applications for retail development below 2,500 sq m as well as the compulsory requirement for developments over 2,500 sq m. An impact assessment is also required for planning applications in an existing centre which are not in accordance with the development plan and which would substantially increase the attraction of the centre to an extent that the development could have an impact upon other centres. Policies EC15 and EC16 outline detailed guidance in relation to the assessment of impact and the consideration of sequential assessments, whilst Policy EC17 provides clear guidance to local planning authorities in their consideration of planning applications for development of a main town centre use which is not in a centre and not in accordance with an up-to-date development plan. Policy EC17.1 notes that such applications should be refused planning permission where:

- The applicant has not demonstrated compliance with the requirements of the sequential approach (Policy EC15); or

- There is clear evidence that the proposal is likely to lead to significant adverse impacts in terms of any one of the impacts set out in Policies EC10.2 and EC16.1, taking account of the likely cumulative effect of recent permissions, developments under construction and completed developments.

2.49 Where no significant adverse impacts have been identified under Policies EC10.2 and EC16.1, Policy EC17 notes that planning applications should be determined by taking account of:

- The positive and negative impacts of the proposal in terms of Policies EC10.2 and EC16.1 and any other material considerations; and
- The likely cumulative effect of recent permissions, developments under construction and completed developments.

The Draft National Planning Policy Framework

2.50 The draft NPPF provides a significantly slimmed-down version of national planning policy and, as noted in the introductory section of this report, it is capable of forming a material consideration (although the weight to be given to it will be a matter for judgement in each individual case).

2.51 Paragraph 76 of the draft NPPF indicates that planning policies should be positive, promote competitive town centre environments and set out policies for the management and growth of centres over the plan period. Local planning authorities should:

- recognise town centres as the heart of their communities and pursue policies to support the viability and vitality of town centres
- define a network (the pattern of provision of centres) and hierarchy (the role and relationship of centres in the network) of centres that is resilient to anticipated future economic changes
- define the extent of the town centre and the primary shopping area, based on a clear definition of primary and secondary frontages in designated centres, and set policies that make clear which uses will be permitted in such locations

- recognise that residential development can play an important role in ensuring the vitality of centres and set out policies to encourage residential development on appropriate sites
- allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, community services and residential development needed in town centres. It is important that retail and leisure needs are met in full and are not compromised by limited site availability. Local planning authorities should therefore undertake an assessment of the need to expand town centres to ensure a sufficient supply of suitable sites
- allocate appropriate edge of centre sites where suitable and viable town centre sites are not available, and if sufficient edge of centre sites cannot be identified, set policies for meeting the identified requirements in other accessible locations; and
- set policies for the consideration of retail and leisure proposals which cannot be accommodated in or adjacent to town centres.

2.52 The draft NPPF goes on to note that local planning authorities should apply a sequential approach to planning applications for retail and leisure uses that are not in an existing centre and are not in accordance with an up to date Local Plan. It also notes that local planning authorities should prefer applications for retail and leisure uses to be located in town centres where practical, then in edge of centre locations and only if suitable sites are not available should out of centre sites be considered. In applying this sequential approach, local planning authorities should ensure that potential sites are assessed for their availability, suitability and viability and for their ability to meet the full extent of assessed quantitative and qualitative needs.

2.53 When assessing applications for retail and leisure development outside of town centres, which are not in accordance with an up to date Local Plan, the draft NPPF aks local planning authorities to require an impact assessment if the development is over a proportionate, locally set floorspace threshold. If there is no locally set threshold, the default threshold is 2,500 sq m. In addition, Planning policies and decisions should assess the impact of retail and leisure proposals, including:

- the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and

- the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area, up to ten years from the time the application is made.

Local Planning Policy

2.54 Since the publication of the 2008 study, the Council has made further progress on its Local Development Framework. In September 2009, the Council published its Reg.25 Consultation on the Core Strategy, setting out the vision, objectives and options for growth in Torbay. Alongside a spatial planning vision for Torbay and the strategic objectives needed to help deliver economic prosperity and regeneration, the September 2009 consultation document outlined five alternative approaches to delivering growth up to 2026. These alternate options are:

- Constrained development approach: no development outside the built up area of the three towns, other than development already allocated in the saved Local Plan.
- Urban focus and limited greenfield development approach: some new greenfield development around Torbay to avoid 'town cramming' but the main focus remains on development in the built up area.
- Greenfield approaches: on the assumption that no more that 8,300 dwellings can be achieved in the urban area of Torbay, land for the remaining 6,700 of the (then) draft RSS target will need to be found on sites around Torbay. There are three ways of achieving this:
    - Mixed greenfield approach: a number of sites will be identified to accommodate 6,700 dwellings and accompanying development
    - Single urban extension approach: one single planned urban extension on the edge of the built up area to provide 6,700 new dwellings and associated retail, employment and leisure facilities.
    - Northern Torbay approach: this approach seeks to accommodate 6,700 new dwellings within Torquay and to a lesser extent on sites to the north of Paignton, on the basis of traffic congestion constraints around Paignton.

2.55 Alongside the progress made on the Core Strategy, two further versions of the Torquay Harbour Area Action Plan have been published: a Reg.25 consultation draft in September 2009 and a Reg.27 Pre-Submission Publication version in November 2010. The Pre-Submission document is the version which the Council intends to submit to the Secretary of State for Examination in due course (taking account of the results of the consultation exercise). The November 2010 Pre-Submission document provides a number of strategic harbour-wide policies and also allocates a number of sites for development including inter alia North Quay/the Pavilion/Princess Gardens, the Princess Theatre, Cary Parade, Victoria Parade, the Terrace car park, the former Royal Garage site on Torwood Street and Abbey Crescent.

3. The Retail Hierarchy in Torbay

Introduction

3.1 A key part of the project brief for the 2011 retail study update is the provision of guidance regarding the role of Torbay in the regional shopping hierarchy. As a starting point for the consideration of strategic actions which can influence Torbay's role, it is important to understand Torbay's current position in terms of its relationship with the wider sub-region and also the constituent parts of the retail hierarchy in Torbay itself.

3.2 This assessment can take a number of forms, from a comparison of each settlement in terms of its overall ranking and total floorspace stock to a more detailed breakdown of town centre health issues such as land use composition and the commercial performance of each centre.

3.3 As a starting point, we provide below in Table A an updated version of the sub-regional shopping centre hierarchy table which was included in the 2006 and 2008 studies. The format of this table has been updated to include the latest Venuescore rankings for centres in Devon alongside the latest available floorspace information from Experian GOAD.

The Sub-Regional Hierarchy and Commercial Assessment

3.4 Venuescore is an annual survey undertaken by the Javelin Group and provides a ranking for the UK's top 2,000 retail destinations. It ranks centres by taking account the scale and range of retailers present in any particular centre, its market position (i.e. is it high-end or discount focused centre?) and age position (i.e. the degree to which a centre's offer is orientated towards retailers with a older or younger age group focus). Table A below provides the Venuescore ranking for the three town centres in Torbay alongside the other main town centres in Devon's retail hierarchy. In addition, Table A provides an assessment of the total amount of retail floorspace in each of Devon's main town centres based on data provided by Experian GOAD.

Table A: Sub-Regional Shopping Hierarchy in Devon

Tier / Centre	**Venuescore**		**Floorspace (sq m)**
	2010 ranking	**2007 ranking**	**(GOAD data)**
Regional Centres			
Plymouth	25	18	143,400
Exeter	29	37	121,100
Sub-Regional Centres			
Torquay	**148**	**108**	**75,600**
Newton Abbot	278	256	59,100
Barnstaple	186	176	70,900
Area Centres			
Paignton	**505**	**407**	**43,800**
Tiverton	437	414	27,900
Axminster	1477	1540	14,300
Exmouth	551	533	33,300
Honiton	958	953	21,300
Sidmouth	723	716	24,200
Dartmouth	908	921	16,400
Kingsbridge	1586	953	20,800
Totnes	908	886	30,900
Teignmouth	1033	953	24,100
Bideford	771	716	39,270
Tavistock	992	921	28,200
Okehampton	1246	1540	18,900
Other Centres			
Brixham	**1246**	**953**	**20,900**

Source: Experian GOAD and Venuescore

3.5 The VenueScore data indicates that since 2007 there have been some significant changes in the ranking of Torbay's centres. All three centres have a noticeably poorer ranking in 2010 than 2007. Torquay has dropped from 108th in the ranking to 148th, although it still has a better ranking than nearby Newton Abbot (278th). This position is also supported by the amount of floorspace within Torquay which is the highest of the sub-regional centres in Devon.

3.6 Paignton's ranking has fallen from 407th to 505th. Previously it was the highest ranked Area Centre and the centre with the highest amount of floorspace. However, whilst it still is the largest Area Centre, Tiverton now has a better ranking than Paignton and Exmouth, which has remained relatively stable in the rankings, is close behind Paignton. Brixham has also fallen in the rankings from 953rd to 1,246th although it still has a better ranking that some smaller Area Centres such as Axminster and Kingsbridge and has a similar ranking to Okehampton.

3.7 From a commercial perspective, the role and attractiveness of Torbay's three town centres reflects the data provided by Venuescore and GOAD. Within the Torbay area the three town centres have different roles and different functions, reflective of the data in Table A. They also differ in terms of convenience and comparison shopping trips and this is explored below.

3.8 However, before we analyse the individual characteristics of the three towns in Torbay from a commercial perspective, we have also compared Torbay against its neighbours including Exeter, Plymouth and Newton Abbot. The foregoing (Venuescore & GOAD) analysis indicates that Torquay, as the main Torbay shopping destination, ranks below Exeter and Plymouth in terms of its size and ranking and our commercial assessment would support this position. Plymouth is able to attract more retailers simply because of its (larger) size and also wide catchment area, aided by the A38 and good access from western Devon and eastern Cornwall (which is augmented by the fact that eastern Cornwall has a small selection of retail centres which are modest in scale).

3.9 Exeter also has a wider catchment area than Torbay, aided by the M5 and A30. Exeter also arguably has the advantage over Torbay in terms of its demographic profile which is likely to be a clear reason why it is able to attract a wider range of comparison goods retailers including John Lewis At Home and a number of retailers within the Princesshay development in Exeter city centre. Data obtained from Experian indicates that there are 664,000 people living within a 30 minute drive time of Exeter city centre, with 640,000 within a 30 minute drive of Torquay town centre. Within these geographic areas Exeter also has the benefit of a higher number of economically active people between the ages of 16-74 (305,000 compared with 299,000 for Torquay). However, whilst the perception of Torquay's catchment area is one of an aging population, which is likely to be true for local residents, the age spread across Torquay's 30 minute drive time area is not too dissimilar to that of Exeter's 30 minute catchment.

3.10 Exeter, being the closest main competitor to Torbay, also has the advantage of planning, developing and opening its city centre Princesshay retail development before the ongoing effects of the economic downturn took hold during 2008-2010. Such an advantage on this issue is beyond the profile and accessibility of Exeter but due instead to simply the timing of the Princesshay development. New large scale town centre development in Torbay will not have this advantage, with the ability to raise private sector finance much more difficult going forwards in the short to medium term.

3.11 The catchment size of Exeter and its accessibility are also clearly an advantage which will be challenging for Torbay to alter in its favour in the future, although the Council's strategy for economic growth over the lifetime of the Core Strategy has the potential to improve the balance between Torbay and Exeter, particularly where it can attract an increased proportion of economically active residents. There is also a potential opportunity to improve the performance and attractiveness of Torbay through the construction of the South Devon Link Road which will significantly improve accessibility.

3.12 It is also important to note that Torbay's urban area is, as a whole, similar to the size of Exeter's own urban area. Whilst Exeter out-performs Torbay's main centre (Torquay) in terms of national multiple retailers and total retail floorspace, if the retail floorspace in Torquay, Paignton and Brixham town centres were to be added together then it would equal Exeter city centre. This statistic suggests that Torbay as a whole is not a poorer performer than Exeter as it is able to retain the same amount of 'town centre' floorspace as Exeter. However, whilst it may have a similar immediate catchment, Torbay has three town centres to support rather than one centre in Exeter. With the duplication of facilities, and in some cases the duplication of retailers, this dilutes the ability of town centres to increase their mass. Whilst this may aide (to some extent) the accessibility of town centre retail facilities it also has the potential to reduce Torbay's retail potential.

3.13 This is a complex issue for Torbay and one which may never be subject to a fundamental shift due to a number of factors, including the importance attached to maintaining and enhancing the health of the three town centres in Torbay and the dominance of settlements such as Exeter and Plymouth. Indeed, the recent development of the Drakes Circus in Plymouth and Princesshay in Exeter, have reinforced their already dominant role and as such this balance in the retail hierarchy is very unlikely to be changed in the future.

3.14 Moving on to comparison goods shopping facilities in each of the three town centres, the difference is most pronounced with Torquay taking the role of the higher order shopping centre, followed by Paignton as a smaller scale town centre and then Brixham as the smallest centre. The difference between these centres is reinforced by the scale of existing comparison goods retailers present and those retailers likely to require new space reinforces this position. The scale of retailer requirements is discussed below although in relation to existing multiple retailers which are present in Torbay, data from GOAD indicates that Torquay has around 87 multiple retailers and service providers, Paignton has 40 and Brixham has 19. When compared against the national average for all multiple retailers/service providers in town centres, 63% of multiples in Torquay are comparison goods retailers compared with a national average of 54%. In contrast, 51% of multiples in Paignton are comparison goods retailers, with the corresponding figure in Brixham being 53%. Indeed, whilst Torquay may have the perception of a poorer retail offer than neighbouring areas, the quantity of multiple retailers in its town centre is considered to be good.

3.15 We have also undertaken a further commercial assessment of likely retailer demand in Torbay, covering both convenience and comparison goods sectors and also market demands across Torquay, Paington and Brixham. As a starting point, there is a clear distinction between Torquay, Paignton and Brixham in the convenience and comparison goods retail sectors. For convenience goods retailers, there is demand across the whole of the Torbay area and this can be detailed as follows:

- Torquay. Historically, Sainsburys has capitalized upon the accessibility and planning policy status of the Willows District Centre to expand its store which is now the largest supermarket in Torbay in terms of size and annual turnover. Apart from the Marks & Spencer food hall at the Willows, plus the modest amounts of floorspace within the town centre and stores in defined District and Local Centres there is little further substantial supermarket floorspace in Torquay. However, commercial interest for new supermarkets remains, with ASDA recently purchasing the Focus DIY unit on Newton

Road and Tesco looking to submit a planning application for a new store in the Edginswell area shortly.

- Paignton. In Paignton, the grocery retail market is dominated by the Sainsburys and Morrisons stores which are located in the western part of the urban area. There is demand however for additional floorspace, as evidenced by a recently implemented planning permission to extend the Sainsburys store and, based upon our market review, also demand from Waitrose and ASDA for new stores in the town.
- Brixham. In Brixham, the long standing requirement for a new supermarket to fill the identified qualitative deficiency will be filled by Tesco who are planning a new store on the former multi-storey car park site in the town centre. Due to the size of Brixham there is no demand for additional stores beyond the new supermarket planned for the town centre.

3.16 In contrast, demand in the comparison goods sector, for both bulky and non-bulky comparison goods floorspace is concentrated in Torquay. There are a number of reasons for this pattern: Torquay has traditionally been the focus for new comparison goods shopping floorspace since the 1980s (which is a key influence on retailer demand); it is the best connected part of the Torbay area in terms of accessibility from other parts of the Bay and also (most importantly) from other surrounding administrative areas; and, it has the largest retail catchment of the three towns.

3.17 We have undertaken an analysis of those comparison goods retailers who are not represented in Torbay and who have, in our opinion, the potential to be attracted in the short to medium term. We provide at Appendix A two lists of retailers. The first outlines those traditional town centre retailers who are either not represented or have under-sized premised or in poorly located and who have the potential to be enticed to occupy new/better/relocated premises. We have not included on this list those retailers who are very unlikely to consider Torbay because of, for example, the size of its catchment and/or existing presence in Exeter and Plymouth.

3.18 From the outset it should be noted that the list of potential requirements focuses on Torquay as our research and market knowledge indicates that there is very little or no demand from multiple retailers in the comparison goods sector for new town centre space in Paignton and Brixham. The reasons for this lack of demand focus upon the issues already outlined, including the size of Paignton and Brixham, their catchment profile, their accessibility and no demand for new stores in Paignton and Brixham where retailers are already present in Torquay town centre. On the basis of national trends and the geography of Torbay this situation is very unlikely to change in the future

3.19 Having regard to the list of town centre requirements contained at Appendix A, it should be noted that these are very much potential requirements as this stage. Our experience suggests that detailed investigations with each retailer will lead to misleading research data as town centre retailers such as those listed will only show serious interest in a town once specific premises and/or firm proposals for a new town centre development become available. It is unlikely that all of the retailers listed at Appendix A can be attracted to Torquay, although this list should provide encouragement to the Council (and its regeneration partners) in terms of the scale and breadth of retailers which should be considered. In order to move the issue of potential town centre requirements along, we would recommend that further market testing is undertaken as and when further work is undertaken on options for town centre development sites in Torquay.

3.20 The second list at Appendix A focuses on those retailers which are currently missing from the out of centre retail warehousing sector in Torbay. Like the previous list, the 'out of centre' list focuses upon those retailers who are currently without representation and which have a realistic chance of being enticed to Torbay should suitable premises become available. We have not included on this list retailers such as John Lewis Home, Ikea, Matalan and Decathalon who have confirmed that they have no requirement for Torbay and are unlikely to be attracted. Again, the 'out of centre' requirements list focuses upon Torquay alone as our research and market knowledge indicates that there is no demand for additional retail warehouses in Paignton and Brixham. The reasons for this reflect the issues outlined above.

3.21 Like the town centre requirements list. the 'out of centre' retail warehousing requirements list at Appendix A indicates the clear potential for Torquay to attract additional occupiers. Many of the retailers listed fall into the traditional 'bulk goods' classification associated with retail warehouses although others such as Toys R Us, Laura Ashley, Cotswold, Poundstretcher, Brantano and Hobby Craft fall into the non-bulky comparison goods category and have the potential to compete more directly with town centre retailers. In addition, the 'out of centre' list includes a small number of retailers (Argos and TK Maxx) who already occupy premises in Torquay town centre and may be interested in a further store in an out of centre location. However, there is a risk that such retailers may instead close their town centre store where large out of centre premises are made available and this will need to be considered when determining the scope for making further out of centre retail warehousing floorspace available. This issue is discussed later in this report.

3.22 Beyond the clear requirement that any additional retail warehousing development in Torbay will be centred on Torquay, our commercial assessment has also confirmed the specific locations in Torquay where demand will be focused. From a commercial perspective, the only opportunity to attract new bulky goods retail warehouse retailers will be in the western part of Torquay focused around Riviera Way, the northern part of the Newton Road area and the junction of Torquay Road and Hamelin Way. As such, this will simply continue to trend which has established over the past 20 years and it is very unlikely that actions can be taken to entice retailers to other locations in Torbay. Traditionally, Riviera Way has been the focus for demand although the advent of the Kingskerswell Bypass could allow demand to shift to the area around Hamelin Way, particularly where it is upgraded to accommodate the new bypass and new development is promoted as part of an urban extension in the Edginswell area.

3.23 In relation to other land uses, we have also investigated potential demand for factory outlet village shopping facilities and also commercial leisure demand such as multi-screen cinema facilities. In relation to factory outlet facilities there is not an obvious demand for new space with Torbay, with the nearest facilities being in Bideford (Atlantic Village) and Street (Clarks Village).

3.24 In relation to commercial leisure demand, we have found that there is the potential for additional demand for a new multi-screen cinema facility in Torquay. At present, Torquay has a four screen cinema with circa 600 seats (the Central) and Paignton has an Apollo cinema with nine screens and circa 1,600 seats. Our research has found that whilst operators such as Vue and Odeon do not have a requirement, Cineworld has stated its interest in occupying a new facility in Torquay. Whilst we have not undertaken a detailed search for demand in the food and drink sectors (e.g. restaurants and cafés) it is very likely that demand for such uses can be generated on the back of demand for new comparison goods retail and multi-screen cinema facilities.

3.25 The results of our commercial assessment will now be taken forward and included within our assessment of potential development sites and our policy options analysis later in this report.

Torquay town centre

3.26 We have obtained updated data on a range of key town centre health check indicators for Torquay town centre, including:

- Land use mix
- Proportion of street level vacant property
- Shopping rents and yields on retail property
- Customer views and behaviour[1]

3.27 Like the previous studies, data on land use compostition in the town centres has been obtained from Torbay Council's Retail Monitor. The latest available version of the Retail Monitor is July 2010 and this has been analysed in order to amalgamate town centre uses into convenience, comparison, service, other and vacant land use classifications. It should be noted that the data contained in the table below is based on GVA's land use classification of all units in the town centre, which differs from the standard GOAD classification which excludes some servce and other uses.

Table B: Retail Composition of Torquay Town Centre, 2005-2010 (Torbay Council Retail Monitor Data)

Sector	Units			
	2005 No.	2005 %	2010 No.	2010 %
Convenience	30	6.4	28	6.0
Comparison	213	45.5	172	36.8
Service	192	41.0	190	40.6
Other	10	2.1	7	1.5
Vacant	23	4.9	71	15.2
Total	**468**	**100**	**468**	**100**

Source: Torbay Retail Monitor (2005 and 2010)

Figures may not add due to rounding

3.28 The above data indicates that over the period 2005-2010 the amount of convenience goods retailers in Torquay town centre has remained relatively static at around 6% of all units. The number and proportion of service uses has also remained relatively static at around 41% of all units in the town centre. However, the major change over 2005-2010 has been the large fall in the number of comparison goods retailers in the town centre, from 213 in 2005 to 172 in 2010 which has translated into a large increase in vacancy levels, from 23 in 2005 to 71 in 2010. In other words, it would appear that where comparison goods retailers are closing they are not necessarily being replaced by additional service or convenience goods uses in the town centre and these vacated units are remaining empty.

3.29 Beyond the Council's annual Retail Monitor, Experian GOAD also undertake regular land use surveys of Torquay town centre and the results for August 2006 and July 2010 are contained below. The GOAD classification of land uses differs from the method employed on the Council's data and this is reflected in the data contained in the following table.

[1] A review of shopping patterns behaviour is contained in Section 4 of this report

Table C: Retail Composition of Torquay Town Centre, 2006-2010

Sector	**August 2006**			**July 2010**		
	No.	**%**	**GB Average %**	**No**	**%**	**GB Average (%)**
Convenience	34	8.3	9.2	31	7.3	9.3
Comparison	208	50.7	45.7	177	41.8	41.8
Service	123	30.0	33.1	135	31.8	34.7
Other	5	1.2	1.3	6	1.4	1.2
Vacant	40	9.8	10.7	81	17.7	13.0
Total	**410**	**100**	**100**	**424**	**100**	**100**

Source: Experian GOAD data. Figures may not add due to rounding

3.30 The GOAD data contained in the table above broadly reflects the trends which are apparent from the Torbay Council data, with the number of convenience uses remaining relatively constant. Units occupied by service uses have risen slightly from 123 (30%) to 135 (32%) whilst the clear trend in falling comparison goods retailers is also apparent from the GOAD data. GOAD indicate that between 2006 and 2010 the number of comparison goods retailers fell from 208 to 177. In 2006 the proportion of comparison goods retailers was well above the national average at that time, although by 2010 the proportion was in line in national average levels. Like the Council's data, the GOAD data indicates a large rise in vacant units from 40 in 2006 to 81 in 2010. In 2006 the proportion of vacant units was slightly below the national average at that time (10.7%) although between 2006 and 2010 the number of vacancies doubled and 17.7% of all units surveyed by GOAD were vacant, well above the 2010 national average of 13%.

3.31 We have also examined the trends in published retailer requirements across Torbay's three town centres and compared these against data for large nearby centres such as Exeter, Plymouth and Newton Abbot. The data contained in Table D below indicates the widespread fall in demand between 2007 and 2009 as a result of the economic downturn. At January 2010, Torquay had 14 requirements, a slight fall from 18 requirements in the previous year. Table D indicates that Torquay has the higher number of retailer requirements across the three Torbay towns and also out-performs Newton Abbot, although it is unable to attract the scale of requirements in Exeter and Plymouth.

Table D: Retailer Requirements, 2007-2010

Year	Torquay	Paignton	Brixham	Plymouth	Exeter	Newton Abbot
Jan 2010	14	4	3	38	67	10
April 2009	18	6	3	43	75	11
Jan 2009	18	5	3	47	84	11
Oct 2007	45	17	9	85	123	27
April 2007	56	21	9	99	135	25

Source: Focus

3.32 Data on Zone A rental levels for retail property has been obtained from Focus and is contained in Table E below. Data is provided for Torquay and Paignton (there is no published data for Brixham) and is compared against data for Exeter, Plymouth and Newton Abbot. Table E shows the general trend for increasing retail rental levels between 2004 and 2008 which was common to both the Torbay towns and the wider area. However, for all towns, rental levels suffered a significant decrease between 2008 and 2009 as a result of the economic downturn. In Torquay, 2009 rental levels stood at £75/sq m, compared to £40/sq m in Paignton and £60/sq m in Newton Abbot.

Table E: Zone A Rental Levels, 2004-2009 (£/sq m)

Centre	2004	2005	2006	2007	2008	2009
Torquay	85	85	85	90	90	75
Paignton	45	50	50	50	50	40
Brixham	-	-	-	-	-	-
Plymouth	160	160	180	180	180	150
Exeter	180	190	200	220	225	190
Newton Abbot	60	65	70	70	70	60

Source: Focus

3.33 Table F below provides data on yields on retail property and shows a similar trend to rental levels i.e. a falling (improving) yields up to 2008 followed by a increase (worsening) yield during 2009. The Valuation Office, who provide this data, have not published data on yields since 2008, although the data in Table F below supplements the 2006 retail study which provided data only up to 2005. In 2008, Torquay had a yield on retail property of 6%, compared with 6.5% in Newton Abbot and 5% in Exeter.

Table F: Commercial Yields on Retail Property, 2002-2008

Shopping Centre	1/4/02	1/10/02	1/4/03	1/1/04	1/7/04	1/1/05	1/7/05	1/1/06	1/7/06	1/1/07	1/7/07	1/1/08	1/7/08
Exeter	6.5	6.5	6.5	6.5	6.5	6	5.75	5.5	5	4.5	4.5	4.5	5
Torquay	7.5	7.5	7.5	7.5	7.5	7	7	6.75	6.25	5.5	5.5	5	6
Newton Abbot	8	8	8	8	8	7.5	7.5	7.25	7	6	5.75	5.5	6.5
Paignton	8.75	8.75	8.75	8.75	8.75	8.25	8	7.75	7.25	6.75	6.75	6.25	7
Dawlish	9	9	9	9	9	8.5	8	8	7.75	7	7	7	8
Teignmouth	9	9	9	9	9	8.5	8	8	7.5	6.75	6.75	6.75	7.75
Totnes	8.5	8.5	8.5	8.5	8.5	8	7.5	7	6.5	6.25	6	6	6

Source: Valuation Office statistics

Paignton town centre

3.34 Land use data for Paignton town centre has been collected from Torbay Council's Retail Monitor and also from Experian GOAD. The Council's land use data from the Retail Monitor for 2005 and 2010 is contained in Table G below. It indicates that there was a slight fall in convenience goods retailers from 40 units in 2005 to 34 units in 2010. There was also small reductions in the amount of comparison goods and service uses in the town centre over the same period. The consequence of these falls in retail and service uses in the town centre has led to vacancies in the town centre almost doubling between 2005 and 2010. In 2005 there were 33 vacancies in the town centre, although by 2010 this had risen to 64 units (around 14% of all units in the town centre area).

Table G: Retail Composition of Paignton Town Centre, 2005-2010 (Torbay Council Retail Monitor Data)

Sector	Units			
	2005 No.	2005 %	2010 No.	2010 %
Convenience	40	9.0	34	7.6
Comparison	179	40.2	164	36.7
Service	163	36.6	157	35.1
Other	30	6.7	28	6.3
Vacant	33	7.4	64	14.3
Total	**445**	**100**	**447**	**100**

Source: Torbay Retail Monitor (2005 and 2010)

Figures may not add due to rounding

3.35 The GOAD data for Paignton town centre is contained in Table H below and comprises surveys in August 2006 and October 2009. Table H supports the Council survey data in terms of the small falls in the number of convenience and comparison goods retailers in recent years, although service uses (under the GOAD classification) remained constant between 2006 and 2009. In proportionate terms, the convenience and comparison goods retail sectors have been above the national average in terms of unit numbers, whilst the service sector is slightly below average.

3.36 The GOAD data also shows a noticeable rise in the number of vacancies between 2006 and 2009, from 20 units in 2006 to 38 units in 2009. It is not as dramatic as the Council's Retail Monitor data although this may be due to further vacancies occurring in the period 2009-2010 (beyond the latest GOAD survey).

Table H: Retail Composition of Paignton Town Centre, 2006-2009

Sector	**August 2006**			**October 2009**		
	No.	**%**	**GB Average %**	**No**	**%**	**GB Average (%)**
Convenience	33	11.0	9.2	31	10.5	9.3
Comparison	146	48.8	45.7	125	42.4	41.8
Service	95	31.8	33.1	96	32.5	34.7
Other	5	1.7	1.3	5	1.7	1.2
Vacant	20	6.7	10.7	38	12.9	13.0
Total	**299**	**100**	**100**	**295**	**100**	**100**

Source: Experian GOAD data. Figures may not add due to rounding

3.37 In 2007, retailer requirements in Paignton stood at 21, which lies between the level of requirements attracted by Torquay and Brixham. Like other towns, the level of requirements in Paignton was eroded significantly and in 2009-2010 there were only 4-6 requirements for the town.

3.38 Data on yields on retail property in Paignton, shown in Table F, reached their lowest (i.e. best performing) point at the start of 2008 when they stood at 6.25%. During 2008 yields increased to 7%, which is higher (i.e. worse) than Torquay, Totnes and Newton Abbot, but better than Teignmouth and Dawlish. In terms of rental levels for Zone A retail property, Paignton stood at around £40/sq m in 2009, following a peak in rental levels of £50/sq m in 2008.

Brixham town centre

3.39 Data from the 2005 and 2010 versions of the Council's Retail Monitor is contained in Table I below and indicates a relatively static trend in terms of retail and service uses and the number of vacant properties in Brixham town centre. There has been a small increase in the number of convenience goods retailers (from 19 to 22) and convenience goods retailers occupied 9% of all units in the town centre in 2010. In contrast there were small falls in the number comparison goods retailers and service occupiers. In 2010, comparison goods retailers occupied 36% of all units and service uses occupied 38% of all units. Between 2005 and 2010 vacancies remained constant at 20 units (8% of all units in the town centre).

Table I: Retail Composition of Brixham Town Centre, 2005-2010 (Torbay Council Retail Monitor Data)

Sector	**Units**			
	2005 No.	**2005 %**	**2010 No.**	**2010 %**
Convenience	19	7.9	22	9.1
Comparison	90	37.7	86	35.7
Service	94	39.3	92	38.2
Other	16	6.7	21	8.7
Vacant	20	8.4	20	8.3
Total	**239**	**100**	**241**	**100**

Source: Torbay Retail Monitor (2005 and 2010)
Figures may not add due to rounding

3.40 The most recent GOAD survey data that we have been able to obtain comprises surveys in August 2005 and October 2007. Whilst the classification of land uses is slightly different to our interpretation of the Council's Retail Monitor data, similar trends emerge; particularly the small rise in convenience goods retailers and the small decrease in comparison goods retailers and service providers. The one noticeable difference between the Council's data and the GOAD data is the rise is vacancies (from 5.7% to 10.6%) between 2005 and 2007 in the GOAD data. An explanation of this difference is likely to lie in the difference time periods for the two sets of data and the smaller geographical area covered by the GOAD land use survey.

Table J: Retail Composition of Brixham Town Centre, 2006-2009

Sector	August 2005			October 2007		
	No.	%	GB Average %	No	%	GB Average (%)
Convenience	21	10.9	9.2	25	13.3	9.3
Comparison	96	50.0	45.7	83	44.1	41.8
Service	62	32.3	33.1	58	30.9	34.7
Other	2	1.0	1.3	2	1.1	1.2
Vacant	11	5.7	10.7	20	10.6	13.0
Total	**192**	**100**	**100**	**188**	**100**	**100**

Source: Experian GOAD data. Figures may not add due to rounding

3.41 As noted in the previous retail studies, Brixham has never, due its size, had any reliable data on Zone A rental levels or yields on retail property. In relation to retailer requirements, some data is available and this is shown in Table D. It indicates that at its peak, Brixham had 9 requirements, which is reflection of its size and influence in the sub-region. This has now been eroded back to 3 requirements in 2010.

Retail Commitments and New Retail Facilities Since the 2008 Update Report

3.42 Since the completion of the 2008 study there have been a number of changes in retail provision across Torbay, plus a number of planning permissions granted by Torbay Council for new retail development. These are summarised below:

- The commitment for a new B&Q DIY store detailed in the previous study has now been implemented, leaving the former B&Q store currently empty.
- Waitrose have taken over the former Somerfield store in St Marychurch District Centre
- The No Frills store in Babbacombe has now closed, although land adjacent to this unit is currently being occupied by a garden centre.
- In 2009, Marks & Spencer gained planning permission for an extension to their store at The Willows District Centre. The additional floorspace comprised 2,453sq m gross, including a 511sq m extension to the foodhall and an additional 975sq m within the non-food sales area.

- Dunelm Mill have now occupied the former MFI unit at Bridge Retail Park, including the insertion of a new mezzanine floor which obtained planning permission in 2010.
- Since the completion of the previous study, the Allied Carpets unit at Riviera Way Retail Park has closed. This retail park is now occupied by Currys/PC World, Harveys and Dreams stores.
- In 2008 planning permission was granted for an extension to the Sainsburys store in Paignton. The permission allows for an extension of the store, which currently has a sales area of 3,495sq m, to provide 4,885sq m of sales area. This permission has now been implemented.

Residents Survey

3.43 During the course of completing this study, the Council have also conducted a web-based survey of local residents. Whilst it is not as extensive as the household and on-street surveys informing the previous retail studies in Torbay, it nevertheless provides a further contribution to the views of local residents. There were 90 respondents in total, with 55 respondents answering questions on Torquay, whereas 23 and 9 people completed the survey on Paignton and Brixham, respectively.

Visitors and spending

3.44 Of all the respondents for Torquay, 35% of people make daily visits to the town and 22% visit every week. Infrequent trips to the town are less common in Torquay, whereas Paignton attracts 43% of visitors every week and many other people make trips irregularly. All the respondents for Brixham make frequent trips to the town centre, daily or weekly.

3.45 Just over half of respondents who visit Torquay and Paignton use their cars to travel to the town centre. Around a third of the respondents for Torquay and Paignton town centres regularly walk to the centre whilst 56% of respondents walked to Brixham.

3.46 The use of public transport as a mode of travel to the centres is quite low in all centres: Brixham (11%), Torquay (8%) and Paignton (4%), showing that visitors would much rather walk or use their own transport. The town centres themselves were all found to be mainly 'very easy' to walk around with good legibility and mobility.

3.47 The length of time spent in the town centres can reflect the amount of money spent and the amount of services, shopping and attractions on offer. Most trips to the three town centres are for two hours or less, however, Torquay, followed by Paignton attracts more customers for a longer period of time. Respondents who travel to Torquay spend on average £22 per visit and 30% of people spend between 3 hours and a full day. Paignton generates an average spend of £19 which includes 26% of people visiting for 3 hours or more. These two centres dominate the area and Brixham, where the average money spent is just £10 and none of the respondents spent longer than 2 hours in the town.

3.48 In terms of where the money is spent in the towns, there is a mix of shopping, entertainment, leisure and recreation purpose visits. The respondents to the survey were able to pick a number of reasons for visiting, although the majority was for shopping. Non-food shopping is a major reason for visiting the three town centres and over 60% of respondents for each centre visited for this reason. Food and non-food shopping especially dominates in Brixham, unlike Paignton and Torquay which have a wider variety of reasons for visiting. Shopping trips are the main reason, although leisure, recreation, entertainment and also work visits are common in both. The distribution of trips is likely to be affected by the beach and harbour, a variety in restaurants, cafes and notably the Apollo Cinema in Paignton.

Positive and negative aspects: Torquay town centre

3.49 Respondents to the survey were asked to describe the good qualities and the aspects they disliked about town centres in the Bay. People visiting Torquay indicated that the environment and the attractiveness of the harbour as good qualities and many people referred to the town as having "some good shops". Compactness and the café culture of the town were also positive aspects, however many people could not identify any merits at all.

3.50 However, the survey respondents have clearly taken more negative view to the town centre and identified a large number of dislikes. The empty shops, lack of quality and variety in shops were the main factors, along with a lack of cleanliness and a run-down, ugly feel to the town. The amount of anti-social behaviour was another unpopular feature of the town among respondents.

Positive and negative aspects: Paignton town centre

3.51 The pedestrian area and the independent shops were the most popular features of Paignton town centre for respondents, and due to the amount of people visiting for entertainment purposes, the cinema was another notable positive.

3.52 Paignton, however, possesses a lack of quality shops, restaurants and leisure facilities. The town centre was described as 'cheap', 'tired', 'rundown' and many believe that the Crossways shopping centre is an eyesore.

Positive and negative aspects: Brixham town centre

3.53 Respondents for the Brixham survey noted the compactness of the town, which is due to it being the smallest of the three main Torbay towns. It's interconnectivity and 'pedestrian friendly' streets were praised along with the variety in shops.

3.54 Like other town centres in the Torbay area, respondents expressed more dislikes than good qualities. Charity shops and poor maintenance of shop frontages and streets were backed up with dislike for car parking, traffic and noise.

Improvements

3.55 In terms of possible improvements to the three town centres, the quality and variety of shops and the issues of car parking were the main suggestions. In Torquay, this issue of the price of car parking was indicated by nearly half of the respondents who would prefer free or cheaper parking. Another significant issue is the need for branded shops in the centre and the call for a mix of national and local retailers, including market stalls. Specific to Torquay, respondents highlighted that they would like to see less buses and a more pedestrianised town centre. Cafes with outside tables and better weather covering were also aspects, respondents would like to see introduced.

3.56 Residents for Paignton also identified these two main issues and added that the shops need renovation (especially Crossways) and there is a no need for the amount of charity and 'pound shops' in the town. Leisure opportunities and the need for evening activities were among the other suggestions.

3.57 Improvements suggested for Brixham follow the trend of car parking and new outlets, however, results also show the need for street furniture and a cleaner centre.

Visitor preferences for towns

3.58 Respondents to the survey were asked whether they use the town for shopping, leisure or recreation and identified their preferred area for these services. Overall, 61% of respondents in the whole of Torbay preferred a different town to the one they were closest to. The most popular alternative destination overall is Exeter, followed by The Willows District Centre or another retail park and then one of the other two Torbay towns.

3.59 Results from Paignton show that 78% of respondents would rather go elsewhere, either along the bay to Torquay or to the cities or Exeter or Plymouth. In both Brixham and Torquay, around 55% would rather travel to other places for these services. The main reasons given for travelling to a different place were mainly for better shopping opportunities and free or cheaper parking.

4. Assessment of Need for Additional Retail Floorspace in Torbay

Introduction

4.1 Whilst PPS6 has now been replaced by PPS4, the requirement to assess the need for retail development as part of the preparation of development plan documents remains. This is confirmed by EC1.4 of PPS4. With three years now elapsed since the completion of the 2008 study, the Council has decided that it requires an updated assessment of quantitative shopping patterns and overall quantitative need for convenience and comparison goods floorspace over the period 2011-2031. The need for a new quantitative assessment is reinforced by the effects associated with the recent economic downturn on retail expenditure levels.

4.2 In a change from PPS6 guidance, the importance of qualitative factors in the overall assessment of need now attracts equal weighting in PPS4. Whilst the approach towards the assessment of qualitative needs has not fundamentally changed since PPS6, PPS4[2] now asks local planning authorities to assess whether there is provision and distribution of shopping facilities which allow genuine choice to meet the needs of the whole community, in the light of the objective to promote the vitality and viability of town centres and the application of the sequential approach. In addition to its inclusion within the assessment of quantitative need, PPS4 also asks LPAs to take into account the degree to which shops may be overtrading and whether there is a need to increase competition and retail mix.

4.3 We provide our updated quantitative and qualitative need assessments in turn below. For our updated qualitative assessment we re-visit the qualitative analyses provided in the previous 2006 and 2008 studies and expand our assessment with reference to the gap areas analysis recently undertaken by Torbay Council.

[2] EC1.4(d) of PPS4

Quantitative Need

Introduction

4.4 In this section the quantitative need for additional retail floorspace in Torbay is assessed; an assessment which will supersede the previous analyses in 2006 and 2008. The assessment period is between this year (2011) and 2031 (the end date for the Torbay Core Strategy) and interim projections are provided for 2016, 2021 and 2026. The capacity tables accompanying this assessment are attachd at Appendix B.

4.5 The methodology for the quantitative assessment is based on the following:

- Step 1 – Definition of an appropriate geographical area of analysis for the quantitative assessment, hereafter known as the study area.
- Step 2 – Calculate the current (2011) population and expenditure available within the study area and forecast future population and expenditure growth over a specific period. In this instance we have used a period up to 2031.
- Step 3 – Calculate the levels of convenience and comparison expenditure flowing to stores and centres within the study area, using a market share analysis based on the results of the 2011 Torbay household survey of shopping patterns.
- Step 4 – In order to assess the quantitative need for additional retail floor space we have used a market share approach. This involves the assumption that retail floor space within Torbay will achieve a particular market share of available retail expenditure within the study area as a whole.

4.6 Step one of the capacity assessment requires setting a study area. The two previous studies adopted a study area which comprised ten separate survey zones. For the latest study we have revisted these ten areas and considered whether each of them should remain as part of the study area. On reflection it was decided to remove zones 1, 9 and 10 from the study area as residents of these areas contributed little in the way of conveneince and comparison goods shopping trips to retail facilities in Torbay. In line with previous surveys, 1,000 interviews were undertaken although with a smaller number of zones a larger number of interviews per zone were achieved in the 2011 survey. A copy of the study area plan is contained at Appendix C.

4.7 The are a number of data inputs into the quantitative need methodology and these are explained below (including the changes which have been made since the 2008 study):

- Population. Since the completion of the 2008 study, Experian have released additional estimates of population and we have obtained the latest predictions for the 2011 base for this assessment. In addition, with the impending removal of regional planning layer of policy (which has an effect on house building and population growth), coupled with the recent effects of the economic downturn, future population forecasts for Torbay and surrounding areas are now likely to be different to those used in the 2008 study. After consultation with Torbay Council strategic planning officers, it has been agreed to adopt the 2008 sub-national population projections released by ONS in 2010 as the basis for population growth in the three study area zones covering the Torbay administrative area. However, due to the economic prosperity / regeneration aspirations of Torbay Council the growth in population between 2011 and 2031 forecast by ONS has been increased by 5%. The forecast population growth for Torbay has been applied to zones 3, 4 and 5 of the study area, with 42% apiece assigned to zones 4 (Paignton) and 5 (Torquay) and 16% assigned to zone 3 (Brixham).
- Per capita retail expenditure. New estimates of per capita expenditure for each of the study area zones have been obtained from Experian and have been projected forward on the basis of a 0.6% annual increase in convenience goods expenditure per capita and a 3.3% annual increase in comparison goods expenditure per capita.
- Shopping patterns. The 2006 and 2008 studies were supported by bespoke surveys of household shopping patterns. For this latest update, it has been decided to commission a further survey which matches the study area (as described above). For the latest survey greater emphasis has been placed upon shopping patterns rather than 'qualitative' questions regarding each of the town centres. The survey includes the following questions:
    - First and second choice main food shopping destinations
    - First and second choice top-up food shopping destinations
    - First and second choice shopping destinations for: clothes/shoes, furniture/carpets/textiles, DIY goods, domestic appliances, smaller electrical goods, personal/luxury goods and recreational goods.

  - The amount of money spent at supermarkets in relation to the above types of goods.
  - Questions regarding the usage of the internet for shopping purposes

- The results of the household survey are available in a separate technical appendix to this study.
- Retail sales densities and benchmark turnover levels. Within the previous two studies, company average performance levels for each of the main grocery retailers have been within the quantitative assessment as part of the assessment of floorspace capacity. This approach continues in this study with the latest information on the large grocery retailers obtained from Verdict data. For comparison retailing, the benchmark turnover levels used in the 2008 study have been updated to a 2011 base, thus allowing for an element of consistency between these studies.

4.8 On the basis of the above information, we set out below the current financial performance and indicative baseline floorspace capcity estimates for Torbay and its three constituent settlements.

Torquay

4.9 The market share of convenience goods facilities for first and second choice main and top-up food shopping are shown in Table 4 at Appendix B.

4.10 Within Torquay 80% of first choice main food shopping trips and 75% of second choice shopping trips from local residents in Zone 5 are retained in the local area. Of the first choice main food trips, 53% flow to the Willows district centre, 9% to the town centre, 6% to St Marychurch district centre and 7% to other local shopping facilities across Torquay. Of the 20% first choice main food shopping trips which leak from Torquay, 6% flow to Paignton (primarily the Morrisions store) and 14% outside of the district (primarily the ASDA store in Newton Abbot).

4.11 For second choice main food shopping trips, the Willows remains the most popular destination (36%) followed by the Lidl store (11%), local shopping facilities (12%) and the town centre (8%).

4.12 The pattern of top up food shopping trips in the Torquay urban area (Zone 5) is much more disbursed, with 42% of first choice top-up food shopping trips flowing to local facilities outside of the town and district centres and main out of centre provision. These local facilities are also the most popular choice for second choice top-up food shopping destinations (53%). After these local shopping facilities, the town centre, the Willows district centre and St Marychurch district centre have reasonably similar market shares.

4.13 Having regard to store turnover levels, Table 5a at Appendix B sets out the current levels of expenditure which convenience goods retail facilities attract from the study area. Table 5a provides the following information:

- Torquay town centre attracts £15m of convenience goods expenditure, a large majority of which is drawn from Zone 5, with a small amount from Zone 4 (Paignton)
- The Willows district centre attracts £72.9m of convenience goods expenditure, primarily from Zone 5, although there are noticeable flows of expenditure from Paignton (Zone 4), plus zones 6 and 8. The Sainsburys store attracts a study area derived turnover of £61m and thr Marks and Spencer a turnover of £11.7m.
- St Marychurch district centre attracts £3.4m from the study area, all of which comes from Zone 5.
- The Waitrose store in Plainmoor attracts £7.3m from the study area, again primarily from Zone 5, but smaller amounts of expenditure from Brixham and Paignton, plus zones 6 and 7.
- Local shopping facilities in Torquay, primarily in defined local centres, but also some in stand alone locations attract a total of £23.3m. Unsurprisingly, given that the majority of this expenditure is derived from top-up food shopping, this expenditure is drawn from Zone 5 residents, although there are also smaller amounts of expenditure drawn from Paignton and zone 6.
- The only significant out of centre store in Torquay is the Lidl store. Table 5a indicates that this store attracts £18m of convenience goods expenditure from the study area, primarily from Zone 5, although noticeable amounts of expenditure are also drawn from Zones 3, 4, 6, 7 and 8.

4.14 Turning to comparison goods shopping, Table 6 at Appendix B sets out the market share of facilities in Torquay across the various zones in the study area. Table 6 indicates that the highest market shares occur in Zone 5 which is the zone which covers the Torquay urban area, although town centre, district centre and out of centre facilities in Torquay are also able to attract significant market shares across all study area zones. In relation to Zone 5, Torquay is able to retain the following levels of comparison goods shopping trips:

- 81% of first choice shopping trips on clothes and shoes remain within Torquay, with 62% flowing to the town centre and 18% to the Willows district centre. For second choice trips the retention rate falls to 60%, with the town centre again being the most popular destination. The primary destination for trips leaking outside Torquay is Exeter, followed by Newton Abbot and then Plymouth.
- Only 60% of first choice trips associated with furniture, floorcoverings and textiles are retained in Torquay. A similar retention rate (55%) occurs for second choice trips for these types of goods. The leakage of trips is to Newton Abbot, followed by Exeter and then Plymouth.
- Over 90% of first choice shopping trips on DIY goods remain within Torquay, with the new B&Q store providing the dominant destination. For second choice DIY goods shopping destinations, the retention rate remains high, at 70%, although where leakage does occur it is to facilities in Newton Abbot and Exeter.
- Around 90% of first and second choice shopping trips on large domestic appliances and smaller electrical products remain within Torquay. The limited leakage which does occur to destinations outside the town flows to Newton Abbot and (for smaller electrical items) Exeter.
- There is also a high retention rate of first choice shopping trips on personal and luxury goods (86%) within Torquay. For second choice destinations, the retention is much lower at 58% with Exeter and Newton Abbot the main beneficiaries of the leakage of expenditure.
- Only two thirds of first choice and half of second choice shopping trips for recreational goods remain within Torquay. Of the trips that aren't retained the majority flow to Exeter, followed by Newton Abbot.

4.15 Table 6a at Appendix B sets out the turnover levels for all destinations across Torbay and, for Torquay, indicates the the following:

- As a whole, Torquay is able to attract £326m of comparison goods expenditure from the study area, comprising:
  1. £75m of expenditure on clothes and shoes
  2. £27m of expenditure on furniture, floorcoverings and textiles
  3. £34m spent on DIY products
  4. £97m spent on large and small electrical goods
  5. £50m of expenditure on personal and luxury goods
  6. £47m spent on recreational goods
- The town centre has the highest turnover of any single specific destination, at £162m per annum, followed by the Willows district centre (£91m) and then out of centre retail warehouses (£70m). £1.7m of comparison goods expenditure flows to St Marychurch district centre and around £2m of expenditure to other local centres in Torquay.

Paignton

4.16 Paignton is able to retain 87% of first choice and 76% of second choice main food shopping trips from the local area (Zone 4). For first choice main food shopping destinations, the out of centre Morrisons and Sainsburys stores in the western edge of the town attract a majority of trips although the Co-op, Iceland, Lidl and Tesco stores in Paignton town centre are capable of attracting a significant number of second choice main food shopping trips. Where main food shopping trips are lost from Paignton, a number of these flow to the Willows district centre.

4.17 For top-up food shopping, Paignton is able to retain 95% of first choice trips and 78% of second choice trips. These trips are shared amongst the town centre, Preston district centre, the two out of centre supermarkets and local shopping facilities (primarily stores in defined local centres).

4.18 Having regard to the turnover of convenience goods faclities in Paignton, the town centre attracts £17.6m which, on the basis of this analysis, means that Paignton town centre's convenience goods sector attracts a slightly higher turnover than Torquay's town centre. The best performing store is the Tesco, followed by the Lidl and Iceland stores.

4.19 The out of centre Morrisons and Sainsburys stores in Paignton attract the largest amounts of expenditure, with our quantitative analysis in Table 5a indicating that the Morrisons store attracts £46m of expenditure and the Sainsburys store £32m. Unsurprisingly. the majority of this expenditure comes from Paignton residents although a large part comes from the Brixham area whilst some residents of Torquay chose to shop at the Morrison store for first choice main food shopping trips.

4.20 In addition to the town centre and out of centre stores in Paignton, convenience goods stores in Preston district centre attract £10.7m of expenditure, the majority of which is drawn from Zone 4 although small amounts of expenditure are also drawn from Torquay and Brixham residents.

4.21 Turning to comparison goods shopping trips, Table 6 at Appendix B provides the following information regarding the attractive of stores in Paignton to its local population and also from across other parts of Torbay:

- Stores in Paignton are able to retain between 14-16% of trips from the local area (Zone 4) in relation to clothes and shoes shopping.
- Around 16% of first choice shopping trips for furniture, floorcoverings and textiles from local (Zone 4) residents remain within Paignton, although the town's market share for second choice trips for these goods falls to 6%.
- Table 6 indicates that between 37-43% of local (Zone 4) shopping trips from Paignton residents remain in the town for DIY goods shopping purposes. This is the joint highest market share (with personal and luxury goods) for the various types of comparison goods trips in Paignton and is largely due to the Focus DIY store on Brixham Road.
- Between 11-20% of local trips for larger domestic appliances remain within Paignton, and similar market shares are also achieved for smaller electrical goods in the town.
- Paignton has a market share of between 33-48% for personal and luxury goods shopping trips from local (Zone 4) residents.
- Between 15-27% of trips from local residents for recreational goods remain within Paignton.

- Beyond Paignton, the majority of leakage of comparison goods shopping trips flows northwards to stores in Torquay. Torquay town centre is the main attractor for personal/luxury, recreation and furniture goods trips from Paignton residents, whilst the Willows district centre and other out of centre retail warehouses are the primary attractor for electrical and DIY goods shopping trips. For clothes and shoes, the leakage of trips from Paignton to Torquay is split equally between Torquay town centre and the Willows district centre.
- Overall, Paignton attracts around £49.5m of comparison goods expenditure from the study area, which includes £35m flowing to the town centre, £1.2m to Preston district centres and £13m to out of centre retail facilities. Around two thirds (68%) of all expenditure drawn to comparison goods facilities in Paignton is drawn from the local area (Zone 4), with the remainder primarily flowing from the Brixham area (Zone 3).

Brixham

4.22 Brixham lies in Zone 3 of the study area and Table 4 at Appendix B indicates that the town is only able to retain 16% of first choice main food shopping trips and 29% of second choice shopping trips. The town centre is the dominant destination in the town for those trips which do remain, with the Tesco Express and Co-op stores being the most popular facilities. For top-up food shopping, Brixham has a better retention rate with 80% of first choice top-up trips and 72% of second choice trips retained.

4.23 Having regard to the leakage of convenience shopping trips from Brixham, particularly for main food shopping trips, the majority of trips flow northwards to Paignton, primarily the out of centre Morrisons and Sainsburys stores. Stores in Torquay also feature as second choice main and top-up food shopping destinations for some Brixham residents.

4.24 The turnover of convenience facilities in Brixham at 2011 is set out in Table 5a at Appendix B and indicates that, as a whole, stores attract £13m of convenience goods expenditure split between £8.1m flowing to the town centre and £4.9m to other convenience stores in the town. The analysis indicates that the Tesco Express store has a study area derived turnover of £2.5m and the Co-op stores attracting a turnover of £4m.

4.25 The market shares associated with comparison goods shopping facilities in Brixham and the shopping patterns of Brixham residents are shown in Table 6 at Appendix B. This analysis indicates that:

- Brixham's market share for clothes and shoes shopping in the local area (Zone 3) is only 4-5%
- 22% of Brixham residents remain within the town for their first choice shopping trips for furniture, floorcoverings and textiles. For second choice shopping trips, this percentage drops to 8%.
- Between 17-22% of local residents in Zone 3 remain within the town for DIY shopping trips
- 41% of Brixham residents remain within the town for their first choice shopping trips on large domestic appliances. For second choice shopping trips the town's market share falls to 16%. Similar market shares are achieved for small electrical goods shopping trips in Brixham.
- 46% of Brixham residents remain within the town for their first choice shopping trips on personal and luxury goods. For second choice shopping trips the town's market share falls to 16%.
- Between 7-12% of local residents in Zone 3 remain within the town for recreation goods.
- The market share analysis at Table 6 also indicates that comparison goods shops in Brixham have a catchment which is broadly limited to Zone 3 only.
- Having regard to leakage of expenditure from Brixham, the majority tends to flow to Torquay rather than Paignton, although Paignton is successful in attracting a large proportion of DIY trips from Brixham residents.
- Table 7a indicates that Brixham has (at 2011) a study area derived turnover of £12m

The assessment of baseline quantitative need

4.26 The next part of this section outlines the baseline levels of quantitative need for convenience and comparison goods floorspace across each part of the Torbay area. This is an important stepping stone in the development of a retail strategy for Torbay and provides an initial assessment of future quantitative capacity levels should existing market share remain constant over the life of the Torbay Core Strategy (i.e. up to 2031). This is however only the first part of the assessment of need, as qualitative factors of need will also need to be taken into account and combined with our initial quantitative assessment and assessment of potential retail development sites in the policy options analysis contained in section 6 of this report.

Torbay – Baseline Capacity (Convenience)

4.27 Tables 9a1-2 at Appendix B outline the quantitative need for additional convenience goods floorspace across the whole of Torbay. Table 9a1 outlines the level of quantitative need without the new ASDA store going into the Focus DIY unit in Torbay and 9a2 includes an allowance for the ASDA store. In both scenarios, the Sainsburys store extension in Paignton is included in the analysis.

4.28 If the ASDA store is excluded Table 9a1 indicates that current (2011) convenience floorspace capacity is 3,400sq m net, rising to 5,000sq m net by 2016 and 6,300sq m net in 2021. However, assuming that the ASDA store commences trading in the short term, Table 9a2 indicates that capacity by 2016 falls to 3,500sq m net (from 4,900sq m) although it increases again to 4,900sq m net by 2021, 6,500sq m net by 2026 and 8,000sq m net by 2031. Included within the forecasts is an assumption that the new ASDA store will increase the market share of Torbay as it will clawback some expenditure which is lost from the local area to stores in Newton Abbot (particularly the ASDA store).

Torbay – Baseline Capacity (Comparison)

4.29 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, for consistency purposes, used the baseline capacity figures in the 2008 retail study, updated to a 2011 context. The analysis at Table 10a indicates that there is, at 2011, no quantitative need for additional comparison goods as the baseline turnover of existing stores is slightly higher than the level of expenditure flowing to stores across Torbay. However, by 2016, 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 7,200sq m if Torbay is considered as a whole. 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.

4.30 Moving forwards beyond 2016, the quantitative need rises to 19,300sq m net in 2021, 33,000sq m net by 2026 and 47,600sq m net by 2031. We would recommend that due to the number of assumptions used in the calculation of future quantitative need, plus the recent (and ongoing) volatility in the UK economy, the capacity predictions beyond 2021 should be treated with caution.

4.31 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 PPS4 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 2011 which is broadly reflective of the main comparison goods floorspace assessment at Table 10a1 (i.e. broad equilibrium at 2011 albeit a slight over-provision of retail floorspace to take account of recent developments and baseline turnover levels in previous retail studies).
- 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.

4.32 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.

4.33 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)

4.34 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 Tables 9b1 and 9b2 at Appendix B. In a similar manner to the wider Torbay analysis, two scenarios are provided: one excluding the impact of the ASDA store in the Focus DIY unit and one including this new store. At 2016, the quantitative capacity without the ASDA store would have been circa 3,000sq m net (see Table 9b1), rising to 3,700sq m net by 2021, 4,400sq m net by 2026 and 5,000sq m net by 2031.

4.35 However, if the turnover of the new ASDA (and its effect on shopping patterns in the local area) is taken into account (see Table 9b2) then the capacity in Torquay in 2016 falls to 1,900sq m net. By 2021 this capacity will rise to 2,600sq net followed by 3,400sq m net in 2026 and 4,100sq m net in 2031.

Torquay – Baseline Capacity (Comparison)

4.36 Turning to comparison goods, the quantitative need assessment for Torquay is shown in Table 10b1 (Appendix B). Table 10b1 indicates that the amount of comparison goods expenditure flowing to stores in Torquay is closely aligned to the baseline turnover for existing stores. Moving forwards to 2016, Table 10b1 indicates that quantitative capacity will be 8,600sq m, rising to 18,700sq m net by 2021, 29,900sq m net by 2026 and 41,900sq m net by 2031. If these figures are compared with the overall Torbay figure, it is clear that the quantitative capacity in Torquay is higher than the wider capacity suggesting that the other two towns in Torbay have more capacity in their existing floorspace stock and, should current patterns continue, Torquay will provide the highest contribution to additional floorspace capacity.

Paignton – Baseline Capacity (Convenience)

4.37 The baseline capacity forecasts for convenience goods floorspace in Paignton are contained in Tables 9c1 and 9c2 at Appendix B. Table 9c1 sets out the capacity levels in Paignton including the Sainsburys store extension but excluding the new ASDA store in Torbay. Table 9c2 includes both the Sainsburys extension and the ASDA store. A comparison of these tables indicates that the ASDA store will have a small effect upon convenience floorspace capacity levels in Paignton as trade which is currently lost from Torbay to the Morrisons store in Paignton is clawed back by the new ASDA. Overall, the effect is relatively small with convenience floorspace capacity at 2016 extending to around 1,700sq m net and rising to 2,300sq m net in 2021, 3,000sq m net in 2026 and 3,700sq m net in 2031.

Paignton – Baseline Capacity (Comparison)

4.38 As already noted, Torquay's comparison goods quantitative need is higher than the global quantitative need figure for the whole of Torbay, thus suggesting that Paignton and Brixham have a theoretical negative capacity at least in the short term (i.e. the amount of floorspace (supply) exceeds the amount of expenditure flowing to Paignton (demand)). This is proven by the data contained in Table 10c1 at Appendix B which indicates that, on the basis of updated baseline turnover estimates from the previous retail study, predicted current annual turnovers are lower than the baseline turnover levels. This is caused by two factors: first, a decreasing amount of comparison goods expenditure flowing to stores in Paignton; and, the inclusion of the comparison goods floorspace element of the extant Sainsburys store extension commitment within the analysis. Table 10c1 indicates that the quantitative capacity for additional comparison goods floorspace in Paignton (should current shopping patterns remain constant) will only arise after 2016 with a requirement for 1,800sq m net by 2021, rising to 4,300sq m net by 2026 and 7,000sq m net by 2031.

Brixham – Baseline Capacity (Convenience)

4.39 Table 9d1 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. On the basis of a constant market share going forwards, Table 9d1 indicates that the continuation of current shopping patterns will not give rise to significant levels of additional capacity with a surplus in expenditure only occurring after 2021. However, as noted in previous retail studies there are qualitative need pressures which have an influence on the retail strategy for Brixham and which suggest an increase in the town's convenience goods market share could be beneficial and could lead to . This is explored in more detail later in this section and also in the policy options analysis in Section 6.

Brixham – Baseline Capacity (Comparison)

4.40 Like Paignton, our comparison goods floorspace quantitative assessment contained at Table 10d1 (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. Table 10d1 indicates that there is unlikely to be any quantitative need for additional comparison over the assessment period to 2031 (assuming that current market shares remain constant over the assessment period). Clearly, there is theoretical potential for an increase in the town's market share which would lead to surplus capacity. However, the issues surrounding this scenario are explored in section 6 of this report.

Qualitative Need

4.41 The Practice Guidance accompanying PPS4 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

4.42 Within the previous 2006 and 2008 retail studies, 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.

4.43 The previous analysis has been re-visted to determine whether it remains relevant for the assessment of qualitative need across Torbay. In addition, subsequent to the completion of the 2008 study, Torbay Council has undertaken a gap area analysis which makes an important contribution to criterion No.1 above. The methodology for the gap area analysis is contained at Appendix E to this document, along with a summary of the Council's analysis and the additional information which has been obtained as part of this study. A key part of the Council's gap area analysis has been to prepare a series of maps showing accessibility to the main defined centres and main foodstores/supermarkets in Torbay using its Accession computer software package. Larger versions of these plans (which are also contained in the document at Appendix E) are contained in Appendices F-L in this document.

Torquay (Convenience Goods)

4.44 Within the previous studies, a consistent theme of imbalance between the Willows District Centre and the town centre was outlined. Whilst some changes have occurred in recent years, the Sainsburys store at the Willows (supported by the Marks & Spencer food hall) attracts around half of all first choice main food shopping trips in the Torquay area (Zone 5). It also attracts around a third of all second choice food shopping trips and between 12-17% of top-up food shopping trips. As a consequence of the quantitative analysis and our own knowledge of the Sainsburys and Marks & Spencer stores, there is an element of overtrading and congestion at The Willows District Centre.

4.45 Elsewhere, convenience stores in the town centre and other district/local centres achieve more modest performance levels and do not suffer from the congestion/overtrading associated with the Willows. The exception to this is the Lidl store in Torquay, which has a very successful trading position.

4.46 As a consequence of the above there is deficiency in convenience retail floorspace within the town centre and, as a result of the dominance of The Willows (including potential overtrading), an opportunity to increase choice and competition in the conveneince retail sector in Torquay. This is reinforced by an opportunity to improve the quality of provision within the town centre.

Torquay (Comparison Goods)

4.47 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:
    - 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 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 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 in a similar manner to our observations regarding its convenience retail offer.

4.48 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)

4.49 With regards to the gap area analysis conducted by TC, 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 following types of gap area have been identified:

- 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 have poor accessibility.
- There are no noticeable issues regarding access to local and district centres in Torquay via private car (Appendix G).
- If the focus turns towards access to convenience shopping facilities, the gap area analysis shows 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 are 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 widen with larger parts of Chelston and Livermead being included, plus the western part of Shiphay, plus Babbacombe, Wellswood and Meadfoot. It should be noted that the Tesco Express which is being developed in Babbacombe will reduce the extent of the gap area in this part of Torquay.
    - With regards the main supermarkets in Torquay (Sainsburys, for the purposes of this analysis) the plan at Appendix J indicates that the majority of Torquay residents are outside of a 10 minute walking distance. Indeed, even a 20 minute walking distance does not extend beyond the town centre and St Marychurch / Plainmoor area, thus excluding areas such as Babbacombe, Wellswood, Meadfoot, parts of Chelston and Livermead.
    - In terms of accessibility by car to the only large supermarket in Torquay (Sainsburys) the plan at Appendix K indicates that Babbacombe, Wellswood, Meadfoot and Livermead are excluded.
    - The plan at Appendix L indicates that if all foodstores (size) are included in the accessibility by car analysis then all parts of Torquay are covered within a 10 minute drive time.

4.50 Having regard to the above, there are a number of clearly definable areas where accessibility can be improved. In the Babbacombe/Wellswood/Meadfoot area there is poor walking, bus and car accessibility to medium to large foodstores. Whilst Wellswood local centre lies in this gap areas and *prima facie* fills the accessibility gap, it is however a small centre with no significant convenience retail floorspaceat present and the gap for accessibility for convenience shopping remains.

4.51 The Torre area also has a gap in terms of its access to large supermarket provision, although this willl be at least partly removed by the introduction of the ASDA supermarket into the Focus unit on Newton Road. In addition, residents of the Torre area have reasonably good access to local centres to the south and the classification of shops and services on Upton Road as a Local Centre will also assits with accessibility.

4.52 Whilst it has very good public transport accessibility and has a range of smaller scale convenience retail provision, Torquay town centre also lies on the edge of the 10 minute drive time by private car and 20 minute walking distance to large foodstores (i.e. the Willows district centre). As a consequence, there are also opportunities to improve provision in the town centre, which supports the other recommendations in our qualitative analysis.

4.53 In the western part of Torquay, the Livermead area consistently appears as an area which has comparatively poorer access to convenience shopping facilities . To the north of Livermead, the Chelston area also suffers from poor walking and bus accessibility to larger convenience facilities although it does lie in a 10 minute drive time for the Willows and has a number of modest local centres which can provide a top-up food shopping function.

4.54 Looking to the future, should a significant amount of residential development be provided to the west of the Edginswell and Shiphay areas (running along the eastern boundary of the A380), then a further gap area would occur particularly in relation to walking and public transport access to defined centres and foodstores. This is explored further in sections 5 and 6 of this report.

Paignton (Convenience Goods)

4.55 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 two large supermarkets (Sainsburys 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.

4.56 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 and Morrisons stores.

Paignton (Comparison Goods)

4.57 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.

4.58 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)

4.59 Turning to the Council's gap areas analysis, poor accessibility is highlighted 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. The areas to the west of Preston also have access to two local centres although they are relatively small scale and have relatively low levels of convenience goods retail provision.

4.60 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. The one aspect for improvement in these areas is walking and bus accessibility to large foodstores.

4.61 Further to the west, the Council's analysis identifies the Collaton St Mary area as featuring within a gap. This is primarily due to the lack of walking and public transport access to defined local and district centres and, to a slightly lesser extent, walking and bus access to large supermarkets (as eastern parts of this area are in reasonable range of the large Sainsburys and Morrisons supermarkets). It should also be noted that the importance of this gap area would be increased should significant further residential development occur in this area.

4.62 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, 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.

4.63 To the south of the main Paignton urban area, between the town and Brixham, a gap area around Galmpton and Churston Ferrers has also been identified, in relatio to acces to foodstores and defined centres in terms of walking, public transport and private car. Options for removing this gap area will focus upon new provision in either Brixham or Paignton.

Brixham (Convenience Goods)

4.64 Throughout the two 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 our qualitative analysis continues to support this approach. Should a new supermarket be provided, it is envisaged that an increased number of main food trips will be retained in Brixham with a consequential knock on effect for the number of visitors to out of centre stores in Paignton.

Brixham (Comparison Goods)

4.65 The picture for comparison goods retail provision in Brixham is similar to convenience goods provision, 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.

Brixham (Gap Areas Analysis)

4.66 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 TC's gap areas analysis which shows that whilst there is good access to small foodstores and the town and local centres (see appendices H & I), the whole of the urban area is well beyond a 10 minute drive (see Appendix K) and a 20 minute walking distance from large supermarkets (see Appendix J). The planned new supermarket in the town centre would effectively remove all of the identified gap areas in Brixham, leading to a scenario where no further centres in Brixham need to be identified.

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 2011 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.

Town Centre / Edge of Centre Potential Retail Development Sites

5.3 The 2006 and 2008 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 has been revisited and the focus for our assessment is 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

- **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.
- **Victoria Park.** A new potential development location for inclusion in this latest analysis.

Brixham

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

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

Torquay

5.5 Within Torquay town centre, the Union Street area provides the best opportunity to provide significant 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.

5.6 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.

5.7 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).

5.8 The main land uses suitable for this area are comparison goods retailers, supplemented by food & drink uses and convenience retail offer. This area is also potentially suitable for commercial leisure development including a cinema use although such a use 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. Therefore, whilst it is an option which should not be ruled out at this stage, it is a development scenario which will require the acquisition of additional properties along Union Street.

5.9 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, as outlined in the Mayoral Vision, 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 Core Strategy 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).

5.10 Moving southwards through the town centre the next site is Nos. 2-14 Market Street. The 2006 study 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. One potential retail use for this site is a modest sized foodstore which could expand the range of convenience goods stores in the town centre and lessen the current qualitative deficiency.

5.11 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. Our recommendations regarding this site have not altered in the period since the 2006 study was published and we note that the LDA Action Framework Plan agrees with this approach. In addition, this site is allocated in the emerging Torquay Harbour Area Action Plan (Reg.27 version, November 2010) as a development opportunity. 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.

5.12 The North Quay, Pavillion and Princess Gardens area is also allocated in the emerging THAAP, 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.

5.13 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 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.

5.14 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

5.15 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.

5.16 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 has 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.

5.17 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. There is commercial demand from the grocery retail sector for a new store on this site for the scale of store outlined above, although this demand is likely to be predicated on the whole site being available and a much better frontage to Torbay Road being created.

5.18 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.

5.19 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.

5.20 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.

5.21 Overall, the Victoria Square area presents a significant redevelopment opportunity for Paignton town centre. 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.

5.22 For this latest study, we have considered the retail development potential of the Victoria Park area which lies to the north of the main town centre area. This is an undeveloped area of land which is used as general open space by local residents and visitors to Paignton, with the eastern part of the park accommodating tennis courts and a skate park. In principle, this area is large enough to accommodate new retail development which has the potential to provide a northern extension to the town centre. The characteristics of this area mean that either convenience or comparison goods floorspace can be provided although, given the level of commercial market demand for retail floorspace in Paignton, the demand for development in this area will be from supermarket operators.

5.23 The key issue regarding the acceptability of retail development on Victoria Park will be the loss of open space from the site and the potential need to re-accommodate open space elsewhere in the town centre. Re-provision of open space has the potential to occur as a result of the redevelopment of parts of the Victoria Square or Station Lane areas, although a detailed consideration of this issue is outside of the remit of this study and this is an issue which should be considered by the Council if development proposals for Victoria Park come forward.

5.24 In our view, Victoria Park will be more commercially attractive that Victoria Square to supermarket operators and there is a possibility that a larger number of operators will be interested in this location. The acceptability of supermarket development in this location will also require improved linkages between the site and Torquay Road / Hyde Road in order to encourage as many linked trips as possible, in order to benefit the town centre as a whole.

5.25 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.

5.26 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.

5.27 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.

5.28 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.

Brixham

5.29 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.

5.30 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

5.31 Beyond the town centre and edge of centre development opportunities outlined above, there are a number of areas across Torbay which have been identified (by the Council's own analysis and this study) as gap areas in terms of their access to convenience shopping facilities. In Torquay these areas are Meadfoot/Babbacombe/Wellswood and Chelston/Livermead. In Paignton, the gap areas are parts of Preston, Collaton St Mary, Galmpton / Churston Ferrers, Clennon Valley and Roundham. Also, under certain methods of definition, the whole of Brixham is defined as a gap area.

5.32 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.

Torquay

5.33 Within Torquay, the key gap area is around Babbacombe, Wellswood and Meadfoot. Within this area there is poor access to convenience shopping facilities, leading to local residents needed to travel greater distances for main and top-up food shopping. Within the identified gap area there is already a defined centre (Wellswood), although it is small scale and does not offer any immediate opportunities for expansion to provide convenience retail provision. There are opportunities for increased retail provision in nearby Babbacombe Local Centre and St Marychurch District Centre however the scale of improvements would only be modest and whilst they should be supported by the Council they are unlikely to change the results of the gap areas analysis.

5.34 Therefore, in terms of the sequential approach to site selection, it could be argued that there is a location specific need for new conveneince goods floorspace which is able to attract main and top-up food shopping trips and offer better walking, public transport and car access for residents of the Babbacombe, Wellswood and Meadfoot areas. The strength of this need may be reduced if a medium to large supermarket can be provided in Torquay town centre, as it would improve accessibility from the Babbacombe, Wellswood and Meadfoot areas, although it would not completely remove this 'gap' as local convenience retail floorspace would remain deficient. In any event, our commercial analysis indicates that a large supermarket offering the potential for main/bulk food shopping trips is unlikely to be achieved in Torquay town centre.

5.35 One potential option to provide convenience retail provision and remove this gap area is the former No Frills retail unit on Babbacombe Road. It is in a location which would remove the 'gap' as defined by walking, public transport and private car accessibility and is of a size which can accommodate a store which can serve main and top-up food shopping trips. It is however separated from Wellswood and Babbacome local centres and would therefore act as a stand alone shopping destination. Should the Council wish to consider this opportunity further, two options are available: plan for a new centre on this site (which would necessitate the redevelopment of the existing retail warehouse building); or allow a single stand alone foodstore to occupy the existing unit. The implications of these options are discussed in the next section of this report.

5.36 The next gap area identified in Torquay is 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, there are opportunities to improve provision via the redevelopment of sites within the defined Walnut Road Local Centre as and when they come forward, including the David Meek garage/car showroom premises and adjacent health centre. This has the potential to accommodate a modest sized convenience store and improve accessibility to local top-up food shopping destinations.

5.37 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)). Therefore, we propose that should additional significant residential development be allocated to this area then it should be accompanied by a proposal for a new appropriately sized local centre within the heart of this new residential area.

Paignton

5.38 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.

5.39 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.

5.40 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. There is a potential opportunity to increase retail provision in Foxhole Local Centre should the existing public house site become available and the Council do not resist the loss of this use. However, any convenience goods provision which could be provided on this site would be modest in scale and will provide better accessibility to local residents in terms of day to day top-up food shopping facilities, which is a clear qualitative improvement, rather than attracting main food shopping trips.

5.41 Beyond the existing urban area, the only further opportunities to remove this gap would be via sites close to the A380 in the Marldon Way. A supermarket/convenience store/new Local Centre in this area has the potential to improve accessibility by walking, public transport and private car although the overall benefit is curtailed by the separation of this area from residential neighbourhoods in Paignton and which would be compounded if the new provision was located on the western side of the A380 (as the A380 would act as a significant barrier to movement).

5.42 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.

5.43 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.

5.44 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.

5.45 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.

5.46 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.

5.47 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, a gap area is likely to be created in the future should residential development be promoted in the Core Strategy, reinforced by the separation caused by Brixham Road. We understand that a planning application for the White Rock Business Park has been submitted which includes residential and commercial uses plus a planned new local centre, including a modest sized foodstore. It is not part of our instructions to consider whether the scale and location of the planned local centre is appropriate in policy terms, as this will be conducted through the Retail Assessment process, although it is our opinion that one only new local centre will be required to support residential growth (promoted via the Core Strategy) to the west of Brixham Road and remove any gap that would be created by urban extensions.

5.48 Alongside the proposals for a new local centre at White Rock 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. However, it seems to us that, should Sainsburys wish to contemplate a revised proposal, and alongside the consideration of the current White Rock proposals, there is merit in considering how best to plan for retail provision to the west of Brixham Road, as the White Rock, former Bookham Technologies site and other areas to the west of Brixham Road may all have potential. The options for this gap area are explored in the next section of this report.

5.49 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 centre's 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, PPS4's 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 include 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 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 new conveneince floorspace; and, the ability to provide sustainable shopping patterns including the removal of perceived gap areas.

6.6 As a consequence of these influences, we consider that, under the broad alternative options of maintaining or planning for a change in a particular town's market share, there are the following broad options for the future of convenience goods retailing across Torbay:

1. Concentrate all new development within the three town centres
2. Concentrate new development in the gap areas in new and existing local centres
3. A combination of options 1 and 2 above, with disbursed development across town, district and local centres and gap areas

6.7 Within the two previous retail studies, the strength of qualitative need for additional convenience goods floorspace in Brixham capable of fulfilling a main/bulk food shopping role has been a clear recommendation and remains for this study. A town centre site in Brixham has been identified to accommodate this need and, whilst delivery of this project has been slower than expected, we remain of the view that there is strong policy support for this identified need. If this project is not pursued then a considerable number of convenience goods shopping trips will continue to leak from Brixham to towns such as Paignton with the effect that shopping trips are longer than necessary.

6.8 With Torquay and Paignton already possessing their own large supermarket facilities, the need for new convenience goods floorspace in Brixham is the strongest in Torbay as a whole and are likely to influence the level of need within nearby settlements, particularly Paignton. If the assumption in 2006 retail study, namely that Brixham can and should retain 75% of locally-generated expenditure in Zone 3, is continued then the following effects will occur in the quantitative assessment:

- Brixham. Should a 75% market share for convenience goods shopping in Zone 3 be achieved, then there will be quantitative capacity for an additional 1,500sq m net in 2016, rising to 1,700sq m in 2021 and 2,000sq m net in 2031. See Table 9d2 at Appendix B.
- Paignton. Taking into account the effects of the new ASDA store in Torquay, the Sainsburys extension in Paignton and a new supermarket in Brixham, Table 9c3 at Appendix B indicates that quantitative capacity at 2016 will be almost eliminated. Beyond 2016, there will be capacity for 800sq m net by 2021, 1,400sq m net by 2026 and 2,000sq m net by 2031.
- Torquay. A new supermarket in Brixham is likely to have a smaller impact upon future convenience goods floorspace capacity in Torquay, with a reduction of around 130sq m net to 1,800sq m at 2016. See Table 9b3 at Appendix B.
- Torbay as a whole. Looking at Torbay as a whole, the level of quantitative capacity outlined in Table 9-A2 (which also takes in account the impact of the new ASDA store in Torquay and the Sainsburys extension in Paignton) falls from 3,500sq m net to 2,000sq m net in Table 9-A3 which takes into account the new supermarket in Brixham. Therefore, assuming the ASDA store in Torquay, the Sainsburys extension in Paignton and new supermarket in Brixham go ahead, and there are no further changes in Torbay's convenience goods shopping market share, then there will be quantitative

capacity for 2,000sq m net additional floorspace by 2016, rising to 3,500sq m net by 2021, 5,000sq m net by 2026 and 6,500sq m net by 2031.

6.9 Turning to the distribution of the remaining amount of convenience goods floorpsace, it is clear from Tables 9a3, 9b3 and 9c3 that, should market shares remain constant, the shorter term capacity lies within Torquay, within Paignton only contributing to capacity in the medium to longer term. However, there are a number of different options to available to meet this identified need:

1. Restrict all additional convenience floorspace to town centres; or
2. Place all additional convenience floorspace in gaps areas; or
3. A combination of options 1 and 2 above, with disbursed development across town, district and local centres and gap areas

6.10 In relation to the first option, which restricts all additional floorspace to town centres, there are potential sites to accommodate new floorspace in Paignton and Torquay town centres, with Victoria Square/Victoria Park in Paignton appearing to have potential for a greater scale of additional provision. There is support from PPS4's town centres first approach for this option, unless the scale of new floorspace in Paignton is so great as to force the closure of existing convenience stores. However, a consequence of this option would be to leave the identified gap areas without any additional provision, with the result that it would perpetuate existing gaps with existing and future residents in these areas having no easy access to main or top-up food shopping facilities.

6.11 The second, and potentially opposite approach, is to place all additional floorspace to gap areas. For the avoidance of doubt, this does not exclude Brixham town centre as it is a gap area in any event. In this scenario, floorspace would be provided via new supermarkets in Brixham town centre and Babbacombe, smaller scale provision in Chelston, Three Beaches Local Centre, Foxholes Local Centre and new centres to serve the Collaton St Mary, Edginswell and Yalberton/White Rock areas. This scenario is likely to provide good spatial distribution across the Torbay area although will do little to maintain and enhance the vitality and viability of Torquay and Paignton town centres plus the identified qualitative deficiency in these centres. Moreover, there is a possibility that this 'disbursed provision' scenario will not be able to accommodate all of the identified quantitative need, thus inviting inappropriate proposals for additional convenience retail floorspace which the Council may fine difficult to resist.

6.12 The final option is to disburse new convenience goods floorspace across town, district and local centres. Through this scenario priority can be given to foodstore/supermarket projects in Torquay and Paignton town centres, with supplementary provision directed to gaps areas in Babbacombe, plus Chelston, Foxhole and Three Beaches Local Centres, plus new centres to serve new residential development at Edginswell, Collaton St Mary and Yalberton/White Rock.

6.13 This appears to us to represent the most appropriate and balanced scenario whereby the traditional 'town centres first' approach is blended with the need to meet locatinal specific needs through gap areas. In order to pursue this approach and to ensure that needs are adequately met, and overprovision in certain areas does not occur, the following issues will need to be tackled:

- Torquay town centre. Confirmation of whether there are opportunities to provide convenience goods floorspace on Market Street and also the scope for convenience goods floorspace within the Union Street scheme. It is our view that both areas can accommodate convenience goods retail floorspace although stores on these sites are likely to be modest in scale.
- 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. Similarly, proposals for development on Victoria Park will need to consider the loss of open space and potential re-accommodation in the town centre. 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 / open space for Victoria Square and Victoria Park respectively.
- Gap areas. If the Council is minded to pursue an approach whereby new convenience goods floorspace is provided to remove/reduce the identified gap areas (alongside new town centre provision), and serve new residents as well as

existing residents, it should give a clear signal over its intention to give priority to new provision in some or all of the following areas:

1. Babbacombe / Meadfoot / Wellswood area – opportunities to remove/reduce the Babbacombe / Meadfoot / Wellswood Local Centre gap via the utilisation of the former No Frills retail warehouse site. See below for further details.
2. Chelston area – via the increase of retail floorspace in Walnut Road Local Centre in the first instance (i.e. new retail development on garage/health centre site).
3. Preston / Foxhole area – via the increase in retail floorspace in Foxhole Local Centre in the first instance (i.e. retail development on public house site)
4. Three Beaches Local Centre – increased retail floorspace in Three Beaches Local Centre in order to improve accessibility in the Clennon Valley and St Michaels areas.
5. Collaton St Mary – planned new centre to serve new residential development in urban extension.
6. Edginswell – a planned new centre to serve (and lie within) new residential development, assuming a large scale residential-led urban extension is promoted in the Core Strategy.
7. Yalberton / White Rock – exploration of opportunities for new Local Centre to serve new residential development to the west of Brixham Road, taking account of proposals at White Rock and the commitment to extend the Sainsburys store. See below for further information.

6.14 In relation to the Babbacombe / Meadfoot / Wellswood gap area, the previous section identified the potential inability of existing centres to rectify the existing situation and the need to consider the identification of a new retail location. The former No Frills retail warehouse premises was identified as a potential option including two contrasting scenarios: the identification of a new defined centre on the No Frills site via redevelopment of the existing building and an alternative which seeks to accommodate a new foodstore within the retail warehouse building.

6.15 The option which plans for a new centre on the No Frills site, via the redevelopment of the existing building, has the advantage that the Council is better able to control the size of a new foodstore in this locality and also provide for a wider range of facilities which can meet the day to day needs of the local population. Given the proximity of Wellswood, Babbacombe and St Marychurch, the size of such a new centre is likely to be modest given the level of commercial demand and also to complement existing centres. Total redevelopment would also improve the appearance of this site and also offer the opportunity to accommodate other non-retail uses for which there may also be demand in this area. Under this scenario, the new centre would form part of the formal retail hierarchy in Torbay although in order to learn from the lessons associated with the Willows District centre we would recommend that the policy framework surrounding both the construction and operational phases of this cente is tightly controlled.

6.16 The alternative scenario is to allow a foodstore use to occupy the existing No Frills retail warehouse unit. This would be an easier delivery route although the new store on its own could not be classified as a new centre in the retail hierarchy. In addition, the former No Frills unit is as large as the Focus DIY unit on Newton Road in Torquay which has recently been purchased by ASDA and therefore a foodstore in the No Frills unit would be the joint second largest store in Torquay. As a consequence, the scale of the foodstore, and the range of goods sold, in this option would require careful consideration by the Council. There is a potential for a large foodstore on the No Frills site to have a significant impact upon convenience goods shopping patterns (and investment in nearby centres) and Council would need to be satisfied that it would remove a deficiency in provision and not also lead to an adverse impact upon the health of nearby centres (such as Babbacombe, St Marychurch and Plainmoor) and not encourage lengthy trips into this part of Torquay.

6.17 Overall, whilst the Babbacombe / Meadfoot / Wellswood area is a gap area which should take priority over other parts of Torquay outside of the town centre, the issues surrounding the ability to remove this gap are complex and will require further detailed consideration (in relation to their impact) as and when proposals come forward.

6.18 Turning to the Yalberton / White Rock area in western Paignton, we have identified that a gap area to the west of Brixham Road will arise as and when new residential accomodation is provided. There would not be a deficiency in terms of local residents' ability to drive to nearby supermarkets, but the proximity of local centres for walking and public transport could become an issue, hence the identified 'gap'. The potential options and sites in this area are potentially numerous, with new residential development planned at Yalberton and White Rock, plus a commitment for an extension to the Sainsburys store and a proposal for a new Local Centre at White Rock (which is currently pending determination).

6.19 For example, with little quantitative need for additional convenience goods floorspace in Paignton after the effects of a new supermarket in Brixham have been taken into account, and the qualitative need in Paignton focusing on the town centre, the provision of the Sainsburys extension <u>and</u> a Local Centre (anchored by a modest sized foodstore) in close proximity may be considered to be over-provision in quantitative terms. Moreover, on the basis of current commitments and proposals there would be a cluster of individual retail facilities on the western side of Paignton including the Morrisons and Supermarkets plus the White Rock Local Centre. This leads to a significant amount of existing/emerging provision which may affect the viability of new emerging centres. Therefore, there is a need to ensure that the limited amount of quantitative capacity and the factors influencing qualitative and location-specific needs are handled in an efficient manner which benefits the spatial planning of the local area and this may lead to an opportunity for the Council to consider alternatives to retail provision in this area.

6.20 Having regard to the phasing of new convenience goods floorspace, we do not consider that there is a significant urgency, from a quantitative need point of view, to provide new floorspace in either Torquay or Paignton beyond the acknowledged short term need for a new supermarket in Brixham. Nor is there a specific need to prioritise new floorspace in one settlement over the other. However, there is support from our qualitative and town centre health check assessments for new floorspace in both Torquay and Paignton town centres and the quantitiative need estimates should not overrule the ability to provide new floorspace in either town centre where it maintains and enhances the health of that centre. We consider that the Council should follow the 'town centres first' approach set out in PPS4 which gives town centre opportunities the priority over proposals in District and Local centres and out of centre schemes. This is supported by our qualitative needs assessment. Elsewhere, opportunities to remove/reduce gap areas should be given priority over other proposals for retail floorsapce. Short to medium term capacity in Torquay will be shared between the town centre and the Babbacombe gap area, with the town centre taking priority and the need for the Council to ensure that proposals in Babbacombe do not hinder town centre investment. As an alternative, there is support from the gap area analysis and the qualitative assessment for some short to medium term capacity to be diverted to Paignton to support a new foodstore in the town centre.

Comparison goods retailing: the options

6.21 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.

6.22 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 7,200sq m net by 2016, rising to 19,300sq m net in 2021, 32,900sq m net by 2026 and 47,600sq m net by 2031. The 2016 forecasts capacity is significantly below the level of capcity forecast for the whole of Torbay in the 2008 retail study and results from the construction of additional comparison goods floorspace and lower retail growth forecasts. Nevertheless the level of capacity up to 2016-2021 remains significant.

6.23 If this global Torbay capacity is broken down into its three constituent parts, Tables 10b1, 10c1 and 10d1 (at Appendix B) indicate that Torquay actually has a capacity higher than the global Torbay combined capacity with Brixham and Paignton possessing short to medium term negative capacity levels. Should these 'constant market share' floorspace capacity be pursued then only Torquay would be able to provide new comparison goods floorspace in the short to medium term, with short to medium expenditure growth in Brixham and Paignton used to support existing businesses prior to additional growth occuring in the medium term onwards.

6.24 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.

6.25 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.

6.26 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, 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.

6.27 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.

6.28 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.

6.29 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. Leading on from the valuable work undertaken by the Mayoral Vision and the ongoing Local Asset Backed Vehicle (LABV) process promoted by the Council, 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[3]), 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.

[3] Where appropriate business models exist

- 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.

6.30 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 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

6.31 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.

6.32 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.

6.33 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.

6.34 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 LDF and other Council documents.

6.35 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.

6.36 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 north-western part of Torquay.

6.37 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.

6.38 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.

6.39 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, 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 (EC16.1 of PPS4)

6.40 Both PPS4 (Policy EC3.1(d)) 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 Policy EC16.1 of PPS4.

6.41 Whatever the content of an adopted development plan (prepared in accordance with PPS4), Policy EC14 of PPS4 requires all retail proposals over 2,500sq m gross to be subject to the impact tests in Policy EC16.1 although once Torbay's Core Strategy is adopted all developments under 2,500sq m gross will not be required to be assessed against EC16.1 unless a local impact test threshold is set. No minimum size threshold is set for the sequential approach to site selection for new retail proposals.

6.42 Therefore, as a consequence of EC3.1(d) of PPS4, 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.

6.43 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 Core Strategy. 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.

6.44 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

6.45 PPS4 offers the opportunity for local planning authorities to define locally important impact tests which can be applied to proposals considered under Policy EC16.1 of PPS4. 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.

6.46 As a key contributor to defining locally important impacts, we would recommend that the Council consult upon this issue within its Core Strategy 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 PPS4'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

6.47 Beyond standard aspects of impact which are outlined in policies EC10.2 and EC16.1 of PPS4, 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.

6.48 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 Core Strategy 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.

6.49 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 Core Strategy and PPS4, 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

6.50 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 Core Strategy 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.

6.51 The final 'local impact' which has the potential for inclusion in the Council's suite of development plan documents 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.

The Draft National Planning Policy Framework ('the draft NPPF')

6.52 As noted in the introductory section of this report, the draft NPPF is capable of being a material consideration to the plan making and development management processes and is therefore its contents are salient to this study.

6.53 As already noted, guidance in the draft NPPF retains similar characteristics in terms of the 'town centre first' approach to retail and leisure uses, although the amount of plan making policies contained in PPS4 has been significantly reduced. Noteworthy parts of the draft NPPF are the continued reference to 'need' but the removal of any reference to quantitative and qualitative indicators of need. In addition, and whilst reference appears in PPS4, there is a reinforcing of the requirement to ensure that retail and leisure needs are met in full and are not compromised by limited site availability. This prompts the need for local authorities to undertake an assessment of need to expand town centres to ensure a sufficient supply of suitable sites.

6.54 In relation to development management, the need to apply the sequential approach to site selection and retail impact tests remains although the current working in the draft NPPF indicates that local authorities 'should prefer' applications for retail and leisure uses to be located in town centres. It could be argued that this sends a weaker message that polcies such as EC17 in PPS4 and potentially opens up scope for ambiguity in the interpretation of policy.

6.55 Such an eventuality reinforces the need for local authorities to have: a sound strategy that identifies where they want development to take place; the policies for dealing with retail and leisure development in non-central locations; and, clear town centre strategies. Such an approach is not dramatically different to policies in PPS4, although the lack of detail in the draft NPPF prompts local authorities to take more of a pro-active approach to policy making and setting visions and strategies for its retail hierarchy. In particular, there are three areas where increased local analysis and policy making is required:

- Meeting identified needs in full in town centre, edge of centre and potentially other accessible locations;
- Setting locally-informed policies for the consideration of non-central retail and leisure proposals; and
- Setting floorspace thresholds for the assessment of non-central retail and leisure proposals.

6.56 All of the above are covered in this report, although their importance has the potential to grow as a consequence of the draft NPPF.

7. Summary and Conclusions

Introduction

7.1 This report has been prepared by GVA in response to an instruction by Torbay Council dated January 2011 to prepare a new updated retail study for Torbay. In recent years two previous retail studies have been undertaken for the Torbay administrative area, in 2006 and 2008, both of which were prepared by GVA. This latest study is required in response to a number of factors, including the need to obtain up to date information relating to local retailing issues and the need to respond to guidance contained in Planning Policy Statement 4: Planning for Sustainable Economic Growth which was published in December 2009. The overall aims of this project are:

- To identify available and projected retail expenditure for convenience and comparison goods over the period 2011 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.

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. 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 quantitative and qualitative need for new provision in both the convenience and comparison goods retail sectors. Within the convenience goods sector the most pressing need is for a new floorspace in Brixham which can assist with retaining main and top-up food shopping trips within the town. In Paignton and Torquay, qualitative aspects of provision are much better although in both towns there is a need to try and rebalance provision back towards the town centres.

7.5 The level of quantitative need for additional convenience goods floorspace has been reduced by the grant of planning permission for an extension to the Sainsburys supermarket in Paignton and a large food hall in the Marks & Spencer at the Willows District Centre. Capacity for additional floorspace will be further reduced by the recent purchase of the Focus DIY unit in Torquay by ASDA and this unit being reoccupied by a supermarket. If all of these proposals, plus the assumption that a new supermarket will be provided in Brixham town centre, are taken into account capacity for additional convenience goods floorspace will be around 2,000sq m net by 2016, rising to 3,500sq m net by 2021, 5,000sq m net by 2026 and 6,500sq m net by 2031. If this global capacity is broken down into its constituent parts, and assuming that existing shopping patterns remain constant, then Torquay would benefit from the majority of this capacity, with additional significant capacity for new floorspace in Paignton only occurring after 2021.

7.6 We have considered a number of options where the identified quantitative and qualitative needs for convenience retail provision can met, including the provision of all new floorspace within the three town centres, the provision of all new floorspace within the gap areas (rather than town centres) and a combination of these options which spreads development across the town, district and local centres and gap areas. After consideration, the last of these options appears to us to represent the most appropriate balanced scenario whereby the traditional town centres first approach is blended with the need to meet locational specific needs through the gap areas across Torquay, Paignton and Brixham. We consider that provision for new convenience retail floorspace should be directed to the following areas:

- Torquay town centre. Potential for provision of new convenience goods floorspace within the potential development sites at Market Street and Union Street. It is our view that both areas can accommodate convenience goods retail floorspace although stores on these sites are likely to be modest in scale.
- Paignton town centre. There are two potential development opportunities for new supermarket development in Paignton town centre: Victoria Square and Victoria Park. 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. Clearly, redevelopment will need to be accompanied by the identification of options for the relocation of the Lidl store and also an improved frontage for this site onto Torbay Road. The alternative option is to develop a new supermarket on Victoria Park, an option which would need to deal with the loss of existing public open space and the need for a re-provision elsewhere. The Victoria Park option is likely to be the more commercially attractive option for new supermarket development and potentially an easier scenario to deliver, although

open space re-provision and improved linkages with the town centre are pre-requisites.

- Brixham town centre. Confirmation of the ongoing proposals for a new Tesco store on the former multi-storey car park site in the town centre.
- Gap areas. If the Council is minded to pursue an approach whereby new convenience goods floorspace is provided to remove/reduce the identified gap areas (alongside new town centre provision) it should give a clear signal over its intention to give priority to new provision in some or all of the following areas:
    1. Babbacombe / Meadfoot / Wellswood area – opportunities to remove/reduce the Babbacombe / Meadfoot / Wellswood Local Centre gap via the utilisation of the former No Frills retail warehouse site. See below for further details.
    2. Chelston area – via the increase of retail floorspace in Walnut Road Local Centre in the first instance
    3. Preston / Foxholes area – via the increase in retail floorspace in Foxholes Local Centre in the first instance
    4. Three Beaches Local Centre – increased retail floorspace in Three Beaches Local Centre in order to improve accessibility in the Clennon Valley and St Michaels areas.
    5. Collaton St Mary – planned new centre to serve new residential development in urban extension (if pursued through the LDF and Core Strategy).
    6. Edginswell – planned new centre to serve (and lie within) new residential development in urban extension (if pursued through the LDF and Core Strategy).
    7. Yalberton / White Rock – exploration of opportunities for new Local Centre to serve new residential development to the west of Brixham Road, taking account of proposals at White Rock and the commitment to extend the Sainsburys store. See below for further information.

7.7 It is our view that the above locations offer the clear potential to accommodate all of the identified need and there is, in our opinion, no further residual need for any additional significant convenience goods retail floorspace beyond these locations.

7.8 In relation to comparison goods retailing in Torbay, there is also a quantitative and qualitative need for additional floorspace. However, in contrast to convenience goods retailing, 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, only Torquay is likely to benefit from surplus retail expenditure over the short to medium term to support new floorspace. 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.

7.9 Looking at Torbay as a whole, and assuming Torbay is able to maintain a constant market share, there is capacity for around 7,200sq m net of additional floorspace by 2016, rising to 19,300sq m net by 2021. Considered individually, Torquay has a higher quantitative capacity than the global capacity figure (8,700sq m net) but this is reduced in order to support existing provision in Paignton and Brixham.

7.10 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.

7.11 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 the Riviera Way, Newton Road, junction of Torquay Road/Hamelin Way area as the most appropriate broad location.

- 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 retail and leisure 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 uses (supported by smaller amounts of retail floorspace) and has the ability to significantly improve the attractiveness of the harbour. As part of further feasibility and market testing of this site, further consideration will need to be given to whether this site can be brought forward alongside any proposals which may come forward for Union Street or whether they could falter as they compete for tenants.
- 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.

7.12 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.

7.13 For Paignton, further work is required in relation to the potential of the Victoria Square and Victoria Park area, including their 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 prepare a preferred development strategy in order that the ability for either of these site to accommodate retail is clear and deliverable. 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.