

Cheltenham Borough Council



Retail & Leisure Study



Cheltenham Retail & Leisure Study

Prepared on behalf of
Cheltenham Borough Council



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1.0 Introduction

Background

- 1.1 DPDS Regional have been instructed by Cheltenham Borough Council to undertake the Cheltenham Retail and Leisure Study. The purpose of the study is to inform and guide planning for retail and leisure development in the Borough, and to provide officers with a detailed strategy on which to base their assessment of forthcoming retail applications. The study will form part of the evidence base for the development of the Local Development Framework (LDF) for Cheltenham looking forward to 2016.

Objectives of the Study

- 1.2 The Council provided a brief for the study, which contained the following key objectives:
- To audit and survey the retail and leisure needs of Cheltenham;
 - To assess the role of the town centre, district centres and out-of-centre locations;
 - To identify options for policy development to inform Cheltenham's LDF; and
 - To establish a process for monitoring and review.

Scope of Work

- 1.3 In order to address the requirements of the brief, this study incorporates a comprehensive up-to-date review of retailing and leisure needs with particular emphasis on Cheltenham town centre and the Borough's three district centres: Coronation Square, Bath Road and Caernarvon Road. A household telephone survey of 1,500 local residents was conducted in February 2006 to establish current shopping patterns and views on the quality of provision within the Borough. This survey helps to inform the healthcheck assessments of the town and district centres.
- 1.4 With the results of the household survey in hand, a stakeholder workshop was undertaken in April 2006. Landowners, managers of shops and leisure facilities, business representatives and other parties interested in the future of the town and district centres attended the workshop. The ideas and issues raised during the workshop are referred to in this study.
- 1.5 The study also includes a review of recent retail and leisure trends, an overview of competing retail and leisure provision in the surrounding area, retail expenditure capacity assessments, and a review of potential development opportunities. On street shopping surveys were conducted in the town centre.



1.0 Introduction

1.6 This study has due regard to prevailing planning policy at the national and regional level, and existing research and strategies undertaken by, or on behalf of, the Council including:

- The Donaldsons Town Centre Studies of 1996 and 2002
- The Economy of Cheltenham 2002
- Good Times – The Economic Impact of Cheltenham's Festivals
- Comedia 2002
- Retail Market Report – Promis 2004
- The Internet Shopping Viewpoint Survey 2005
- The Gloucestershire Retail Skills Initiative Surveys 2005
- Cultural Review March 2006

1.7 The remainder of this study is structured as follows:

Section 2 Provides a summary of the relevant planning policy background

Section 3 Contains a review of current and likely trends in the shopping industry at the national level which could influence the need and future demand for additional retail floorspace.

Section 4 Provides an overview of shopping facilities within the Borough and in the wider sub-region, and assesses the levels of vitality and viability in the Borough's town and district centres. Reference is made to the results of the household shopping survey and previous town centre studies.

Section 5 Contains a quantitative assessment of convenience and comparison goods expenditure capacity using the results of the household survey as the basis for assessing existing shopping patterns.

Section 6 Includes a review of trends in the leisure industry and examines the need for additional leisure development in the Borough.

Section 7 Assesses potential alternative sites to accommodate any identified need for additional retail and leisure floorspace.

Section 8 Presents the recommended strategy for retailing and leisure uses in the Borough.

Section 9 Provides a summary of the main findings and conclusions.



1.0 Introduction

Monitoring and Review

- 1.8 A document providing a framework for the Council to monitor and review the data contained in this study is provided separately. This document sets out a full description of the methodology adopted for this study, recommendations on the frequency and timing of surveys, and advice on storage and presentation of data.



2.0 Policy Background

National Policy

- 2.1 *Planning Policy Statement 6: Planning for Town Centres (PPS6)* sets out the Government's national policies and principles relating to the future of town centres and the main uses relating to them. These policies should be taken into account by local planning authorities in the preparation of local development frameworks (LDFs). The LDF is a folder of local development documents prepared by local authorities that outline the spatial planning strategy for the local area.
- 2.2 The Government's key objective for town centres is to promote their vitality and viability by:
- Planning for the growth and development of existing centres; and
 - Promoting and enhancing existing centres, by focusing development in such centres and encouraging a wide range of services in a good environment, accessible to all.
- 2.3 Through local development documents, local planning authorities should implement the Government's objectives by planning positively for town centres and, in particular, should:
- Develop a hierarchy and network of centres;
 - Assess the need for further main town centre uses and ensure there is the capacity to accommodate them;
 - Focus development in, and plan for the expansion of, existing centres as appropriate, and at the local level identify appropriate sites in development plan documents;
 - Promote town centre management, creating partnerships to develop, improve and maintain the town centre, and manage the evening and night-time economy; and
 - Regularly monitor and review the impact and effectiveness of their policies for promoting vital and viable town centres.
- 2.4 This study seeks to inform the formulation of policies which address these principles and objectives. In accordance with PPS6, the study will:
- Assess the need for new floorspace for retail and leisure uses, taking into account both quantitative and qualitative factors;
 - Identify deficiencies in provision, assess the capacity of existing centres to accommodate new development;
 - Identify centres where development will be focused;
 - Define the extent of the primary shopping area and boundaries of existing centres;



2.0 Policy Background

- Identify sites in accordance with the sequential approach placing first preference on sites within town centres;
- Inform the review of existing Local Plan allocations;
- Inform spatial policies and proposals to promote and secure investment in deprived areas by strengthening and/or identifying opportunities for growth in existing centres, and to seek to improve local facilities; and
- Inform criteria-based policies for assessing proposals for retail development, including development on sites not allocated in the development plan documents.

Regional Policy and Guidance

Regional Planning Guidance for the South West (RPG10)

- 2.5 The Government issued RPG10 in 2001 containing broad strategic guidance for development in the south-west region covering the period to 2016 and beyond.
- 2.6 Cheltenham is identified as a Principal Urban Area (PUA) alongside Bristol, Bath, Gloucester, Western-super-Mare and Swindon in the northern part of the region. PUAs, the guidance indicates, offer the best opportunity for accommodating the majority of development in a sustainable way and most of the growth should be concentrated in these towns and cities. One of the key objectives for the northern part of the region is to encourage appropriate retail and social facilities in sustainable locations to reduce social exclusion.
- 2.7 The economic interrelationship between Gloucester and Cheltenham is recognised in the guidance. Cheltenham is acknowledged to have high importance as a shopping and tourist destination and its high architectural quality is also mentioned as an important asset.
- 2.8 Local Planning Authorities are advised to seek to locate development attracting large numbers of people, including retail and leisure development, in the centres of PUAs and to ensure that the vitality and viability of town centres is protected and enhanced.

The Regional Spatial Strategy for the South West

- 2.9 The South West Regional Assembly is responsible for preparing new strategic guidance for the region to cover the period 2006-2026. The Draft Regional Spatial Strategy (Version 3.2) ('the Draft RSS') identifies Cheltenham as one of 21 Strategically Significant City and Towns (SSCTs). These will be the primary focus for development in the south-west region as they offer the greatest opportunities for employment, and the greatest levels of accessibility by



means other than car to cultural, transport, health, education and other services. SSCTs will play a critical role in delivering development in the period to 2026.

2.10 Strategies for SSCTs aim to:

- Improve the quality of the urban environment, including the setting and surroundings of cities and towns, the quality of new development and the public realm, and reduce noise pollution and blight;
- Promote social cohesion and healthy and secure living conditions through access to, and provision of, good social and community facilities and services of a uniformly high enough standard that few people wish to choose other than the nearest;
- Support the economy by enhancing educational achievement and skills and by providing for a range of premises and land to meet the changing needs of sectors;
- Secure fundamental improvements to public transport and traffic management; and
- Make the best use of land for housing, economic development and other infrastructure by assisting redevelopment, regeneration and the provision of urban extensions in an integrated and sustainable way.

2.11 The Draft RSS notes the growing competition in Cheltenham between employment, housing, and retail development ‘to achieve their relative aspirations in a finite physical area’ and recognises that the town’s success and attractiveness as a place to live is the reason behind these pressures. The role of Cheltenham Civic Pride is also recognised in the Draft RSS as is its key objective of protecting and improving the environment whilst bringing forward key development opportunities.

2.12 Policy SR13 makes provision for 625 dwellings per annum in the Borough over the plan period and states that development should mainly be focused on the existing urban area complemented by a strategic urban extension to the north/north west of Cheltenham which would accommodate around 4,000 dwellings.

2.13 In summary the draft RSS identifies Cheltenham as one of the strategically important towns where future growth should be accommodated. In particular, the growth in housing development over and above that already accommodated within Cheltenham will place increased pressure on existing facilities including the retail and leisure sectors. Environmental quality, maintaining good facilities, public transport, ensuring sustainability, and the design of the public realm are all given considerable weight in the RSS and are relevant to the strategy for Cheltenham town centre.



2.0 Policy Background

South West's Town Centres Regional Study

- 2.14 DTZ Pinda undertook a strategic assessment of the south-west's town and city centres on behalf of the South West Regional Assembly to assist in the determination of future strategic needs for town centre uses and the implications for significant centres across the region. The study, which was released in January 2006, notes that the south-west region lacks a strong Regional Centre and none of its centres are in the Top 20 rankings based on size and attractiveness. In this context, the study identifies Cardiff and Birmingham as centres which pose strong competition for centres in the south-west region.
- 2.15 In terms of future trends, the study notes that major retailers are increasingly seeking larger premises and a significant amount of out-of-centre retail development is in the pipeline in the south-west region. The study suggests that the marketing of town centres will be a key factor in attracting retailers and customers alike.
- 2.16 Turning to retail expenditure capacity, the study calculates that there will be a requirement for between 294,400 and 441,600sq.m.gross additional retail floorspace by 2016 in the south-west region as a whole.
- 2.17 The study also provides an assessment of leisure needs in the region and notes that there is current reported demand for up to 430,000sq.m. of commercial leisure floorspace to be focused primarily on the main centres in the north of the region.
- 2.18 The study divides the region into 4 catchment areas. Catchment Area 1 is situated in the northern part of the region and includes Cheltenham, Gloucester, Bristol, Bath and Swindon. The key features identified for the Catchment Area 1 sub-region are as follows:
- The population will increase by 17% by 2026
 - Current focus on eating and drinking market
 - There are 132 individual notified requirements for food and beverage outlets
 - The area has over half of the region's accredited gyms and there are nine notified requirements for new fitness centres
 - There is strong interest in a new football centre
 - There is a possibility for a new casino development
 - There are seven notified requirements for hotel developments
 - Cinemas have anchored recent / proposed town centre developments (e.g. Bath and Cheltenham)



- 2.19 The report concludes that Bristol, Cheltenham and Bath are the south-west region's best retail performers and could present significant opportunities to break into the UK Top 20 by concentrating future retail development and the creation of an appropriate town centre leisure product. Alternatively, the study suggests a greater distribution of retail facilities to centres including Swindon, Weston-super-Mare, and Gloucester, which could be linked to wider regeneration objectives. In this context, it is important to consider the effects of pipeline retail and leisure schemes in Gloucester, and the City Council's strategy to improve retail provision in the city and make it a more attractive place to shop. This study considers the implications of growth in competing centres and its potential effect on Cheltenham's market share of expenditure. The options for future growth in Cheltenham will affect its role in the sub-regional shopping hierarchy, and its position in the UK rankings. Cheltenham's current position in the retail hierarchy is assessed in Section 4 of this study and the growth options for retail and leisure development are considered further in Sections 5 to 7 of this study.
- 2.20 Cheltenham is also mentioned (along with Bath) in the DTZ study in relation to its quality/niche offer and DTZ suggest that further research should be undertaken to determine whether the offer of the town could be exploited to establish a significant quality position in the UK. Cheltenham's role as a niche centre is explored in this Study.

Gloucestershire Structure Plan

Second Review – Adopted Plan

- 2.21 The Structure Plan Second Review sets out the strategic framework for development in Gloucestershire up to 2011. The Plan was approved in 1999. The Structure Plan sets out the hierarchy for the County and places Cheltenham and Gloucester on the highest level, describing them as sub-regional town and city centres. The next level in the hierarchy includes the town centres of Stroud, Tewkesbury, Cirencester, and Dursley. Structure Plan Policy TC.1 indicates that provision for new retail, employment, leisure and other uses which generate many trips should be made in centres providing such uses are consistent with their function and character.

Third Alteration – Deposit Draft

- 2.22 The Deposit Draft of the Structure Plan Third Alteration was issued in 2002. Whilst the Third Alteration progressed through the Examination in Public and revised versions, the Plan remains unadopted due to a Secretary of State Direction regarding policies relating to housing growth in the Principal Urban Areas (PUAs) and the Green Belt and their consistency with approved Regional Planning Guidance. In light of the Direction, Gloucestershire County Council has not



progressed the Structure Plan Third Alteration to adoption. The Structure Plan Second Review remains the adopted development plan, together with RPG10 until the adoption of the Regional Spatial Strategy (expected 2008). However, the policies of the Structure Plan Third Alteration remain as a material consideration.

- 2.23 Cheltenham and Gloucester are defined as PUAs and the focus for development will be within these areas. Between 2001-2016, the Plan makes provision for around 6,200 additional dwellings in the Cheltenham PUA, although it should be noted that this is one of the policies subject to the Secretary of State's Direction.
- 2.24 In terms of retail and leisure development, the Third Alteration Plan 'favours' development in existing centres within the County and indicates that the sequential approach to new development should be applied. The Plan also states that no out-of-town shopping centres will be allowed.



3.0 Retail and Leisure Trends

Introduction

- 3.1 The retail and leisure sectors are characterised by continuous change, activity and progress. Changes within these sectors over recent years have manifested themselves in new forms of developments. These have resulted not only from innovations within the industries themselves but also from consumer demand, technological advances, and political intervention.
- 3.2 Within the last three decades, the UK has witnessed dramatic and continuing change in retail environments. The traditional town centre dominance of retailing has been challenged by innovative new retail formats in out-of-town locations and now commentators considering the impact of internet shopping.
- 3.3 These changes in the retail sector occur rapidly and the planning system is often slow to respond, resulting in planning policy lagging behind the changes. Since the 1970s there have been four broad waves of retail change within Britain.
- **First Wave** – occurred in the late 1960s to early 1970s, where food retailers moved to ‘out-of-centre’ locations operating from free-standing superstores and hypermarkets.
 - **Second Wave** – occurred in the late 1970s to mid-1980s, where key bulky goods operators (e.g. DIY, furniture, carpets, electrical goods and motor accessories) moved to out-of-centre locations either in free-standing premises or with other operators as part of ‘retail parks’. This wave was also associated with the first large-scale retail warehouses. There was rapid growth of retail warehouses in the 1980s which slowed down in the 1990s due to the prevailing economic climate and more stringent planning legislation.
 - **Third Wave** – occurred from the mid-1980s to early 1990s with other retailers in the non-bulky comparison goods sectors (such as clothing, footwear and toys) moving to out-of-centre locations, many to retail parks. This was the time when the large operators such as Marks & Spencer moved out-of-centre. This wave was also characterised by the rise of Regional Shopping Centres located close to motorway networks and serving very wide catchment areas (e.g. Meadowhall in Sheffield).
 - **Fourth Wave** – occurred in the 1990s with the rise of warehouse clubs and factory outlet centres specialising in discounted goods. Retail complexes also emerged in many airport terminals.



3.0 Retail and Leisure Trends

- 3.4 A fifth retail wave has emerged since the turn of the century associated with increased use of personal computers in the office and at home. Online retailing (or e-tailing) has experienced rapid growth over this period, although it is still in its early stages. Services such as banking, estate agencies and travel agencies have also been affected. At this stage, it is difficult to draw firm conclusions on the implications for traditional 'high street' retailing over the coming years. However, changes in expenditure distribution have not gone unnoticed by retailers. The development and growth of e-tailing is discussed further below.

Expenditure

- 3.5 A key factor in the changing retail sector has been the changes in general expenditure, the last 30 years have seen rapid increase in average income (GDP per head). Nearly all households have telephones, fridges and TVs, cars and many have more than one car. Many of these goods are bought through shops and this has led to an increase in consumer retail expenditure. Other expenditure, for example foreign holidays, expenditure on the purchase and maintenance of cars, and savings and pension plans is not considered as retail expenditure, but trends affecting it can have considerable impact on town centres. Savings exerted considerable pressure on town centre floorspace through the demand from building societies, although this has now passed its peak with the amalgamation of societies, the rationalisation of their structure and e-banking. The growth of home ownership in the 1980s and the active housing market has increased demand for estate agents offices.
- 3.6 One of the big areas of expenditure growth has been in the leisure sector. Eating out and take away meals have become commonplace for many households, increasing the demand for restaurants, and take-aways and as well as forming one of the fastest growing sectors of food retailing. The growth in leisure spending has also encouraged investment by large companies, both in large-scale out-of-centre complexes (including multiplex cinemas, nightclubs and restaurants) and in the conversion of large town centre premises to public houses. More details of trends in the leisure sector are contained at Section 5. Government policy to encourage the evening economy of town centres has focused attention on the importance of leisure spending to town centres, although such uses should not undermine the predominant shopping function in the core shopping areas of larger town centres.

Retail Expenditure

- 3.7 Retail expenditure is in competition with other types of expenditure, and has not simply increased with average earnings. In the period 1960 – 2003/4 expenditure on food and drink (excl alcohol)



3.0 Retail and Leisure Trends

has declined from 30% of household expenditure to 10%, and expenditure on clothing and footwear from 10% to 6%. By contrast housing costs have increased from 9% to 19%, and transport, motoring and fares from 12% to 17%. Other expenditure items include recreation and culture, restaurants and hotels, miscellaneous goods, household goods, communication, education, and health. (source: ONS Family Spending).

- 3.8 MapInfo (formerly the Data Consultancy and, before that, URPI) has tracked retail expenditure back to 1964. It has risen from £2,274 per head in 1980 to £4,486 per head in 2004 (at constant 2002 prices), an increase of 97% over 24 years (source: MapInfo Information Brief 05/02). The annual growth rate is around 3.0% per annum between 1983 and 2004, although the pattern of growth year on year, has been uneven, reflecting the economic cycles.

Convenience Goods

- 3.9 The category of convenience goods covers food and drink, including alcoholic drinks, tobacco, newspapers, cleaning materials and matches bought through retail outlets. According to data from MapInfo, convenience goods expenditure has increased very slowly over the very long term (1964 to 2004) at an average annual rate of 0.1%. Expenditure on these goods was depressed in the 1990s following considerable growth in the late 1980s. However, the average annual growth in convenience goods expenditure between 1998 and 2004 is 0.8%.

Comparison Goods

- 3.10 Comparison goods include clothing and footwear, do-it-yourself goods, household goods (such as furniture, carpets, soft furnishings and hardware) recreational goods (such as TVs, radios, video and DVD players, sports goods, toys, books and bicycles) and other goods like pharmaceuticals, toiletries and jewellery. Expenditure on these goods has grown faster than expenditure on convenience goods, at a rate of almost 5.2%p.a. over the same period 1983 to 2004, and 8.5%p.a. over the period 1998 to 2004 (Source: MapInfo).
- 3.11 Expenditure growth on different types of comparison goods can vary quite markedly. Audio-visual equipment, for example, has grown by almost 15.7%p.a. in the last 6 years whereas expenditure on household goods has been 6.7%p.a. Growth in sales of electrical equipment is likely to continue as new technologies and innovative products continue to emerge.

Social Trends

- 3.12 The growth in retail expenditure per head has given rise to a demand for additional retail floorspace. So has the modest but steady increase in the population – in England and Wales from about 49.6m in 1981 to 52.0m in 2001. However, how this pressure manifests itself as



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retail development is not consistent across the country and is determined largely by changes in social behaviour and the structure of the retailing sector itself.

- 3.13 Within regions, expenditure per capita will vary, as will growth or decline in the resident population. Within the regional context, however, the fortunes of individual town centres will depend on the population change within their catchment areas and their position within the retail hierarchy, rather than overall regional changes. Even in regions with declining population some towns will grow, while others decline. Often the impact of declining population will be greatest in district centres in larger conurbations.
- 3.14 The other social changes that are usually remarked upon in relation to retail patterns are the growth of car ownership and the substantial increase in the proportion of women working. The proportion of households with at least one car has increased from 52% in 1971, to 68% in 1991, and to 73% in 2001. This will increase the likelihood of a car being available for shopping trips.
- 3.15 The use of cars rather than public transport has altered the whole pattern of accessibility in towns and cities, favouring peripheral sites where there is less congestion and car parking is more convenient. It has also reduced the time/distance distinctive to travelling for goods and services, resulting in fewer but larger shopping centres. Retailers can rely on people travelling to them, rather than having to provide branches at a local level to reach customers.
- 3.16 The very marked increase in the number of women working, particularly working full time, and bringing up families is generally seen as creating an income rich/time poor environment for shopping which favours convenience over price competitiveness and hence encourages one-stop shopping, and bulk shopping trips.
- 3.17 It is probably easy to overestimate the impact of these changes and there remain a substantial number of pensioner households and households without cars. Nevertheless, the pattern of relatively infrequent (usually weekly) bulk food shopping trips with additional top-up shopping in between, appears to be well established from the large number of household shopping surveys that have been carried out as part of retail impact studies. The growth of 'convenience stores', particularly at petrol filling stations, is another manifestation of this trend.
- 3.18 The pattern of non-food shopping trips is more complicated and assessed less frequently than convenience goods shopping patterns. The emergence of shopping as a leisure activity has been much trumpeted, and the close proximity of retail and leisure facilities in some



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regional shopping centres and large retail parks is evidence of this. These centres, and large town centres including Cheltenham, attract coach trips from far afield. Indeed, window-shopping has long been an established pastime, and daily food shopping is often used as an occasion for social interaction. Nevertheless, the relative success of attractive, historic shopping centres and centres containing purpose-built attractions suggest that shopping is often combined with more general leisure trips. Purchases may be impulse buys, but equally the decision to go to a particular centre may be based on a combination of its retail offer and other attractions.

E-Commerce

- 3.19 There has been considerable media attention devoted to internet shopping in recent times. It has been reported in the media that as 'High Street' sales were lower than expected over the Christmas 2005 and New Year period but internet-based sales have been buoyant. However, as previously noted, it is still not clear the extent to which Internet shopping will replace traditional shopping.
- 3.20 Cheltenham Borough Council's Viewpoint Survey 2005 asked a sample of the Borough's residents about internet usage and, in particular, shopping for goods and services. 58% of respondents had purchased goods or services over the internet in 2004. The most popular goods bought in such a way were books, CDs and DVDs (and other music or film media) and electrical goods.
- 3.21 In terms of convenience goods, the main foodstore operators have set up on-line shopping facilities. Tesco Direct, for example, has steadily increased its geographical coverage and has extended the range on offer through its online store to include books and household goods.
- 3.22 However, doubts remain about how popular the Internet will be with food shoppers. While it may suit the purchase of basic standardised groceries such as tins or frozen products, it is likely that there will always be a significant number of customers who will want to choose their own fresh products and to browse the product range in goods sectors, like delicatessens, where the product offer changes rapidly. This is supported by the findings of the Viewpoint Survey (although this is based on a limited sample of Cheltenham's residents).
- 3.23 Within the comparison goods sector Internet shopping will broadly offer the same service as catalogue and teleshopping. It is likely to prove popular for goods like books and CDs, but even with these goods, the inability to inspect the goods or satisfactorily test the selection is seen as limiting. For fashion goods, catalogue shopping, mail order and teleshopping are



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slowly claiming a larger market share. Internet shopping adds to the efficiency of the process rather than overcoming its disadvantages – particularly in seeing and trying on clothes. Remote sales rely on home delivery, which is, as a result of the increasing numbers of women who work, becoming a disadvantage in itself.

- 3.24 The disadvantages of home delivery do not apply to the delivery of many services, and telephone and Internet services have already become significant in banking and insurance services. The same trends are important in travel bookings and, to some extent, estate agency. This has led or is likely to lead to continued branch closures, as is being experienced in the banking sector at present. It seems reasonable to conclude that the Internet and telephone services will have a significant impact on the amount of activity in high streets in the coming years, but will not replace them as places for shopping, business and entertainment.
- 3.25 According to Forrester Research, ‘net-influenced’ sales represent three times as much revenue as actual online sales. In other words, many people prefer to research products and prices online but then go to the high street to actually buy the goods. Forrester Research estimate that net-influenced sales in the UK will be worth approximately £22bn (7%) by 2007. The Interactive Media in Retail Group (IMRG) who represent on-line retailers claim that internet sales are matched by net-influenced sales. IMRG suggest that in 2006, internet sales will represent £30bn or 10% of all retail sales and a further £30bn of high street sales will be ‘influenced’ by people browsing on the internet.
- 3.26 In any event, shopping online is a factor, alongside other forms of non-store business. Experian consider that internet shopping is still in the ‘take-off’ phase of its market penetration but, once shopping patterns are established and settled, internet sales will eventually plateau at a reasonably constant market share of overall spending. Experian’s latest estimate of retail sales not taking place in stores is 5.3% in respect of comparison goods and 1.5% in respect of convenience goods. The results of the household survey indicate that in the survey area as a whole non-store comparison goods spending was 8.0% and for convenience goods it was 1.1%. The comparison goods figure is a little higher than the Experian equivalent which is for 2003 but, given the forecast growth in such spending as a proportion of total spending, the higher figure is to be expected. In terms of different types of comparison goods, the survey revealed the following proportions of non-store spending:

Clothing / Shoes / Fashion:	4.5%	Small Electrical:	8.5%
DIY Goods:	0.8%	Large Electrical:	7.5%
Furniture / Floor Coverings:	4.0%	Other Non-Food Goods:	11.6%



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- 3.27 Experian estimate that convenience goods expenditure which is not spent in stores will increase to around 5.2% in 2010 before levelling out by 2014 at around 6.0%. Experian estimate that comparison goods non-store spending will also continue to increase, levelling out at around 11.5% in 2014.

Retail Industry Trends

- 3.28 The emergence of new forms of retailing in the late 1980s and 1990s are well known and the so-called four waves have previously been outlined in this section.
- 3.29 The number of superstores (foodstores with more than 25,000sq.ft. sales floorspace) increased from 457 in 1986 to 1,102 in 1997, and their share of grocery spending increased from 29.9% in 1987 to 53.7% in 1996. This occurred at a time when the grocery spending per head increased very slowly. In contrast, the number of independent grocers fell from 116,000 in 1961 to 20,000 in 1997 (Figures quoted from the Environment, Transport and the Regional Affairs Committee Second Report Dec 1999). The Institute of Grocery Distributors Directory indicates that the number of superstores had risen further from 1,102 in 1997 to 1,280 in 2003.
- 3.30 The move towards car borne shopping and the advantages for peripheral, out-of-centre sites for this are well known. The move started in convenience goods retailing where large stores could offer sufficient goods and facilities to attract customers without town centre facilities being available. Increasingly over recent years, these superstores have expanded into other in-store activities and services such as dry cleaning, coffee shops and the sale of financial services. It has now become commonplace for the larger foodstores to sell comparison goods like mobile phones and televisions/DVD players at discounted prices in addition to the clothing and fashion goods sold by some. The take-over of Asda by WalMart, specialists in mixed-goods retailing, has led to others following the trend to a greater degree.
- 3.31 The next development was the movement of electrical, furniture and floor covering retailers to out-of-centre locations. These have tended to cluster together in retail warehouse parks, because they can benefit from 'incidental' purchases by customers of neighbouring stores. Also, the proliferation of individual free-standing retail stores often results in customers having difficulty remembering which store is where. Good visibility from main vehicular routes remains a pre-requisite in identifying retail locations. For retailers, warehouse units offer the possibility of stocking bulky goods and a wider range of normal goods than conventional units. Also, warehouses often allow retailers flexibility in terms of re-arranging the showroom area without contending with structural walls and pillars.



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- 3.32 The advantages for retailers of out-of-centre locations are clearly not restricted to retailers of bulky goods; a number of clothing and footwear retailers (e.g. Next and Marks & Spencer) have shown willingness to trade from out-of-centre locations realising the benefits identified above. In looking for new sites, DIY operators also now prefer a retail warehouse location (or a site adjacent to a food superstore) above free-standing locations.
- 3.33 Factory Outlet Centres (FOC) developed rapidly in the 1990s. In the past it was common to find small shops attached to places of production/manufacture selling end-of-line, out-of-season, or slightly damaged products. Other routes for disposal of such goods have been through markets, and exports to eastern European countries. These alternatives are declining. There are now FOCs in most parts of the country, both purpose-built as out-of-centre shopping locations and in converted buildings. Although the industry may seek to operate what is effectively a two-tier pricing structure, there is clearly likely to be considerable substitution of goods between the two and limits on expenditure and usefulness means that some of the money spent on FOC goods, will not be spent in the high streets.
- 3.34 Warehouse clubs, like Costco, which sell a wide range of discounted goods to members from very large premises, have failed to spread widely in the UK. A court case established that, in terms of planning law, warehouse clubs were not shops. However, Government policy on retail development advises that in policy terms they should be treated as if they were retail businesses.
- 3.35 More recently, the largest supermarket retailers have been concentrating on acquiring smaller convenience stores. Tesco and Sainsburys have been active in the convenience sector over recent years and it is likely that Asda Wal-Mart will soon join them. Sales at Tesco convenience stores in particular are rising so fast that analysts expect sales at stores trading under the fascia Tesco Metro (in town centres) or Tesco Express (at local stores or petrol filling stations) will surpass sales at Spar, the UK's current leading operator in the convenience store sector. Tesco sales in this sector are already alongside Musgarve's (who own Londis and Budgens).
- 3.36 The Association of Convenience Stores has warned that the larger supermarket chains are using their considerable influence and purchasing power to force independent traders out of business. In November 2005, the Office of Fair Trading was ordered by the Courts to review its earlier decision that the supermarket's increasing dominance of the grocery market should not be referred to the Competition Commission for a full enquiry.



3.0 Retail and Leisure Trends

- 3.37 However, it should be noted that the convenience store sector is more diffuse than the larger food superstore market. Spar, the current leaders in the sector, has just 5.6% of sales, whilst Tesco and Musgrave have 5.4% each, and the Co-operative Group a further 5.2% (Source: Verdict Research). This is compared with Tesco's 30.5% market share of the grocery sector overall (Source: TNS market research).

Retail Concentration

- 3.38 The retail industry is becoming concentrated in fewer, larger firms with a greater share of the market. These concentration levels have been achieved partly through mergers, but many of the leading companies have also captured increased market share through organic growth. This is particularly so in the food sector, where the market share of the top five operators is 79%, and the top ten over 90%. Increased size can produce more favourable purchasing prices from suppliers and economies of scale arising from distribution logistics, and the spread of advertising costs. Advertising and branding is increasingly important, with retailers developing their own brand products and their own brand image. This brand strengthening allows many of them to trade more easily from freestanding out-of-centre locations.
- 3.39 These changes give national multiples considerable advantages, and their presence in town centres is an important measure of the success of town centres. Those towns which fail to attract such stores will lose market share. At the same time, the need for independent shops to give town centres 'character' is becoming recognised (to avoid the label of 'clone town'). People will want to shop in larger towns with greater choice and retailers can increasingly rely on people travelling to these shops by car, rather than having to provide shops locally. There is thus a tendency for larger towns to have strong retailer interest and to support new development, while smaller, traditional market towns decline.

Summary

- 3.40 The retail and leisure sectors are characterised by continuous change. Growth in retail expenditure fluctuates. In terms of comparison goods, after a period of relatively high growth in expenditure, more modest levels of growth are expected in the short to medium term. Expenditure growth in respect of convenience goods is historically lower than the equivalent for comparison goods and this is expected to continue.



- 3.41 Increasing car ownership has led to significant levels of retail and leisure floorspace being constructed in out-of-centre locations. To a degree, the extent of out-of-centre development has, in turn, led to increased dependence on the car.
- 3.42 E-commerce and shopping online is a factor alongside other forms of non-store activity. Analysts suggest that non-store shopping will continue to increase into the next decade which, inevitably, will divert some trade from 'high street' stores.
- 3.43 Retailing is becoming increasingly concentrated in fewer, larger firms. National multiples have significant advantages over independent traders but, whilst their presence in a town centre is generally acknowledged to be a sign of success, it is important to recognise that a strong independent sector gives a centre character and broadens its appeal.



4.0 Existing Shopping Facilities

Introduction

- 4.1 This section of the study provides an overview of shopping facilities available to residents of Cheltenham Borough and the wider study area. Firstly, this section examines the sub-regional shopping hierarchy in order to understand the position of Cheltenham town centre relative to competing centres further afield. Having established the context, there follows an audit of the town and district centres within the Borough, and a review of retail warehouse provision. The assessment of shopping facilities in this section is based predominantly on DPDS fieldwork, information from the relevant local authorities, established data sources (including Management Horizons, the Valuation Office, and Experian), and the results of a specially commissioned household survey described below.

Household Shoppers Survey

- 4.2 In order to gain a better understanding of shopping patterns in the area, a household telephone survey was carried out by NEMS Market Research Ltd. In consultation with the commissioning authority, the survey area reflected the likely area of influence of the Cheltenham town centre. The survey involved a sample of 1,500 households within 10 zones defined on the basis of postcode sector geography. A plan showing the geographic extent of the survey area and zones is contained at Appendix A. The surveys were undertaken in February 2006.
- 4.3 The questionnaire for the survey was designed to gain information on shopping patterns which would not only inform the assessment of retail expenditure capacity but also provide valuable information on the views of visitors to Cheltenham town centre and district centres in the Borough.
- 4.4 Zone 1 is roughly equivalent to Cheltenham Borough's administrative area, the survey sought views on the town centre and the district centres, as well as gaining information on food and non-food shopping patterns. In the 'outer' zones, respondents were asked the same questions except those regarding the district centres as it was felt that they would be less familiar with the centres concerned. The full results of the survey are contained at Appendix B.

On-Street Surveys

- 4.5 A survey of visitors to Cheltenham town centre was undertaken on Thursday 4 and Friday 5 May 2006. Respondents were asked questions at various locations around the town centre. In total, 91 questionnaires were completed.



4.0 Existing Shopping Facilities

- 4.6 A small survey of visitors to Coronation Square was also conducted on the morning of 5 May 2006. 10 questionnaires were completed.
- 4.7 The results of the questionnaire are referred to in the assessment of existing shopping facilities described below. The survey questionnaire is contained at Appendix B.

Sub Regional Shopping Hierarchy

- 4.8 In terms of retailing, Management Horizons Europe and Experian survey shopping centres in the UK and rank them according to their relative retail strength and the assessed level of vitality and viability. The methodology adopted by the two research companies varies but some of the factors considered include the number of national multiple retailers present in the centre, the number of key attractors (such as John Lewis), the total retail floorspace available, and the level of vacant floorspace. Figure 4.1 overleaf shows Cheltenham town centre's position in the national rankings and the ranking of the main competing centres in the wider sub-region.
- 4.9 Cheltenham is ranked 24th in the MHE index and 36th in the Experian ranking. In terms of competing centres in and around the study area, only Bristol is higher in the rankings. The household survey indicates that in the study area as a whole, Cheltenham is considered to be the 'main shopping centre' for 35% of households. This is a high percentage given the wide geographical area covered by the survey. In terms of the influence of other centres, Gloucester is considered to be the main shopping centre for 29% of residents in the study area, whilst Stroud (8%), Evesham (7%), and Cirencester (5%) are the only other centres to score 5% or more.
- 4.10 Several cities and towns within the sub-region have significant retail-led schemes in the pipeline. Perhaps the most significant of these, in the context of competition with Cheltenham, are the committed and proposed schemes in Gloucester.
- 4.11 The Gloucester Retail Study, undertaken by consultants Savills on behalf of Gloucester City Council, identified a need for over 40,000sq.m. of comparison goods floorspace by 2016. This is based on an assumption that Gloucester will increase its market share within its catchment area from 68% to 80%. To an extent, this increase will divert trade currently being spent in Cheltenham.



4.0 Existing Shopping Facilities

Figure 4.1: Shopping Provision in the Sub-Region

Centre	MHE Rank	Experian Rank	Distance from Cheltenham (km)*
Bristol	23	24	64
Cheltenham	24	36	—
Bath	28	38	64
Oxford	44		56
Swindon	47		44
Worcester	54		35
Hereford	77		46
Gloucester	89		12
Cribbs Causeway	100	44	58
Stratford upon Avon	170		42
Cirencester	243		20
Evesham	262		27
Witney	307		46
Stroud	374		20
Ross on Wye	502		36
Tewkesbury	565		12
Malvern	800		30
Thornbury	1008		40
Bishops Cleeve	1268		5
Dursley	1449		22
Cinderford	1449		30
Ledbury	1449		28

Source: Management Horizons Europe 2004, Experian 2004 (Experian only publish results for the top 50 centres)

*Straight line distance

4.12 The Cattle Market site in Gloucester has recently been developed for around 17,000sq.m. of retail warehousing. Following a call-in Inquiry, the Secretary of State has granted planning permission for the redevelopment of Gloucester Quays including a foodstore of 7,700sq.m. and a 20,000sq.m. factory outlet centre. The Kings Square / Bus Station site is identified in the



4.0 Existing Shopping Facilities

emerging local development framework for a major retail-led regeneration scheme, including 25,000sq.m. of retail floorspace and a cinema. Blackfriars was granted planning permission for over 20,000sq.m. of retail development but this decision was quashed by the High Court. The emerging local development framework now identifies the site for 4,000sq.m. of retail floorspace, 4,800sq.m. of bars and restaurants and a theatre. The Savill's study also indicated that further retail development may be acceptable on the Railway Triangle in Gloucester if it helped to facilitate the regeneration of this area.

- 4.13 At the stakeholder workshop, it was made clear by several participants that historically Gloucester's plans for growth were considered to be the main threat to the future prosperity of Cheltenham town centre. However, stakeholders are now more aware of the effects of development further afield on shopping patterns in and around Cheltenham. For instance, the Bullring redevelopment in Birmingham, the Broadmead expansion in Bristol and St David's II in Cardiff are all likely to attract residents from within Cheltenham's shopping catchment area.
- 4.14 One of the main issues to consider in this study is how Cheltenham should respond to recent and pipeline development in competing towns and cities.

Cheltenham Town Centre

- 4.15 Shopping and leisure uses in Cheltenham town centre are based around the T-shaped area comprising the High Street and the Promenade/Regent Arcade. Other town centre uses, including businesses, hotels, colleges, and government offices extend further, particularly to the south and west.
- 4.16 A key objective of this study is to provide a 'healthcheck' of the town centre, one which can be updated regularly by the Borough Council to identify any patterns and trends. The town centre is assessed having due regard to the key indicators of vitality and viability set out at paragraph 4.4 of PPS6.

Composition

- 4.17 Figures 4.2 and 4.3 below show the composition of Cheltenham by the number of units and floorspace occupied by each retail and retail service category. The data is collected regularly by Experian Goad and the most recent survey was undertaken in August 2005. Having regard to previous town centre studies undertaken by Donaldsons on behalf of Cheltenham Borough Council, the latest data can be compared to previous Experian surveys, the earliest dating back to 1984. Figures 4.2 and 4.3 overleaf illustrate how the composition of the town centre has changed over the last two decades. A plan showing the area surveyed by Goad is contained at Appendix C.

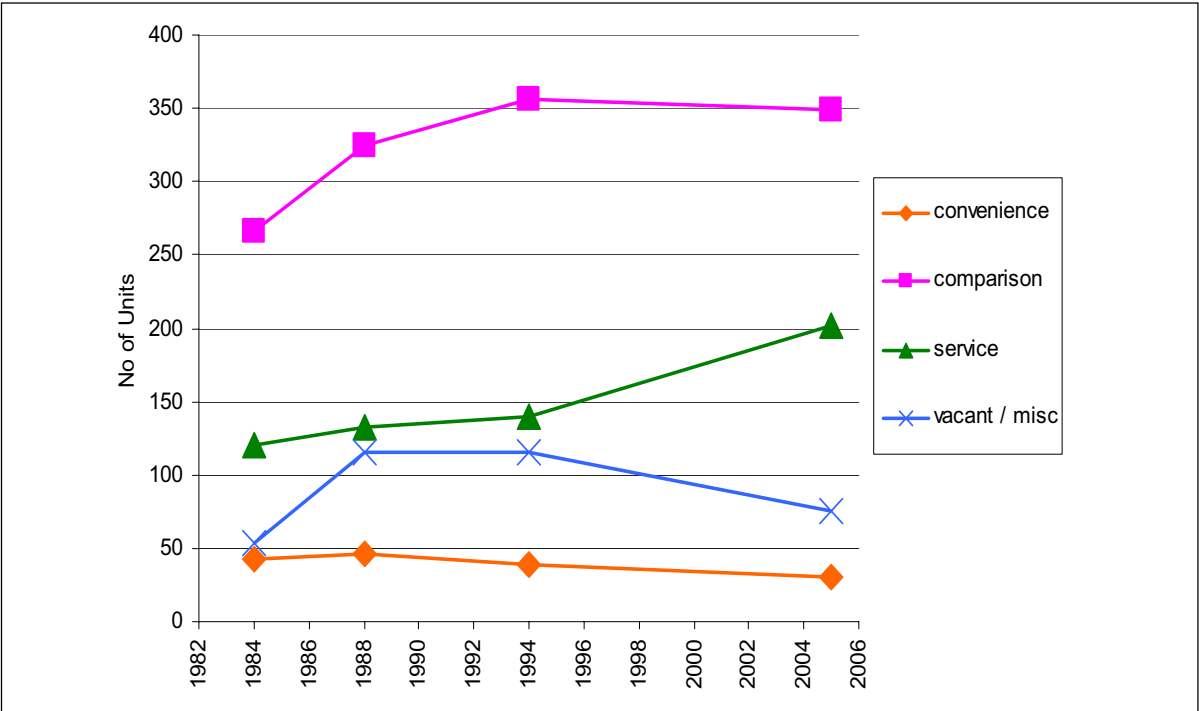
4.0 Existing Shopping Facilities

4.18 It should be noted that since the increase in units and floorspace resulting from the development of the Regent Arcade (1985) and the Beechwood Shopping Centre (1991), the number of units and overall floorspace has remained reasonably stable since 1994. According to the Experian Goad survey in August 2005, there were 656 units occupying around 127,000sq.m.gross floorspace.

Figure 4.2: Cheltenham Town Centre Retail Composition 1984-2005

	No of Units			
	1984	1988	1994	2005
Convenience	43 (9%)	46 (7%)	39 (6%)	30 (5%)
Comparison	266 (54%)	325 (54%)	356 (52%)	349 (53%)
Service	120 (24%)	132 (21%)	140 (21%)	202 (31%)
Miscellaneous	-	-	-	18 (3%)
Vacant	54 (11%)	115 (18%)	116 (18%)	57 (9%)
Total	497 (100%)	631 (100%)	657 (100%)	656 (100%)

Source: Experian Goad. Miscellaneous category includes post offices, tourist information, and employment agencies

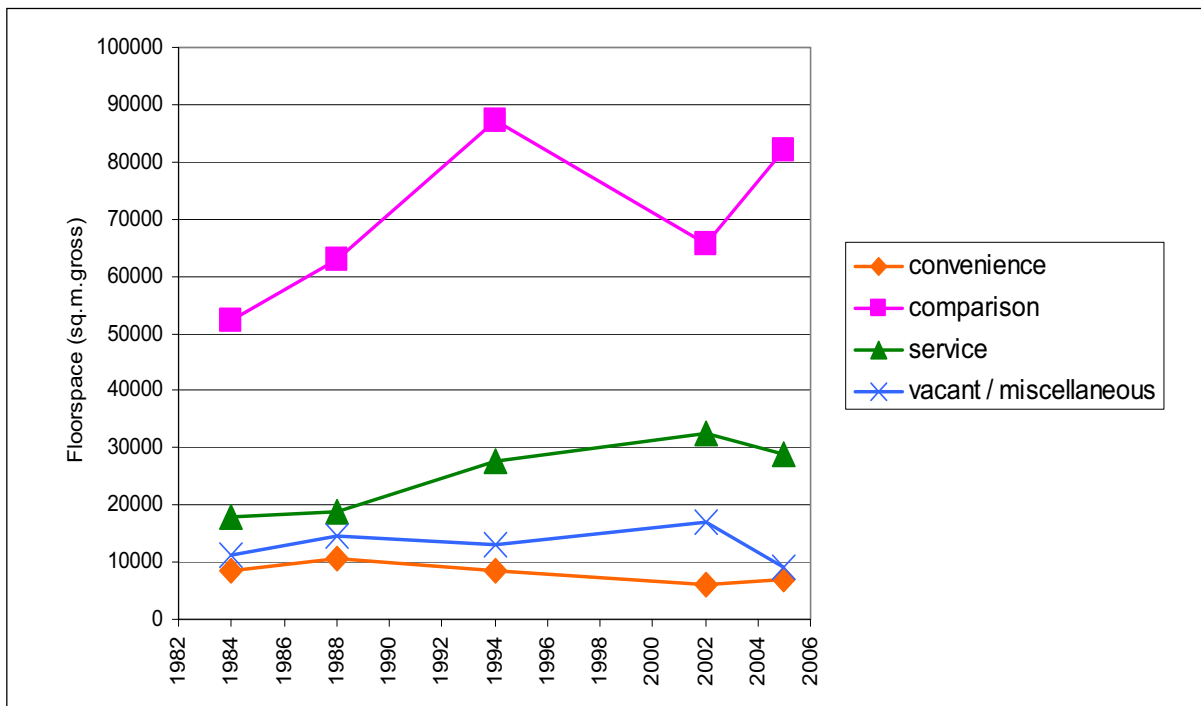


4.0 Existing Shopping Facilities

Figure 4.3: Cheltenham Town Centre Floorspace 1984-2005

	Floorspace (sq.m.gross)				
	1984	1988	1994	2002	2005
Convenience	8454	10498	8454	6034	6870
Comparison	52211	62988	87329	65771	82130
Service	17837	18766	27684	32584	28890
Miscellaneous					2040
Vacant	11148	14679	13099	16895	7150
Total	89650	106931	137864	121284	127080

Source: Experian Goad. Miscellaneous category includes post offices, tourist information, and employment agencies



4.19 There are 30 units in the town centre dedicated to the sale of convenience goods and these units occupy just under 7,000sq.m.gross floorspace. The largest stores in this sector are Tesco Metro and Iceland on the High Street and Lidl on Grosvenor Terrace. Marks and Spencer also has a large foodhall on the ground floor. Smaller units are occupied by independent supermarkets or general stores, off licences, and newsagents. There is just one greengrocer



4.0 Existing Shopping Facilities

and a delicatessen but no fishmonger in the town centre. The Farmers Market held fortnightly (every second Friday) on the Promenade sells locally-produced or prepared meat, fish, vegetables, cheeses, eggs, pies, and other foodstuffs.

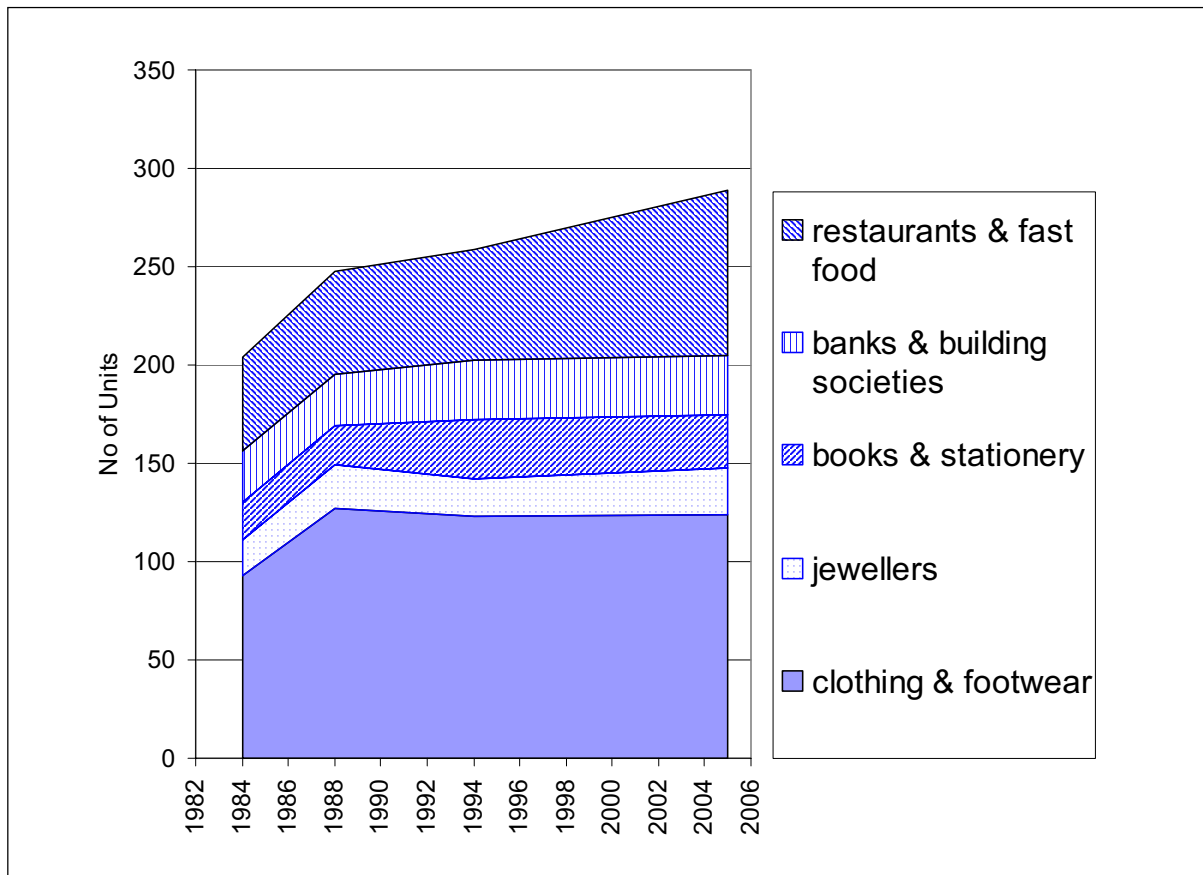
- 4.20 In terms of trends, Figures 4.2 and 4.3 show that since the 1980s around a third of convenience units have been lost and the floorspace devoted to the sale of convenience goods has declined between 1988 and 2002, although there has been a slight increase since 2002.
- 4.21 The comparison sector occupies over half of the units available in the town centre and over 80,000sq.m.gross floorspace. This represents 65% of the total available floorspace and, whilst this is a higher proportion than the national average for town centres, it is typical of major centres with significantly large catchment areas. From the results of the household survey, around 81% of those visiting Cheltenham town centre rated the range and choice of non-food shops either 'good' or 'very good'. The overall rating was 4.1 out of 5. Only 4.4% of respondents in the survey indicated that they would visit Cheltenham more often if there was a broader range of shops, and a further 3.4% indicated that they would like to see more specialist or niche shops. Our experience of survey results from other centres in the UK suggests that these figures indicate that residents in the study area are relatively content with the comparison goods retail offer in the town centre.
- 4.22 Figure 4.4 overleaf examines sub-categories within the comparison and service sectors to see how these have changed since 1984 (the sub-categories were selected by Donaldsons in their previous studies). The two most striking changes have occurred in the clothing/footwear category which increased by 37% between 1984 and 1988 and the restaurant/fast food sector whose unit numbers have increased by 75% between 1984 and 2005. Clothing and footwear retailers were no doubt attracted towards the Regent Arcade constructed after 1984. In 2005, 21 of the 51 units in Regent Arcade were occupied by clothing and footwear retailers (not including BHS which is defined as a variety store). The increase in the number of restaurants and fast food outlets is not surprising in the context of nationwide changes (see Section 2 of this study) but, even so, a 75% increase is a good indication of the increasing popularity of Cheltenham town centre for recreational and leisure uses.
- 4.23 Figure 4.4 also shows that the number of banks, financial services, and building societies has remained stable since 1994, despite this being a period of rationalisation and mergers within the industry. However, as Cheltenham town centre acts as a key service centre for a wide catchment area, it is likely that bank and building society branches in the town centre are being used by more people from further afield whose local branch may have closed.

4.0 Existing Shopping Facilities

Figure 4.4: Composition of Cheltenham Town Centre by Selected Sub-Category 1984-2005

	No of Units			
	1984	1988	1994	2005
Clothing/Footwear	93 (19%)	127 (20%)	123 (19%)	124 (19%)
Jewellers	18 (4%)	22 (3%)	19 (3%)	24 (4%)
Books/Stationery	19 (4%)	20 (3%)	30 (5%)	27 (4%)
Banks/Building Societies	26 (5%)	26 (4%)	30 (5%)	30 (5%)
Restaurants/Fast Food	48 (10%)	53 (8%)	57 (9%)	84 (13%)
Total Units	497	631	657	656

Source: Experian Goad





4.0 Existing Shopping Facilities

- 4.24 The jewellers sub-category has increased in terms of the number of units between 1984-2005 but this has been approximately in line with the overall growth in town centre units. Jewellers shops over this period have occupied between 3-4% of the total number of units. In terms of the influence of e-commerce, it is interesting to note that bookshops and stationers increased their presence in the town centre from 19 units in 1984 to 30 units in 1994. As previously stated, books are one of the most popular items to be purchased online and sales in the 'high street' are widely reported to be affected by this trend. Figure 4.4 shows that between 1994 and 2005, the number of shops selling books and stationery has fallen to 27. The drop could be attributable to a number of factors aside from internet sales (e.g. the defunct net book agreement on pricing, supermarket sales, etc). However, it will be interesting to monitor this figure closely over the next few years.
- 4.25 According to Experian Goad, national multiple organisations occupy 277 units, some 42% of the units in the town centre. This is considerably higher than the national average for town centres in the UK of 34%. The proportion of national multiple retailers tends to be higher in the larger centres; multiples are attracted by the large catchment populations of such centres and can afford the higher shop rents. When asked what aspects of the town centre they liked the most, 34% of respondents who took part on the on-street survey gave the range of shops as one their answers. This was the most popular response.

Retail Character Areas

- 4.26 Previous Donaldsons reports on the town centre identified 4 distinct retail areas, namely the Primary Shopping Area, the Promenade, Lower High Street and Montpellier. Our assessment of the town centre leads us to conclude that there are now 6 distinct areas. It is considered that the Donaldsons 'Lower High Street Area' consists of two separate character areas divided by St George Square. In addition, the area to the south east of Cambray Place displays distinctive characteristics to that of the 'Primary Shopping Area'. The six areas are described below and shown indicatively on the plan at Appendix D.
- 4.27 Central High Street – This area was previously referred to as the Primary Shopping Area in the Donaldsons reports. However, to avoid confusion with the Development Plan definition, we have described this area as the Central High Street. This area comprises the section of the High Street between Cambray Place and the Promenade, and includes the Regent Arcade and Beechwood Shopping Centre. The Central High Street area contains a significant number of 'mainstream' national multiple retailers which you would expect to find in most of the largest 100 town centres in the UK. These include Marks & Spencer, BHS, Mothercare, Top Shop, H



4.0 Existing Shopping Facilities

Samuel, Clinton Cards, Boots, Next, Virgin, WH Smith, Burtons, Dixons, River Island, New Look, Faith, Principles, Warehouse and French Connection. Many of the nationwide banks and building societies are located in this area, and the Burger King restaurant is also a key attractor. This is an extremely popular part of the town centre and has the highest levels of footfall (discussed later in this section). Whilst some may lament the volume of national multiple retailers in this area and point towards Cheltenham becoming a 'clone town', it is important to recognise the importance of the Central High Street area in attracting many visitors to the town centre.

- 4.28 The Promenade – This is a high-quality shopping area both in terms of the retailers and the environment. Key retailers include the Cavendish House Department Store, Jaeger, Habitat, Karen Millen, Austin Read, Jigsaw, Oasis, Gap, and Waterstones. The area also contains restaurants and café bars including Pizza Hut, Pizza Express, Bella Italia, Café Rouge and Starbucks. Footfall is reasonably high here but lower than it is in the 'Central High Street' area. The Promenade has an altogether more relaxed atmosphere than other parts of the town centre, with the exception of Montpellier.
- 4.29 North West High Street – This area extends along the High Street from The Promenade to St Georges Square. The eastern part has recently been pedestrianised (except for buses and deliveries) between Henrietta Street and North Street. The remainder is open to one-way traffic. The environmental quality of this area is poor compared to the standards of the 'Central High Street' and 'Promenade' areas. However, footfall is reasonably high near the junction with North Street, many visitors being attracted by the large number of discount retailers including Wilkinsons, Specsavers, Bodycare, Peacocks, Bon Marche, Shoe Zone, Booksave, Outdoor Clearance Store, and Priceless shoes. Footfall is only moderate at the western end of this area, furthest from the Promenade and the Central High Street areas. The McDonalds restaurant attracts a significant number of visitors. Other service uses include travel agents, a coffee shop, and take-away food outlets. The Post Office is also located on this part of the High Street. The 'North West High Street' area also contains the highest proliferation of charity shops in Cheltenham town centre (5 units in August 2005).
- 4.30 Lower High Street (West End) – This is the area extending west of St Georges Square towards the railway bridge. Lower High Street is characterised by pubs, cafés, restaurants, take away food outlets and other services such as hairdressers, launderettes, travel agents and estate agents. It is typical of peripheral areas in many UK town centres in that it contains mostly independent occupiers, a high proportion of vacant units, short term occupancy, and generally



4.0 Existing Shopping Facilities

lower levels of property maintenance. However, there are a number of specialist shops and services including an oriental foodstore, a shop selling martial arts apparel, a sewing machine shop, a dog grooming parlour, and a tattooist, which add diversity to the retail offer in the town centre. Whilst the environment quality of this area suffers from untidiness and clutter, the area contains many attractive buildings (e.g. the Frog & Fiddle bar). Footfall is comparatively low and many visitors to shops in this area were observed to park on-street directly outside the shop (often illegally) for a limited period of time.

- 4.31 South East High Street – This is the area extending south west from the junction of Cambray Place and the High Street. In some ways, this area is similar to the ‘North West High Street’ area in that it is located away from the ‘prime pitch’ but, perhaps due to its proximity to the town’s main shoppers’ car parks, it attracts a significant number of national multiple retailers including JJB Sports, Superdrug, Argos, Iceland, Game, Sports Soccer, Greggs, Subway, Richer Sounds, the Futon Company, and Cash Generator. Lidl supermarket is located on Grosvenor Terrace. Some of the larger chain restaurants and pubs are also present in this area including Bella Italia, Hogshead, Barracuda, and Wetherspoons. The more well known names begin to disappear to the south west of Bath Road making way for service uses including take-away food outlets, hairdressers, and estate agents. The area around St James Street contains a number of specialist shops including watch and clock repairers, an art gallery, bridal wear shops, and a model shop and a haberdashery. The physical environment is reasonably attractive in the ‘South East High Street’ area. The High Street is pedestrianised north of Bath Road and buildings and shopfronts are reasonably well-maintained with signs of recent investment. Footfall is moderate in this part of the town centre; the level of pedestrian activity is similar to that of the Henrietta Street/High Street junction on the opposite side of the town centre. There are a number of vacancies in the area but these are reasonably dispersed.
- 4.32 Montpellier – the shopping area of Montpellier is physically separated from the town centre but offers a mix of specialist shops and services with cafes, restaurants and bars. The main visitor attractions are on Montpellier Street and Montpellier Walk, both of which boast high quality building facades in the Regency architectural style. The Courtyard is found in Montpellier, a two level shopping centre based around a sunken piazza. There are just a few national multiple retailers or service providers in Montpellier including Sketchley dry cleaners, Ladbrokes bookmakers, and Lloyds TSB bank. The majority of the shops are independent and include arts and craft shops, galleries, fashion boutiques, beauty salons, hairdressers, and interior design and home furnishing stores. The many cafes, wine bars and restaurants add to the relaxed atmosphere of Montpellier and make it a vibrant place in the evening.



4.0 Existing Shopping Facilities

Leisure Uses in the Town Centre

4.33 There are a number of leisure, recreational and entertainment uses within the local plan-defined Core Commercial Area of Cheltenham town centre. The many restaurants and public houses have already been mentioned above. In addition, the following have been identified:

Bowling Green & Sports Club	Library
Chapel Spa Health Club	Bannatynes Health Club
Museum and Art Gallery	Community Centre (Sherborne Place)
Ace Bingo	

4.34 The redevelopment of the former Brewery has provided further cinema screens, bingo and a health and fitness club, as well as a number of bars and restaurants.

Diversity of Town Centre Uses

4.35 There are many other uses in and around the town centre which attract visitors to Cheltenham and contribute towards the vitality of the centre. These include hotels, churches, businesses including solicitors and accountants, Local Government offices including the offices of Cheltenham Borough Council. In addition, there are residential uses within and around the central area, adding to the sense of vitality.

4.36 The on-street survey indicated that respondents who were in the town centre had the following primary reasons for visiting:

Shopping	55%
Work	20%
Meet friends / lunch / restaurants	9%
Bank/building society	4%
Hairdressers	4%

4.37 In addition, respondents indicated a wide variety of reasons for visiting including:

Visiting solicitor	Visit gardens
Visiting Council Offices	Visit library and museum
Paying bills	Collect children
Relaxing	Tourism
Visit market	Dog walking



4.0 Existing Shopping Facilities

Vacancy Rates

4.38 The number and proportion of vacant street level property in the town centre has been monitored over a number of years. The following figures have been recorded:

1984	54 units	11% of 497 units
1988	115 units	18% of 631 units
1994	116 units	18% of 657 units
2002	73 units	11% of 679 units
2005	57 units	9% of 656 units

4.39 The number of vacancies in Cheltenham town centre increased markedly between 1984 and 1988, and the proportion of vacancies increased from 11% to 18%. The total number of units in the town centre increased by 134, and the number of vacancies increased by 61. It is likely that this was a result of many retailers relocating following the construction of the Regent Arcade shopping centre and many properties remained vacant for some time before being re-let. However, since 1994 the vacancy rate has been declining and now stands at 9% of town centre units. This is slightly lower than the national average for town centres (10%) and is a good indicator of the strength of Cheltenham as a trading location. Also, a reasonable level of vacancies is necessary to enable the continuing development of the town centre, allowing new businesses to begin trading.

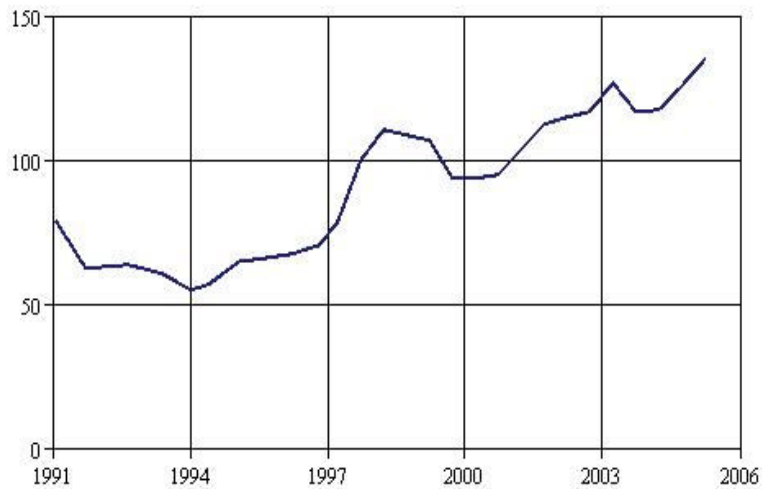
Retailer Requirements

4.40 Focus Property Intelligence provide details of all retailers seeking new premises in a particular centre, this information offers a useful source of anticipated demand in an area. However, these sources should be treated with caution, given that certain retailers may seek floorspace in Gloucestershire in general, and will publish a requirement for every major town in the whole of the County until one is secured. On the other hand, not all retailers reveal their requirements through the Focus database and others may only express an interest in a town if a suitable development proposal emerges. Therefore, as long as the limitations to the data are acknowledged, the Focus database does provide a useful source of information.

4.41 The number of retailer requirements reported in April 2005 was 135. By way of comparison to other centres, this is 26th highest level of demand in the UK. Figure 4.5, below, illustrates that the number of requirements has steadily risen since 1994 when there were 55 operator requirements (and 41st in the UK).

4.0 Existing Shopping Facilities

Figure 4.5: Number of Retailer Requirements in Cheltenham, 1991-2005



4.42 A number of the current requirements are from public house chains including Whitbread, Best Cellars, and Wadworth & Co. In addition, there is demand from the hotel sector (De Vere, Innkeeper, and Holiday Inn). Operators currently seeking units in Cheltenham are as follows:

- | | |
|--------------------------------------|----------------------------|
| 99p Stores | Ember Inns |
| Ask Central (café/bar) | Esporta Health & Fitness |
| Beaverbrooks (jewellers) | Essential Hairdressers |
| Best Cellars (public house) | Ethel Austin |
| Blooming Marvellous (maternity wear) | Extra Care (charity) |
| Bookworld | Faith Footwear |
| Brantano | First Choice Holidays |
| Café Nero | Flight Centre |
| Camille Boutique (lingerie) | Fopp Records |
| Card World | Formula One Autos |
| Castle Gallery | The Fragrance Shop |
| Choices Video | Frankie & Bennys |
| Cook & Wash | Furniture Village |
| Costa (café) | Gamestation |
| Costco Wholesale | George |
| CP Hart & Son (bathrooms) | Gerry Weber (womenswear) |
| Crabtree & Evelyn (cosmetics) | Gieves & Hawkes (menswear) |
| David Lloyd (leisure centre) | Glitz Accessories |
| De Vere Hotels | Glyn Webb (decorating) |
| Deichmann Shoes | Hair Express International |
| Desire by Debenhams | Hammonds Furniture |
| DTB (newsagent) | Harriets (café) |



4.0 Existing Shopping Facilities

Harvesters (restaurant/bar)	Read Again (books)
The Hat Company	Regent Inns (public house)
Henri Lloyd (menswear)	Republic
Holiday Inns UK	Restaurant Bar & Grill
Hotel Chocolat	Rileys (snooker hall)
Hotspot (gas appliances)	Rituals (cosmetics)
HPJ Retailing (jewellers)	Rosemary Conley Diet & Fitness Clubs
Hyper Value (Holdings) Ltd	Running Bare Trading (clothing)
Innkeeper (hotels)	Saks Hair
Jo Malone (cosmetics)	Schuh (shoes)
John R Fox (jewellers)	Scootermart
Johnson Cleaners	Sharps (bathrooms)
Johnson Health Tech (sports shop)	Shaw Trust (charity shop)
Krispy Kreme Donuts	St Peters Hospice (charity shop)
La Tasca Restaurant	STA Travel
Lakeland	Staples
Las Iguanas	Strada (café)
Leia (lingerie)	Supercuts (hair)
Linens Direct	Talbots Retailing (womenswear)
Loccitane (cosmetics)	Thompson Holidays
Lombok (furniture)	Tires Worcester (car dealership)
Massimo Dutti (clothing)	TJ Hughes
Menkind Stores (gifts)	TK Maxx
Mexx (menswear)	Tobi Carvery
Millies Cookies	Toni & Guy
Moda in Pelle	Topps Tiles
Mostyns (household accessories)	Toys R Us
Murphy & Nye (sportswear)	Treds
Novus Leisure (café)	Tuscany Restaurant
Oddbins	USC Group
Oliver Bonas (gifts)	Vets 4 Pets
Optical Express	Vintage Inns (public house)
Pasty Presto	Wade Furniture
Peacocks Stores	Wadworth & Co (public house)
Penhaligons (cosmetics)	Wagamama (restaurant)
Penny Plain (clothing)	Warren James (jewellers)
Pizza Hut	The Watch Hospital (jewellers)
Pizza Express	Whitbread Group (public house)
Poundland	The White Company (mixed)
Poundworld	The Works (books)
Presto	Yankee Candle Co (homewear)
Pret a Manger	Zara
Pulse Perfumes	Zizzi (café)
Pumpkin Patch (childrenswear)	Zumo (café)

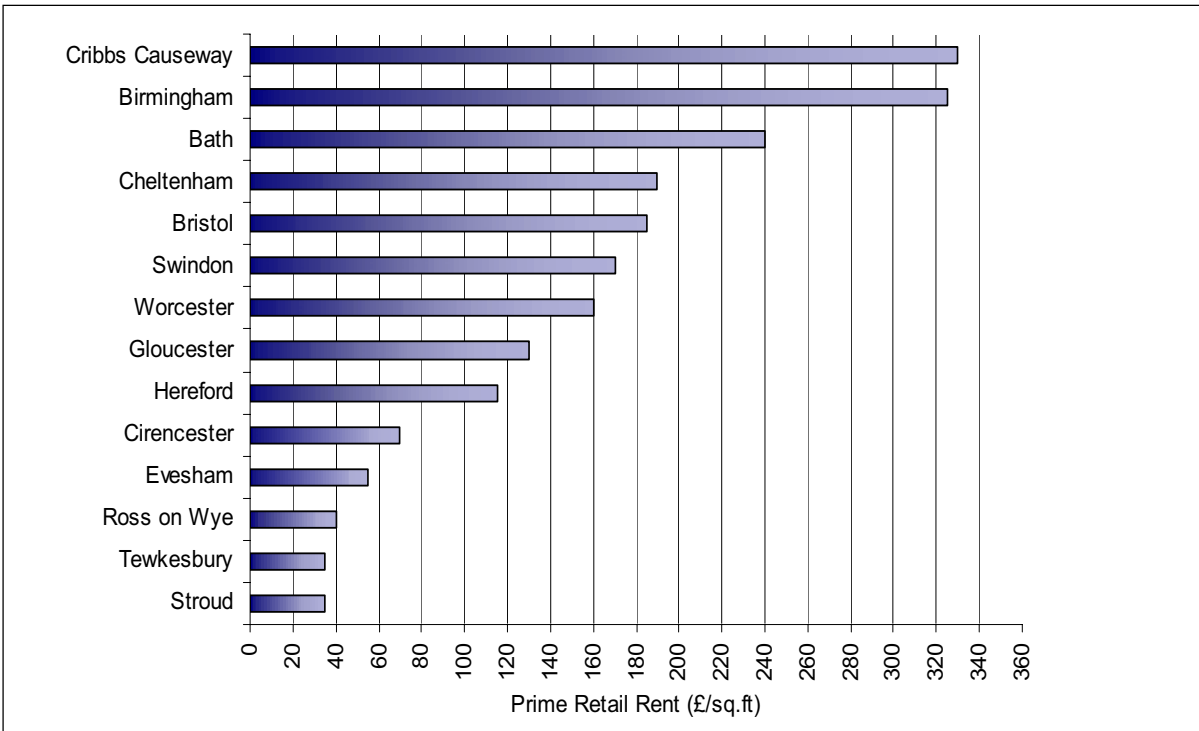
4.0 Existing Shopping Facilities

4.43 There is a wide variety of requirements ranging from those from traditional High Street retailers (e.g. Faith, Peacocks, Ethel Austin etc.) and those requiring larger premises (e.g. TJ Hughes, TK Maxx, Toys R Us). There appears to be strong interest from the café and restaurant sector. Those on the list who are already present in Cheltenham (e.g. Bookworld, TK Maxx, The Works, Faith, Pizza Hut etc.) are likely to be seeking alternative premises.

Retail Rents

4.44 According to figures from Colliers CRE, Cheltenham is the joint third highest rented centre in the south west region. The prime retail rent in 2005 was assessed to be £190 per.sq.ft., an increase of £15 on the previous year's figure. In terms of competing centres, Figure 4.6 below shows the prime rental levels for various centres in both the south-west and west-midlands regions.

Figure 4.6: Prime Retail Rentals (May 2005)



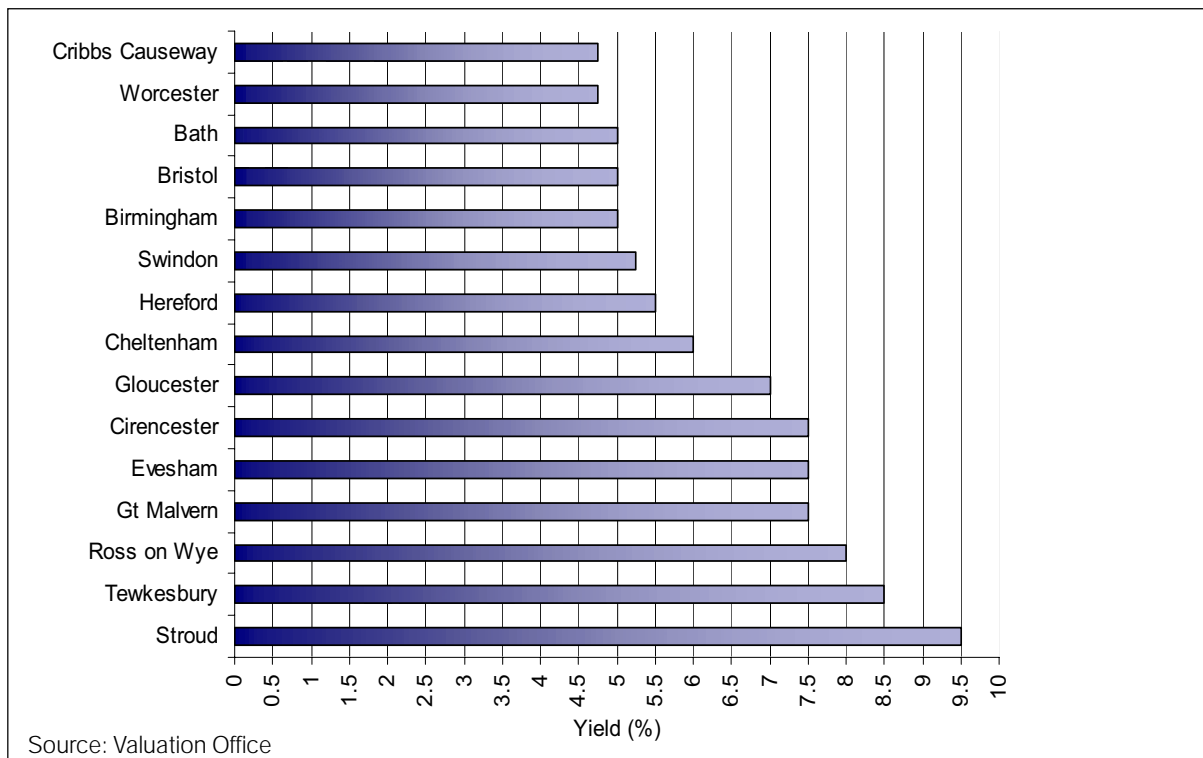
Source: Colliers CRE

4.0 Existing Shopping Facilities

Commercial Yields

- 4.45 The yields expressed in Figures 4.7 and 4.8 below, are 'all risk yields' calculated by dividing the annual rent, as though it had been received as a single sum at the year end, by the capital value or sale price of the property. The 'all risk yield' is a simple benchmark which the property market uses to assess the comparative attractiveness of different shopping centres. It is the ratio of rental income to capital value and is expressed in terms of the open market rent of a property as a percentage of the capital value.
- 4.46 As a measure of retail viability, yields are a valuable indicator, but one that needs to be used with care. The level of yield on its own is of less value than in comparison with other yields at different points in time and in different locations. Yields measured consistently over time can give an indication of the direction in which a particular town centre is moving.
- 4.47 This trend can be compared with national levels of yields and with those towns of similar size and type, or with neighbouring and competing towns. A comparative analysis of this type, conducted on a regular basis, can give an indication of how the viability of retailing in a town centre is changing.

Figure 4.7: Commercial Yields, 2005



4.0 Existing Shopping Facilities

Figure 4.8: Commercial Yields (%), 1998-2006

Towns	Apr '98	Apr '99	Apr '00	Apr '01	Apr '02	Apr '03	Jul '04	Jul '05	Jul '06
Cheltenham	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	5.00
Gloucester	7.50	6.75	6.75	6.75	7.00	7.00	7.00	7.00	6.50
Worcester	4.75	4.50	4.75	4.75	4.75	4.75	4.75	4.75	4.75
Bristol	6.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Bath	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Cribbs Causeway	n/a	n/a	5.00	4.75	4.75	4.75	4.75	4.75	
Swindon	6.50	6.00	5.50	5.75	6.00	5.50	5.25	5.25	5.25
Cirencester	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Evesham	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Birmingham	5.00	5.00	5.00	5.00	5.00	4.75	5.00	5.00	5.00
Tewkesbury	8.00	8.00	8.00	8.00	8.00	8.50	8.50	8.50	8.00
Gt Malvern	9.50	9.50	9.50	8.50	7.50	7.50	7.50	7.50	8.50
Hereford	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
Ross on Wye	8.50	8.50	8.50	8.00	8.00	8.00	8.00	8.00	8.00
Stroud	8.50	9.00	9.00	9.50	9.50	9.50	9.50	9.50	9.00

Source: Valuation Office

- 4.48 Figures 4.7 and 4.8 above illustrate that Cheltenham is fairing relatively well against its near neighbour Gloucester and are now on a par with the bigger centres. Investment yields in Cheltenham had been, according to the Valuation Office Agency, around 6% since 1998, but have now dropped to 5%, suggesting a sudden improvement in confidence. On the basis of contacts with local commercial estate agents and in comparison with other towns, we consider that the yield in previous years at 6% was probably overestimated and the 2006 figure of 5% is more reliable. The current yield in Cheltenham at 5% is comparable with substantially larger towns and, we consider, indicative of a successful town centre.

Pedestrian Flows

- 4.49 Pedestrian counts have been conducted in Cheltenham town centre. Counts were conducted at 10 points within the town centre and full details of the survey are contained at Appendix E. The heaviest footfall was assessed to be on the High Street near Marks & Spencer (5,370



4.0 Existing Shopping Facilities

pedestrians per hour). Pedestrian activity steadily decreases from this point in both directions along the High Street. Towards the south-east, the count drops to around 2,500 at Natwest Bank and down to around 1,200 at the junction of Bath Road. Heading north-west from Marks & Spencer, the count falls to around 3,300 at the former Littlewoods store (now Primark), around 1,200 near the junction with Henrietta Street, and around 600 at the Frog & Fiddle on Lower High Street. A review of these counts on the High Street in 2007 will show the effect on pedestrian movement of the recent mixed-use Brewery development.

- 4.50 Pedestrian counts have been undertaken at the High Street entrances to the two indoor shopping centres. Footfall at the Regent Arcade was assessed to be 1,980 per hour compared to 955 at the Beechwood Shopping Centre.
- 4.51 Two further counts were taken to assess pedestrian flows towards the south-western part of the town centre. A count taken on the Promenade showed that footfall was around 1,300 per hour and at Ormond Place, near the south-western entrance to the Regent Arcade, footfall was assessed to be almost 1,100.

Environmental Quality

- 4.52 One of Cheltenham town centre's main assets is its environmental quality. It has fine Regency architecture, popular public open spaces, good levels of soft landscaping with mature trees, well-designed street furniture, and public art. The town centre appears to be well-maintained and generally shop frontages are in a good state of repair with signs of recent investment.
- 4.53 Perhaps the most attractive part of the town centre is the area around the Promenade, recently voted 'Britain's Favourite High Street' from a shortlist of 25 central shopping areas around the UK. (The shortlist was determined by Tourist Boards around the UK and the survey was organised by TouchLocal). The Promenade has a wide pedestrianised area containing mature trees and the public art. The street is lined with attractive buildings occupied at street level by a mix of national multiple retailers, boutiques, and pavement cafes. The Promenade is home to the Farmers' Market twice a month. It also hosts a Christmas Market and, in May 2006, it hosted a French market. These add variety to the retail offer.
- 4.54 Whilst the environmental quality of the town centre is generally very high, the area around High Street, west of Clarence Street, has a much lower quality environment. Indeed further west, past St George's Street and Ambrose Street, the quality deteriorates further.



4.0 Existing Shopping Facilities

4.55 The household survey indicates that 80% of respondents in the study area considered the environmental quality in Cheltenham town centre to be 'good' or 'very good' and the overall score was 4.0 out of 5. On the negative side, these issues were mentioned by the following numbers of respondents, when they were asked what they 'disliked' about the town centre:

Untidy streets and litter	4.2%	Poor sign posting	0.4%
Too busy / crowded	2.8%	Pavements in need of repair	0.2%
Lack of safety / security	2.7%	Pigeon problem	0.2%
Poor facilities (toilets, seating, etc)	0.9%	Lack of covered areas	0.1%
More policing / security	0.5%	All environmental issues	2.0%

4.56 In our experience, the proportion of negative responses mentioned relating to environmental factors are not that different from results from other towns and cities in the UK.

4.57 The on-street survey confirmed that the environmental quality in Cheltenham town centre was an important factor. When asked what they liked about the town centre, 30% of respondents mentioned the clean environment, the gardens, the layout, or the buildings.

Accessibility and Movement

4.58 The household survey asked residents of the study area which centre they considered to be their main shopping centre and asked how they usually travelled to this centre. In terms of those who considered Cheltenham to be their main shopping centre, the following methods of transport were used:

Car	73%
Walk	12%
Bus	12%
Cycle	2%
Taxi	1%
Motorbike	1%

4.59 The study area covers a wide geographical area and Cheltenham attracts a significant number of people from all parts of the study area. Therefore, the number of people using a car to visit the town centre is not surprising. There are large and reasonably densely populated residential areas close to the town centre and 12% of Cheltenham's visitors from the study area walk to the town centre. Buses are used by 12% of visitors and a further 2% use cycles.



4.0 Existing Shopping Facilities

4.60 In terms of method of transport used to visit the town centre, the on-street survey provided the following set of results:

Car	49%
Walk	34%
Bus	14%
Cycle	1%
Community Transport	1%

4.61 The on-street surveys were undertaken on a Thursday and Friday. During weekdays, it is likely that the town centre will generally have more local visitors than at weekends, particularly Saturdays. Local people, particularly those working in the town centre, are more likely to use buses or walk to get to the town centre, compared to those from outside the Borough. This will explain why the number of visitors arriving by car according to the on-street survey is lower than the equivalent figure derived from the results of the household telephone survey.

4.62 Car parks are situated in the following locations:

Regent Arcade	532 spaces (multi storey)
Grosvenor Terrace	452 spaces (multi storey)
North Place	471 spaces
Beechwood Shopping Centre	372 spaces (multi storey)
Portland Street	329 spaces
St James Street	202 spaces
Lower High Street (Henrietta St/St Margaret)	126 spaces
Chester Walk	50 spaces approximately
Bath Road	80 spaces
Chapel Walk	47 spaces
Total	2661 spaces

4.63 The key bus stops in the town centre are located on The Promenade, Pittville Street, and the western end of the High Street. From the bus station and these key stops, services arrive from and depart to locations on the edge of the town and beyond including:

Bishops Cleeve	Gallagher Retail Park
Charlton Kings	GLOSCAT



4.0 Existing Shopping Facilities

Prestbury
Leckhampton
Warden Hill
Tewkesbury / Northway

Gloucester / Churchdown / Lower Tuffley
Stroud / Nailsworth / Forest Green
Cirencester / Swindon

4.64 Car parking and transport were two of the main issues to emerge from the household survey in terms of negative perceptions and experiences of the town centre. The following proportions of respondents mention these factors (unprompted):

Lack of / cost of parking	10.4%
Traffic congestion / one way system	4.8%
Poor accessibility	1.4%
Poor bus services	0.9%
Poor cycling facilities	0.2%
All transport related issues	17.7%

4.65 Almost 18% of respondents indicated that more parking (9.3%) and cheaper parking (8.5%) would encourage them to visit Cheltenham more often. A further 4.8% identified improved or cheaper public transport would encourage them to visit more.

4.66 Similar responses were given during the on-street survey. When asked which aspects of the town centre they do not like, 17% mentioned the cost of parking and 9% the lack of parking. A further 10% referred to the traffic congestion in the town centre. Asked what they would like to see in the town centre, 13% said cheaper parking, and 11% said more parking.

4.67 Ease of movement around the town centre is generally good. A significant amount of the shopping area is pedestrianised or wide pavements exist. There are two large indoor shopping centres providing respite from inclement weather and the Regent Arcade in particular completes a 'shopping circuit' with High Street, Promenade and Ormond Place. The Beechwood shopping Centre does not have the advantage of a similar shopping circuit.

4.68 In terms of movement, and indeed safety, we have identified two factors which detract from visitors' experience of the centre on the basis of our visits to the centre. Firstly, whilst much of the centre is pedestrianised, the one-way system at Clarence Street which dissects the High Street represents a physical barrier to pedestrian movement and, in terms of perception, is likely to deter visitors from venturing eastwards along the High Street, notwithstanding the fact that this area is also now closed to private vehicles.



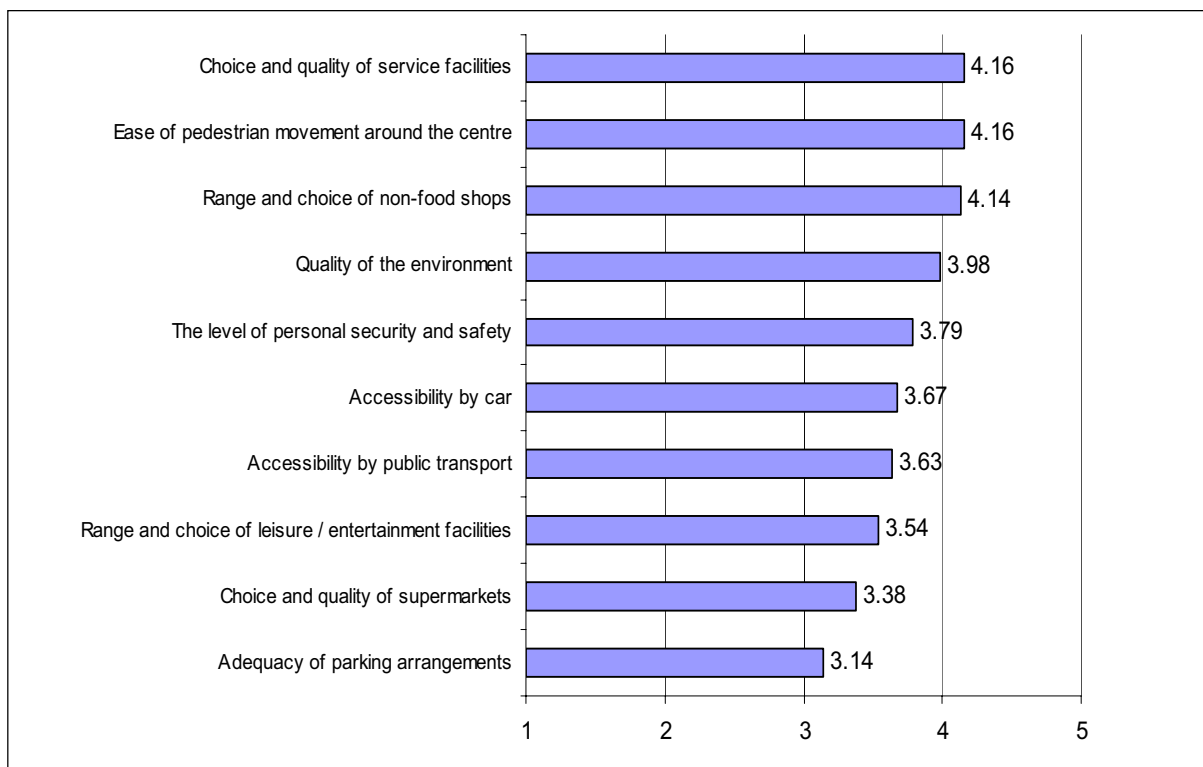
4.0 Existing Shopping Facilities

4.69 The second area of concern is the unpedestrianised part of the High Street between Rodney Road and Winchcombe Street. Here, through-traffic is occasional but because it is reasonably quiet shoppers can be complacent and we witnessed, on a number of occasions, pedestrians being surprised by oncoming vehicles as they crossed the road.

4.70 Notwithstanding the above, the ease of movement around the town centre scored highly in the household survey receiving an overall score of 4.2 out of 5.

Perceptions and Experience of Cheltenham Town Centre

4.71 The results of the household survey have been mentioned above with reference to different aspects of the town centre environment and the quality of its shops and services. Interviewees were asked to rate different aspects of the centre and responses were coded as either 'very good', 'good', 'average', 'poor' or 'very poor'. These in turn have been recoded to 5, 4, 3, 2, and 1 respectively to provide a score for each aspect. The graph below brings all the results together to provide some comparative data.



Note: Responses relate only to facilities in the town centre, including Montpellier



4.0 Existing Shopping Facilities

- 4.72 Firstly, it should be noted that a score of 3 equates to an ‘average’ rating. Therefore, as all the scores are above 3, all aspects of the town centre are rated above average. The range and choice of non-food shops and services score particularly well, as does the ease of movement around the centre. These aspects score over 4 which equates to the ‘good’ response. Comparatively low ratings are given to the adequacy of parking arrangements and the choice and quality of supermarkets. The fact that accessibility by car (3.67) scores considerably higher than adequacy of parking arrangements (3.14) suggests that visitors find that getting to the town centre is easier than parking, although pricing regimes may also be a factor.
- 4.73 The on-street survey asked visitors in Cheltenham town centre to rate the shops and services on a scale of 1 to 5 (5 being the highest). The average score from 91 respondents was 3.49, and this is consistent with the findings of the household shopping survey described above.

Retail Provision in Cheltenham outside the Town Centre

- 4.74 Non-food retail warehouse provision in Cheltenham includes the following stores:

DIY Goods / Tiles

B&Q	Hatherley Lane
Homebase	Gallagher Retail Park
Wickes	Tewkesbury Road
The Range	Tewkesbury Road
Tiles R Us	Tewkesbury Road
Tile & Barn World	nr. Gallagher Retail Park
Topps Tiles	Kingsditch Lane

Furniture

Sofa & Suite Co.	Gallagher Retail Park
DFS	Gallagher Retail Park
The Sofa Company	Gallagher Retail Park
Dreams	Gallagher Retail Park
Land of Leather	Gallagher Retail Park
MFI	Kingsditch Retail Park
Harveys / Sleepmaster	Kingsditch Retail Park
ScS	Kingsditch Retail Park
Bensons Beds	Kingsditch Lane



4.0 Existing Shopping Facilities

Carpets

Mays World of Carpets	nr. Gallagher Retail Park
Carpetright	Gallagher Retail Park
Allied Carpets	Gallagher Retail Park
Carpet Hut	Tewkesbury Road

Electrical Goods

Comet	Gallagher Retail Park
PC World	nr. Kingsditch Retail Park
Currys	nr. Kingsditch Retail Park
Apollo 2000	Kingsditch Retail Park

Other Goods

Next	Gallagher Retail Park	Clothes and homeware
Boots	Gallagher Retail Park	Pharmacy and personal goods
Pets at Home	Gallagher Retail Park	Pets and accessories
Argos Extra	Kingsditch Retail Park	Mixed goods / Catalogue showroom
Halfords	Kingsditch Retail Park	Car accessories
JJB Sports	Gloucester Road	Sports goods and clothing
Fabric Warehouse	Tewkesbury Road	Fabrics
Staples	Tewkesbury Road	Office supplies / stationery

The Nearest Locations of Major Retail Warehouse Operators not in Cheltenham

Toys R Us	DIY	St Ann Road	Gloucester
Ikea	Furniture	Eastville	Bristol
Focus	DIY	Eastern Avenue	Gloucester
Magnet	Kitchens	Chancel Road	Gloucester

- 4.75 There is a good range and choice of retail warehouse operators in Cheltenham, particularly within the key bulky goods sectors of DIY, electrical goods, carpets and furniture. This is reflected in the results of the household survey. Over 96% of Zone 1 residents (the vast majority of whom live in Cheltenham Borough) use stores in Cheltenham to purchase DIY goods, 75% use Cheltenham stores for furniture and carpets, and 82% use stores in Cheltenham to buy electrical goods.



4.0 Existing Shopping Facilities

Foodstores

4.76 Cheltenham residents benefit from a choice of four food superstores (over 2,500sq.m.) operated by Sainsburys, Tesco, Waitrose and Morrisons who have occupied the former Safeway store. These large stores are complemented by a range of smaller supermarkets, including discount operators, providing consumers in Cheltenham with a relatively wide choice of stores given the size of the town. A list of foodstores over 300sq.m.net is provided below.

Sainsburys	Tewkesbury Road	3,582sq.m.net
Tesco	Colletts Drive	3,439sq.m.net
Morrisons	Shurdington Road	2,954sq.m.net
Waitrose	Honeybourne Way	2,800sq.m.net*
Lidl	Grosvenor Terrace	1,100sq.m.net
Aldi	Tewkesbury Road	960sq.m.net**
Tesco Metro	High Street	824sq.m.net
M&S Food	Kingsditch Retail Park	750sq.m.net
Iceland	High Street	445sq.m.net
Co-op	Windy Ridge Road	426sq.m.net
Somerfield	Coronation Square	397sq.m.net
Somerfield	Bath Road	379sq.m.net
Alldays	London Road	314sq.m.net

* not including the “Home” section

** outside Cheltenham Borough boundary

4.77 According to the results of the household survey, over 88% of convenience goods expenditure generated by Zone 1 residents is spent in foodstores in Cheltenham. Figures derived from the household survey indicate that the turnovers of the largest foodstores are as follows:

Sainsburys	Tewkesbury Road	£43.0m
Tesco	Colletts Drive	£37.8m
Morrisons	Caernarvon Road	£36.9m
Tesco Metro	High Street	£25.7m
Waitrose	Honeybourne Way	£23.8m

(Note - stores may attract a small amount of additional expenditure from beyond the survey area)



4.0 Existing Shopping Facilities

4.78 The larger stores also attract a significant amount of expenditure from outside Cheltenham. For example, Morrisons at Caernarvon Road attracts 25% of expenditure from Zone 4 (the area south of Cheltenham). Sainsburys at Tewkesbury Road attracts over 50% of its turnover from outside Cheltenham. 19% of Sainsbury's turnover is from Zone 5, the Gloucester area. By contrast, Tesco at Colletts Drive attracts just 13% of its turnover from outside Zone 1 (Cheltenham).

The District Centres of Cheltenham Borough

4.79 Three centres are identified in the local plan as district centres. These are Bath Road, Coronation Square and Caernarvon Road. In terms of the number of shop or service units, the centres vary in scale from Bath Road with 77 units to Caernarvon Road with just 6 units, as shown below.

Bath Road	77 units	11 convenience	25 comparison
Coronation Square	35 units	5 convenience	10 comparison
Caernarvon Road	6 units	2 convenience	2 comparison

4.80 The role and, in particular, the shopping function of each district centre is described in more detail below. The assessment also incorporates information from the household telephone survey which sought views from Cheltenham residents on their nearest district centre.

Bath Road District Centre

4.81 Bath Road is located on a main arterial route into the town and the shopping area is situated less than 1km south of the Primary Shopping Frontage of Cheltenham town centre. The shops in the centre line both sides of Bath Road between Kew Place to the north and the junction of Leckhampton Road/Shurdington Road to the south. The entire district centre lies within a conservation area.

4.82 The adopted Cheltenham Local Plan Second Review notes that most of the shops in Bath Road district centre *"have inadequate or no facilities for off-street parking. Bath Road is subject to peak hour congestion and is difficult for its numerous pedestrians to cross. Its car park has constricted access from Bath Road, and access to it from other directions passes through a dense residential area, which is part of an 'environmental sensitive area'. Traffic management measures have been implemented in this area."*



4.0 Existing Shopping Facilities

4.83 Overall, there are 77 shops and service units located in the district centre and its retail composition is shown in Figure 4.9 below.

Figure 4.9 Bath Road District Centre - Retail Composition

	No of Units	Net Floorspace
Convenience	11 (14%)	1304 sq.m. (30%)
Comparison	25 (32%)	1109 sq.m. (26%)
Service	33 (43%)	1260 sq.m. (29%)
Vacant	2 (3%)	60 sq.m. (1%)
Other	6 (8%)	495 sq.m. (11%)
Total	77 (100%)	4309 sq.m. (100%)

Source: DPDS Survey February 2006

Note: GOAD classifications used, except pubs are included in 'other'

- 4.84 Whilst there are only 11 convenience stores in the district centre representing 14% of the total number of units, some 30% of the floorspace in the centre is dedicated to the sale of convenience goods. Four of the largest units in the centre are occupied by stores in the convenience sector: Co-op, Somerfield, a grocery store and an off licence. Additionally, there are two butchers, a bakery, two smaller off licences, and a small newsagent/convenience store. According to the household survey, 47% of residents for whom Bath Road is their nearest district centre use the centre for food shopping at least once every two weeks. 28% never use the centre for food shopping. The survey results also indicate that the Co-op and Somerfield stores in the centre have turnovers of £5.2m and £4.3m respectively, which suggests that both stores are trading well in comparison to their benchmark company average turnovers.
- 4.85 The centre has 25 shops selling a reasonably broad range of comparison goods stores, including shops selling electrical goods, videos, stationery, books, DIY goods and pet products, cookware, shoes, furniture and carpets, gifts, and toys. There are also two pharmacies and two opticians. In total, there are five charity shops within the district centre. 38% of local residents use the centre for non-food shopping at least once a fortnight whilst 34% never use the centre for such shopping.
- 4.86 The service sector represents 33 of the 77 units in the centre (43%), and includes banks, hairdressers, estate agents, and take away food outlets. The 10 restaurants, cafes and coffee houses suggest that the centre is popular for eating out. The survey indicates that 42% of



4.0 Existing Shopping Facilities

local residents use the centre for services at least once every two weeks and 41% never use it. 12% use the centre for leisure purposes and 70% never use it.

4.87 There were just two vacant units at the time of the survey.

Coronation Square District Centre

4.88 The district centre at Coronation Square is situated some 2.5km west of the town centre and is located close to Princess Elizabeth Way which links two of Cheltenham's main arterial routes: the A40 Gloucester Road and the A4019 Tewkesbury Road.

4.89 The centre is typical of many purpose-built shopping precincts constructed in the late 1960s/ early 1970s. It has a simple architectural style with shops at ground level and one or two storeys of offices or dwellings above. There are broad pedestrian walkways, and a large car park at the rear.

4.90 The adopted Cheltenham Local Plan Second Review indicates that Coronation Square "has a reasonable range of shops together with a weekly market, providing a local centre for the area of Hesters Way. It is an older shopping centre, which is in need of modernisation and environmental improvements to assist in improving the overall quality of the environment of the area".

4.91 Overall, there are 35 shops and service units located in the district centre and its retail composition is shown in Figure 4.10 below.

Figure 4.10 Coronation Square District Centre - Retail Composition

	No of Units	Net Floorspace
Convenience	5 (14%)	812 sq.m. (36%)
Comparison	10 (29%)	555 sq.m. (25%)
Service	9 (26%)	310 sq.m. (14%)
Vacant	9 (26%)	460 sq.m. (21%)
Other	2 (6%)	90 sq.m. (4%)
Total	35 (100%)	2227 sq.m. (100%)

Source: DPDS Survey February 2006

Note: GOAD classifications used, except pubs are included in 'other'



4.0 Existing Shopping Facilities

- 4.92 Coronation Square has 5 convenience stores: Somerfield and Farmfoods supermarkets, a bakers, a newsagent and an off licence. The household survey indicates that 27% of residents from this part of Cheltenham use the centre for food shopping at least every two weeks. The survey results indicate that Somerfield has a turnover of around £4.1m whilst Farmfoods has a turnover of around £1.1m, both trading reasonably well in comparison to their company average performances.
- 4.93 In terms of shops selling comparison goods, there are 10 stores. Half of these are orientated towards discount or second-hand goods including clothing and household items. There are three specialist shops, one selling fishing tackle, another mobility vehicles, and the other locks and safes. The centre also has an optician and a pharmacy. The survey indicates that less than 9% of residents whose nearest district centre is Coronation Square actually use the centre for non-food shopping at least once a fortnight. 69% of such residents never use the centre for this type of shopping.
- 4.94 Six of the nine units occupied by the service sector are take-away food outlets or cafes. The other services in the centre are a tanning studio, a health and beauty salon and a financial advisor. The survey suggests less than 9% of locals visit the services in the centre frequently.
- 4.95 There are 9 vacant units in Coronation Square district centre which represents almost 500sq.m.net of vacant floorspace. Most of the vacant premises are of a similar size (around 40-50sq.m.net) although a former public house on Princess Elizabeth Way is larger.
- 4.96 Cheltenham Borough Homes occupies a significant amount of office floorspace above the shops at the eastern end of the centre. Upper floor accommodation in other parts of the centre appears underused except for storage. Dwellings above shops at the western end of the centre appeared to be occupied. A library also is located close to the centre.

Caernarvon Road District Centre

- 4.97 Caernarvon Road district centre is located in the southern part of the town and is situated within a large, relatively-modern residential area. The retail composition is shown in Figure 4.11 overleaf.



4.0 Existing Shopping Facilities

Figure 4.11 Caernarvon Road District Centre - Retail Composition

	No of Units	Net Floorspace
Convenience	2 (33%)	3054 sq.m. (89%)
Comparison	2 (33%)	80 sq.m. (2%)
Service	1 (17%)	40 sq.m. (1%)
Vacant	0 (0%)	0 sq.m. (0%)
Other	1 (17%)	250 sq.m. (7%)
Total	6 (100%)	3424 sq.m. (100%)

Source: DPDS Survey February 2006

Note: GOAD classifications used, except pubs are included in 'other'

- 4.98 Caernarvon Road has just 6 units and whilst much smaller than the other two district centres in terms of the number of units, it is larger than Coronation Square in terms of floorspace.
- 4.99 Morrisons (formerly Safeway) anchors the centre. According to the household survey, Morrisons has a turnover of £37.0m and performs well in relation to the chain's benchmark sales density. Adjacent to the superstore is a row of shops including a clothes store, a dry cleaners, a shop selling car accessories and a newsagent (which occupies two units). A public house adjoins the shops, and a library is located close by.
- 4.100 The survey indicates that 71% of locals use the centre frequently for food shopping, whilst the centre is used frequently by fewer residents for non-food shopping (42%), services (33%) and leisure activities (21%).

Other Centres Assessed

- 4.101 As part of this study, Cheltenham Borough Council asked DPDS to assess two other centres identified in the adopted Local Plan Second Review as 'neighbourhood centres'.

'The Suffolks'

- 4.102 The centre known as 'The Suffolks' comprises a significant number of shops and service uses mainly located on Suffolk Road and Suffolk Parade, and the centre boundary less than 100m from the boundary of Bath Road district centre. DPDS were asked to consider the centre's status in the Borough's shopping hierarchy and its functional or complementary relationship with Bath Road district centre.



4.0 Existing Shopping Facilities

4.103 The centre's retail composition is as follows:

Figure 4.12 The Suffolks - Retail Composition

	No of Units	Net Floorspace
Convenience	3 (5%)	65 sq.m. (4%)
Comparison	29 (49%)	755 sq.m. (41%)
Service	17 (29%)	720 sq.m. (39%)
Vacant	5 (8%)	115 sq.m. (6%)
Other	5 (8%)	185 sq.m. (10%)
Total	59 (100%)	1840 sq.m. (100%)

Source: DPDS Survey February 2006

Note: GOAD classifications used, except pubs are included in 'other'

4.104 The centre has 59 shop and service units and contains over 1,800sq.m.net floorspace. On the face of it, these headline figures would suggest that The Suffolks is a significant centre. However, closer inspection of its composition reveals that the comparison goods sector is very much orientated towards specialist stores offering antiques, jewellery and home furnishings. There are 17 such stores in total. Also, in terms of the service sector, there are 11 restaurants and cafes. The centre does not cater for the day-to-day needs of local residents in the same way as the three district centres. There is no general convenience store selling groceries; the three stores in the convenience sector are a newsagent, a butcher and a shop selling wine. In addition, the centre contains four clothes shops, two estate agents, two hairdressers, a pharmacy, a florist, a launderette, a key cutters, and shops selling stationery, bicycles, alternative medicine and kitchenware.

4.105 It is noted that the retail and service offer in The Suffolks is somewhat dispersed, and punctuated by a significant number of other uses, most notably residential and office uses. In addition, whilst the centre is less than 100m straight line distance from Bath Road district centre, there is no visual link between the two centres and there is little evidence of pedestrian flows between the two. In light of this, it is considered that The Suffolks and Bath Road are two distinct centres and should not be combined in policy terms.

4.106 Furthermore, in terms of the retail hierarchy in the Borough, whilst The Suffolks contains a significant number of shops, it does not fulfil the criteria necessary to be defined as a district centre. In PPS6 terms, district centres are described as centres which *"usually comprise*



4.0 Existing Shopping Facilities

groups of shops often containing at least one supermarket or superstore, and a range of non-retail services such as banks, building societies, restaurants, as well as local public facilities such as a library.”

4.107 Instead, The Suffolks is best described as a local centre providing a range of small shops geared to meeting local needs, although its additional role as a specialist centre containing a number of niche shops which are likely to attract visitors from a wider area should be recognised and protected by local planning policy.

‘Sixways’

4.108 The neighbourhood centre on London Road in Charlton Kings, (also known as ‘Sixways’ in reference to the number of roads converging at this point) is located almost 2km south-east of the town centre. There are no district centres serving the eastern part of Cheltenham and the Borough Council have asked DPDS to consider whether Sixways currently serves this role, or could serve this role in the future.

4.109 The centre contains 26 units of around 1,200 sq.m.net floorspace and has the following composition:

Figure 4.13 Sixways - Retail Composition

	No of Units	Net Floorspace
Convenience	3 (12%)	409 sq.m. (34%)
Comparison	8 (31%)	290 sq.m. (24%)
Service	11 (42%)	335 sq.m. (28%)
Vacant	2 (8%)	65 sq.m. (5%)
Other	2 (8%)	90 sq.m. (8%)
Total	26 (100%)	1189 sq.m. (100%)

Source: DPDS Survey February 2006

Note: GOAD classifications used, except pubs are included in ‘other’

4.110 Sixways has three convenience stores including a Co-op supermarket of just over 300sq.m.net. The other two convenience stores are a newsagent and an off licence. There are eight stores in the comparison sector offering interior décor, antiques (2 stores), gifts (2 stores), musical instruments, an optician and a pharmacy.



4.0 Existing Shopping Facilities

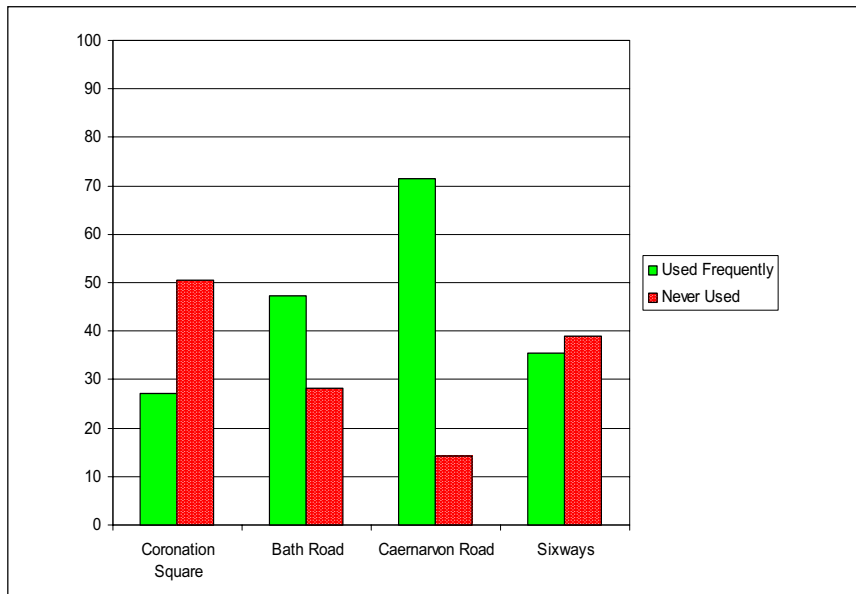
- 4.111 The service sector is the largest individual sector with 11 units containing five estate agents, three hairdressers, a restaurant, sandwich shop, and a take-away food outlet. Other uses include a petrol filling station, offices, and a martial arts club. Two of the units were vacant at the time of the survey.
- 4.112 The household survey was used to ask local residents questions regarding the centre. Residents living nearer to Sixways than any of the three district centres were asked how often they used the centre for different types of shopping and their views on the centre having regard to a range of factors.
- 4.113 36% of respondents used the centre for food shopping at least once a fortnight, and 37% used the centre for non-food shopping. 13% frequently used the services in Sixways centre whilst around 9% used the centre for leisure activities.
- 4.114 It is considered that the centre does not contain the range of uses which would elevate it to the status of district centre. In particular, the range of non-retail services is poor; for example, there are no banks or building societies and no public facilities. On the basis of our surveys, it is also considered that the scope for expanding or improving the centre is limited.
- 4.115 Notwithstanding this, Sixways provides an important role in the hierarchy as a local centre and, despite serving a limited catchment area, the shops and services appear to be trading reasonably well and, according to the survey results, are regularly visited by local residents.

Comparison of Local / District Centres

- 4.116 The graph overleaf compares the three district centres and Sixways neighbourhood centre having regard to the results of the household survey which asked questions on the usage, perceptions and experiences of the centre which is nearest to them.

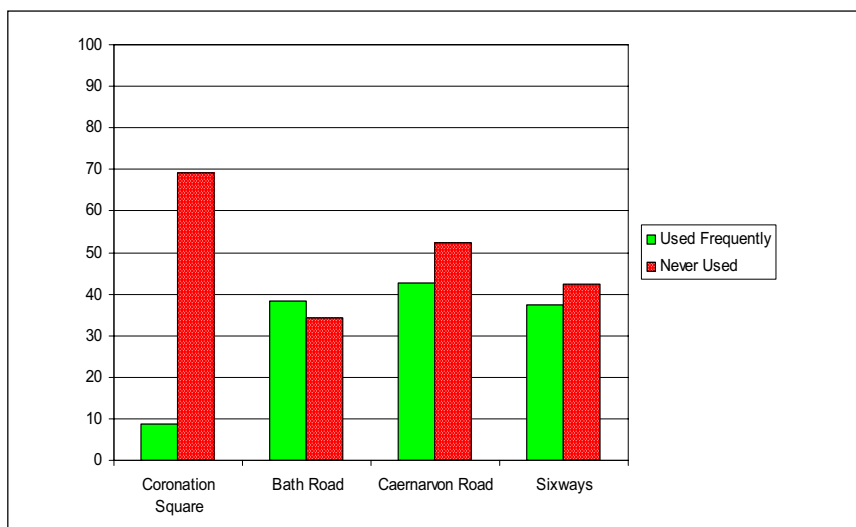
4.0 Existing Shopping Facilities

Food Shopping



4.117 Caernarvon Road district centre, anchored by the Morrisons superstore, is used frequently by a greater proportion of local residents than other centres. However, Bath Road district centre which contains two supermarkets and a range of smaller convenience stores also attracts a significant proportion of frequent visitors for food shopping.

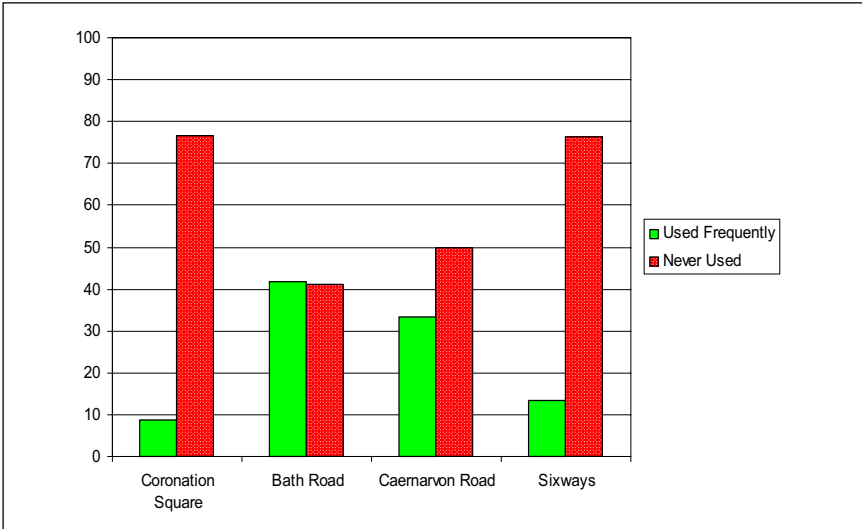
Non-Food Shopping



4.0 Existing Shopping Facilities

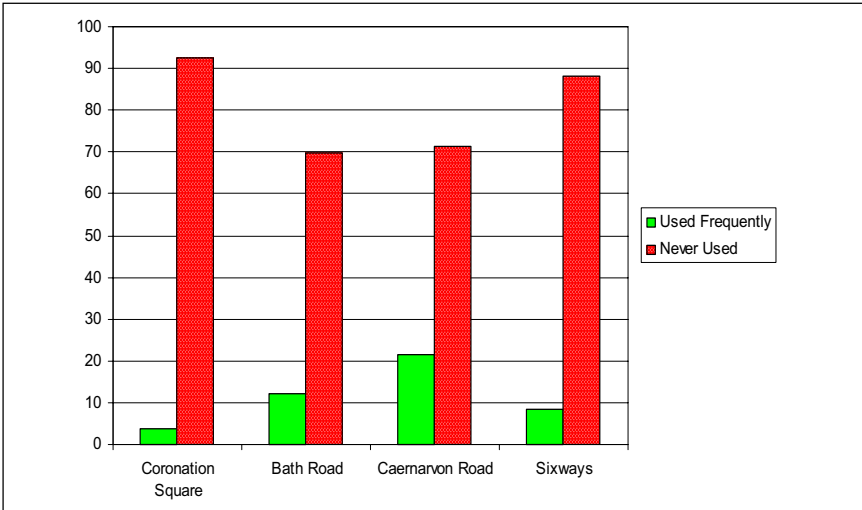
4.118 Caernarvon Road attracts the highest proportion of local residents for non-food shopping. This is a little surprising as the only stores selling non-food goods are a clothes shop, a car accessories shop, and Morrisons which has a limited non-food range. Less than 10% of local residents frequently use Coronation Square for non-food shopping.

Services



4.119 Bath Road and Caernarvon Road district centres play an important role in providing services to local residents according to the survey. Coronation Square and Sixways have lesser roles.

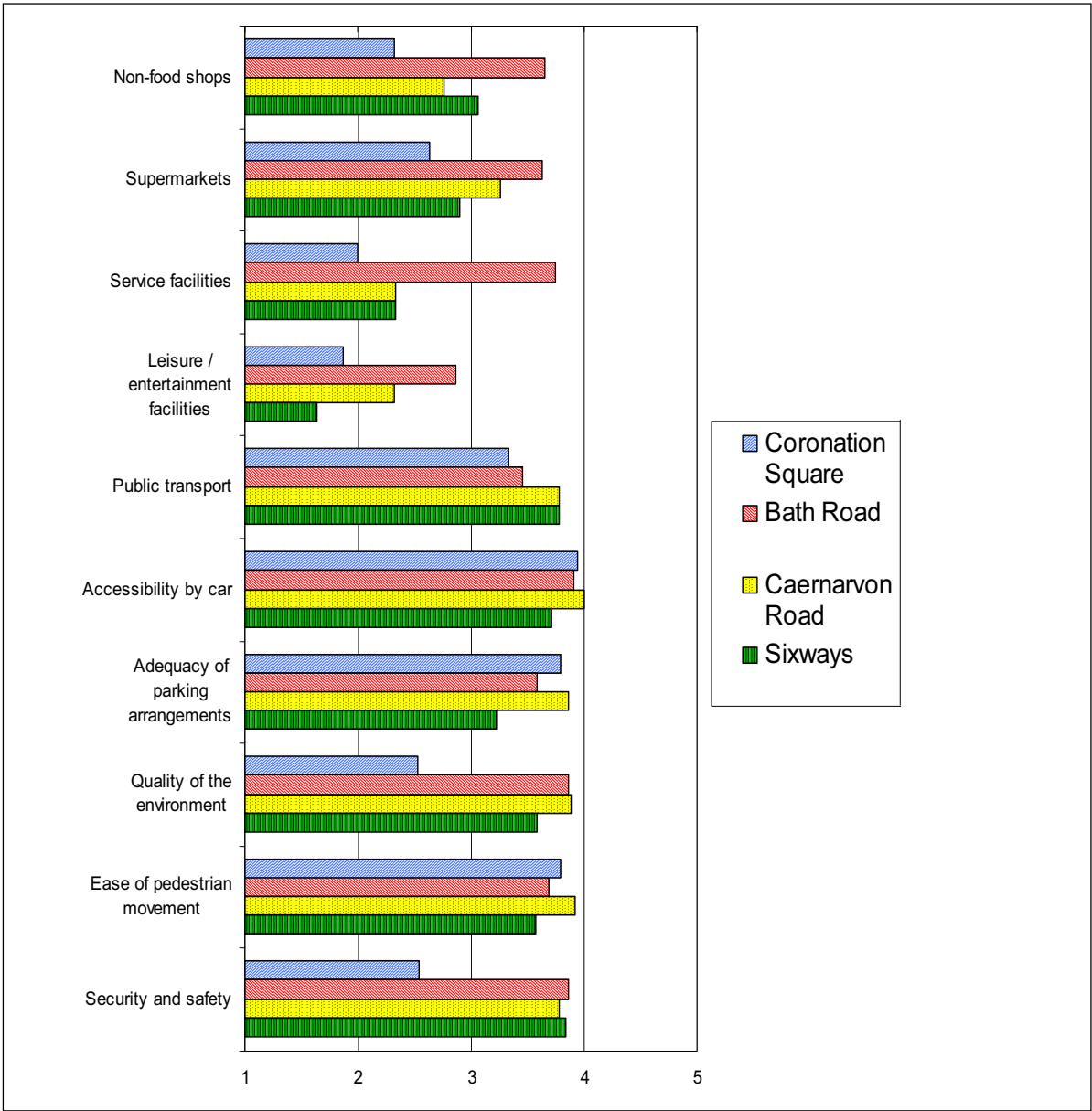
Leisure Activities



4.0 Existing Shopping Facilities

4.120 None of the centres attract significant numbers of residents for leisure activities on a frequent basis. More than 90% of local residents of Coronation Square never use the centre for such purposes.

Perceptions and Experiences of the Centres



4.121 Each of the three district centres and Sixways neighbourhood centre were rated by survey respondents in a similar way to the town centre.



4.0 Existing Shopping Facilities

- 4.122 The range and quality of non-food shops varies between the four centres. Bath Road is rated reasonably highly whereas Coronation Square is rated poorly. Bath Road also performs comparably well in terms of the range and choice of supermarkets and service facilities. In both of these categories, Coronation Square performs poorly compared to the other centres.
- 4.123 The leisure and entertainment facilities are considered to be relatively poor in all of the assessed centres. Sixways is considered to have the worst facilities.
- 4.124 Public transport accessibility is considered to be good in all centres and the survey indicates that all of the centres are considered to be reasonably accessible by car. Parking arrangements are also considered to be generally adequate, although Sixways is perceived to be slightly behind the three district centres in this regard.
- 4.125 Environmental quality is generally good at Bath Road, Caernarvon Road and Sixways, but is considered by local residents to be poor in Coronation Square.
- 4.126 Local residents close to all the four centres generally rate the ease of pedestrian movement quite highly, whilst the levels of security and personal safety are similarly well rated except for Coronation Square which is poorly rated.

Summary

- 4.127 Cheltenham has one of the most attractive town centres in the south-west region, and is relatively high in the national rankings of shopping centres. Its success is based on providing a broad range of shopping facilities, with a particular emphasis on quality, in attractive and vibrant surroundings. The town centre has a relatively wide catchment area for comparison shopping, extending well beyond the Borough boundary.
- 4.128 There are a number of large foodstores serving the Borough's convenience shopping needs. Cheltenham also has a broad range of retail warehouses, predominantly located on out-of-centre sites, including the Gallagher and Kingsditch Retail Parks on Tewkesbury Road.
- 4.129 Three district centres serve more localised catchment areas. All three are important in terms of providing convenience shopping facilities.



5.0 The Need for Additional Floorspace

Introduction

5.1 This section assesses the need for additional floorspace in the Borough having regard to the following:

- The quantitative analysis contained at Appendix F, based on the results of the household telephone survey; and
- The qualitative assessment of retail provision in the Borough, described in the previous section.

This approach is in accordance with guidance in PPS6 on assessing the need for retail development.

Key Assumptions

5.2 The capacity exercises for convenience and comparison goods are based on the assumption that the current market shares of stores in Cheltenham remain the same over the period to 2016. This is a reasonable assumption given that the household survey indicates that existing convenience and comparison stores in Cheltenham currently retain a high proportion of expenditure generated within the Borough.

5.3 In light of this high expenditure retention rate, it is considered that there is little scope for increasing market share for convenience goods.

5.4 In respect of comparison goods, stores have a high expenditure retention rate but also attract a significant amount of expenditure from areas surrounding the Borough. However, Cheltenham's relatively high market share of catchment area expenditure is under threat from pipeline development in competing centres, most notably in Gloucester, Bristol, and Birmingham, and the scope for increasing market share through providing additional floorspace is limited, particularly given that opportunities for development in and around Cheltenham town centre are restricted.

5.5 Conversely, forecasting floorspace needs on the basis of a decrease in market share would threaten to undermine Cheltenham's elevated position in the sub-regional shopping hierarchy, a position which it has worked hard to establish.



5.0 The Need for Additional Floorspace

5.6 The capacity exercises also take into account the following:

- Forecast increases in the proportion of expenditure dedicated to special forms of trading (including internet sales) based on figures from Experian taking into account past trends and economic forecasts.
- Estimated levels of overtrading or undertrading in convenience stores (see Table 15); and
- Retail floorspace commitments in the Borough which will absorb surplus expenditure capacity.

5.7 Where surplus expenditure is identified (i.e. the difference between the total available expenditure and the expenditure absorbed by existing and committed floorspace), it is converted to a floorspace figure using an appropriate sales density.

Convenience Goods

5.8 Table 16 of Appendix F provides projections of convenience goods expenditure and the estimated turnover of stores in the Borough over the period to 2016.

5.9 As previously mentioned in Section 3 of this study, per capita convenience good expenditure growth is much lower than the equivalent comparison goods figure. For the period to 2016, the estimated growth rate is 0.6% per annum. Taking into account existing commitments for convenience goods floorspace, increases in sales efficiencies of existing floorspace, and the expected increase in non-store activity (e.g. internet sales), Table 16 shows that there is no surplus capacity.

5.10 Experian have produced forecasts of special forms of trading based on a 'weaker-case scenario' where internet shopping in particular does not grow at such a rapid rate over the next 5-8 years. A lower growth rate, Experian explain, could emerge if forecasters have underestimated current internet sales because of the time it takes for reliable data to be collected and analysed. If this is the case, internet growth would peak at a lower level and a little earlier than predicted. In the case of convenience goods, non-store sales would level out at 4.3% in 2011, instead of 6.5% in 2013.

5.11 However, even if the lower case-scenario was applied to the convenience goods capacity exercise, there would still be no capacity for additional floorspace by 2016.



5.0 The Need for Additional Floorspace

- 5.12 Turning to qualitative factors, Cheltenham has a good range and choice of supermarkets and food superstores and, taking into account the recently completed new supermarket at the former GCHQ Oakley, there is a reasonable geographical spread of stores.
- 5.13 Therefore, it is considered that there is no need for a new foodstore in Cheltenham beyond existing commitments in the period to 2016. However, proposals to improve foodstore provision by way of additional floorspace or through the refurbishment of existing stores within the town centre and district centres should be encouraged in line with a strategy to enhance the vitality and viability of those centres.

Comparison Goods

- 5.14 For the purposes of analysis, expenditure capacity in respect of comparison goods has been split into bulky and non-bulky categories. Assumed sales densities for new floorspace in Cheltenham reflect the different sales efficiencies of operators within these two sub-categories. However, PPS6 advocates assessing need within the broad categories of convenience and comparison goods. Therefore, in identifying overall floorspace capacity, the figures referred to below combine the quantitative assessments of need for bulky and non-bulky goods floorspace.
- 5.15 It is assumed that new non-bulky goods floorspace will have a sales density of £5,000 per.sq.m. Currently, the town centre comparison goods floorspace trades at around £6,000 per.sq.m. according to the household survey results. However, new floorspace is unlikely to trade at this high level. It is further assumed that bulky goods floorspace will trade at £2,000 per.sq.m.
- 5.16 On this basis, Table 17 shows that there is expenditure capacity to support the following levels of further comparison goods floorspace in the Borough:
- 2006 - 2011: 2,346 sq.m.net
2006 - 2016: 17,033 sq.m.net
- 5.17 Clearly, in quantitative terms, there is significant potential for additional comparison goods floorspace in Cheltenham over the period to 2016.
- 5.18 As previously mentioned, Experian have produced alternative forecasts of non-store activity which are based on a lower growth rate for internet-based sales. This 'lower-case scenario' assumes that non-store sales will level out at around 8.6% or 8.7% by 2010, instead of 12.3%



or 12.4% at 2012. The effect of applying this lower non-store sales figure to the capacity exercise is to increase the amount of surplus expenditure and raise the floorspace requirement.

5.19 On this basis, there would be capacity to support the following levels of comparison goods floorspace in the Borough:

2006 - 2011: 6,090 sq.m.net

2006 - 2016: 25,880 sq.m.net

Summary

5.20 There is no need for additional convenience goods floorspace in the Borough by 2016 with the exception of improvements to foodstore provision within the town centre and district centres which should be encouraged in line with a strategy to enhance the vitality and viability of those centres.

5.21 There is a need for additional comparison goods floorspace in the Borough. Depending on the assumptions used to forecast special forms of trading, the floorspace requirement will be in the order of 2,000-6,000sq.m.net by 2011 rising to between 17,000-26,000sq.m.net by 2016. Section 7 of this study considers alternative sites to meet the floorspace requirement.



6.0 Leisure Facilities

Introduction

- 6.1 This section of the study examines the role of the leisure activities in Cheltenham. These are important both for the welfare and benefit of the population resident in Cheltenham and its catchment area and for the contribution that such activities make to the vitality and viability of the town centre. Town centres are far more than shopping facilities and work places. They are also the focus for many of the social and cultural activities which are essential to a sense of community and place and which enable people to discover and develop their individual interests and talents that lead to confident and fulfilled lives within the community.
- 6.2 The effects that cultural and leisure developments can have for the regeneration of areas is now widely recognised. Tourism, both of staying visitors and day visitors, for instance choosing one centre over another for a shopping trip, is important to the vitality and viability of town centres and the most successful centres are those that attract visitors for a wide range of reasons, including good shopping facilities, tourist attractions, museums and galleries and a pleasant safe environment.
- 6.3 PPS6 recognises the importance of the evening economy to town centres and the opportunity that cultural and leisure spending offers to develop specialised quarters within town centres. The evening economy has, in some places, become synonymous with binge drinking and the trend towards chain pubs and the extension of opening hours has fuelled the debate. However, an absence of people in central business districts in evening increases the problems of crime and security and encourages responses, such as shopping arcades which are closed off in the evening, which, while solving an immediate problem, can reduce evening footfall further and contribute to a downward spiral. What is clearly needed in town centres is a balance of evening attractions which does not allow one sector to predominate at the expense of others. How this balance is or is not achieved in Cheltenham is considered after examining the facilities and events programme in the town.
- 6.4 Experian estimates that the leisure spending in the UK was £1642 per head in 2004. This was made up of the following

Recreational Spending	£83
Cultural Services	£238
Games of Chance	£151
Restaurants, Pubs and Cafes	£1000
Accommodation	£92
Hairdressers and Personal Grooming	£78
Total	£1642



6.0 Leisure Facilities

- 6.5 Based on econometric modelling, Experian forecast that total leisure spending is likely to increase by about 1.1% a year between 2005 and 2009 and by 1.4% between 2005 and 2015. This is substantially slower than past trends would suggest. Between 1965 and 2004, spending per head increased by 2.4% a year and between 1985 and 2004 by 3.0% a year. This reflects a view among economic forecasters that the growth in aggregate household spending is likely to slow down in the future as spending levels are now close to a cyclical peak. Household savings rates have already been driven down to very low levels and households' debt-income is at an all-time high. These trends are not considered sustainable in the long term by most economic forecasters. These forecasts are compatible with the forecasts for retail spending used earlier.
- 6.6 However, the leisure spending figures are not prepared for local areas and the forecasts are not disaggregated to the finer categories. This makes it difficult to attempt a quantitative analysis of future spending in Cheltenham, or anywhere else, which would be useful in assessing future needs. The spatial and locational requirements of different types of leisure provision to accommodate that spending are so different that such estimates would be of little value. This problem is compounded by the difficulties of relating spending to physical space – the turnover per sq m of retail floorspace is relatively well documented and understood, but turnover and margins are very different for say bingo halls and restaurants and little information is available for sectors where independent companies still dominate – for instance in the restaurant sector. Most information on retail performance for instance is taken from annual reports, which smaller firms are not obliged to prepare. For these reasons, leisure needs studies cannot be undertaken in the same way as retail needs are.

Leisure in Cheltenham

- 6.7 Cheltenham supports a wide range of cultural and leisure activities. It has two theatres, cinemas an Art Gallery and Museum, and concert venues, leisure/sport centres and gyms, pubs and restaurants. The town provides an extensive and nationally renowned festival programme and horse racing. The Town Hall is the venue for many of the festival activities and a range of other concerts and events. The Council plays an active role in a number of these activities and has helped to build up the town's reputation and image at local and national levels. The contribution that the Festivals make to the local economy was examined for the Council by Comedia in 2002.



6.0 Leisure Facilities

- 6.8 A key feature of the town is its parks and gardens, with Imperial Gardens providing a major open space for the town centre, as well as an outdoor venue for festival events. Montpellier Gardens and Pittville Gardens are within easy walking distance of the centre and high quality floral displays throughout the centre are an important part of its high quality image. The Council supports Cheltenham in Bloom and the town has won more awards in the Britain in Bloom Competition than any other town. The Council is also active in promoting sport and fitness in the town and in providing facilities for these activities. The Council is developing a Green Spaces Strategy to co-ordinate actions with regard to all open spaces and its links to the immediate surroundings of the town.
- 6.9 In addition there is considerable private investment in leisure activities in the town centre, including the bars and restaurants, health and fitness clubs, bingo and cinemas. The Brewery development has recently added significantly to the facilities providing a new 11 screen cinema, a Fitness First Gym, Gala Bingo (from Jan 2007) and a mix of restaurants and shops. The Brewery has not been so successful in attracting shops. We feel that this is because of the distance from, and the poor linkages with, the primary shopping frontage. It has, however, succeeded as an evening leisure destination.
- 6.10 Cheltenham lacks a permanent major tourist attraction like the National Waterways Museum or a high profile leisure use, such as an indoor arena with large audience capacity, which would draw people from a wider area. This is a limitation, particularly in promoting Cheltenham, but is to considerable extent made up for by the Festival programme. We consider that such an attraction should be encouraged, but the way this is done requires careful thought. Such attractions generally arise, either as a unique opportunity, such as the National Waterways Museum, or as a unique concept, such as the Eden Project. The popularity of more general major attractors, both to customers and investors change very rapidly and longer term planning for particular uses is unlikely to be helpful. Many of these proposals come forward on large regeneration sites with public money. A major problem for Cheltenham is that there is a lack of suitable sites, particularly near the town centre. We conclude later that the LDF should not include sites for specific leisure uses, but should encourage leisure uses as part of mixed use developments on the more central sites.
- 6.11 Sub-sectors such as tourism, health and fitness, cinemas and bingo halls are addressed in turn below, examining trends in the industry and assessing existing facilities in the Borough. The section concludes in putting forward a policy approach to leisure developments in the Borough.



6.0 Leisure Facilities

Tourism and the Arts

6.12 South West Tourism's strategy document "Towards 2015" highlights the following patterns and trends:

- Increasing numbers of elderly or 'grey' tourists;
- Increasing use of the internet to find out about holiday destinations;
- A trend towards shorter holidays or breaks;
- Increased interest in holidays which:
 - Have an emphasis on enjoying and/or preserving the natural environmental
 - Focus on culture and heritage
 - Promote good health and well being

6.13 Cheltenham has, over the last 60 years, established itself as a Festival town of national importance with an extensive calendar of events. Cheltenham Festivals organise:

- Cheltenham Jazz Festival
- Cheltenham Science Festival
- Cheltenham Music Festival
- Cheltenham Literature Festival

The Council organises the Cheltenham Folk Festival. Other festivals, such as the Cheese Festival, are organised by other bodies, often with assistance from the Council.

6.14 In addition, the National Hunt Festival at the Racecourse in March is a major national sporting event attracting thousands to Cheltenham, and many other events are held at the Racecourse throughout the year. In addition, the town and economy undoubtedly benefits from visitors to other festivals, events and attractions in the surrounding area. Links between the festivals and expenditure in the town centre and in leisure facilities have been recognised in *Good Times: The Economic Impact of Cheltenham's Festivals*, a report prepared in 2002 by Comedia on behalf of the Borough Council.

6.15 The Town Hall and Pittville Pump Room are used for the festivals, but are also used as venues for the Cheltenham Concert Series of classical music and a wide range of other concerts, comedy events and dances. The venues are available for private hire and many events are put on through private promotion in this way. The venues also act as conference/exhibition centres. The Centaur at the Racecourse is also an important concert venue and conference/



6.0 Leisure Facilities

exhibition centre, capable of accommodating 2250 people. The venues are key assets for the Festivals and the wider promotion of the cultural life of the town, and it is difficult to see how the events programme in the town could operate without them. However, it is important that they are modernised in line with visitor expectations and functional requirements if Cheltenham is to maintain its position as a cultural centre. We consider that, in view the importance of these cultural activities to the local economy and the vitality and viability of the town centre, it should aim to do so.

- 6.16 Together with Cheltenham Festivals and Arts Council England, the Council has undertaken a wide-ranging review of Culture in Cheltenham in 2005/6 This examined the governance and championship of the arts in Cheltenham and considered the future roles and management of the Town Hall, the Pittville Pump Room and the Museum and Art Gallery.
- 6.17 The Pittville Pump room has recently been refurbished and the Council is considering plans to develop its catering offer, including through leasing it to a restaurateur for high quality dining and functions business, together with accessible café facilities on the Park.
- 6.18 The Town Hall is clearly in need of refurbishment and plans are under consideration. The Cultural Review described this refurbishment as vital and noted that it had to address the way in which the building operates as performance space as well as its decorative order. Current proposals would improve the visibility and utility of the front entrance and Foyer/Box Office area, seal the concert hall on the west side so as to open the west side up for day-time use, allowing the use of the café outside of events times and improving access for disabled people. Longer term improvements under consideration include improvements to the concert hall and remodelling the west side and improving its relationship with Imperial Gardens. In our view, improving the relationship of the Town Hall to Imperial Gardens would also help to improve the links between the main town centre and Montpellier, which we have identified as a weakness. At present the lack of interactive uses on street frontages on the Promenade south of St Georges Road and around Imperial Square discourages visits south of the retail frontage and limits the contribution that Montpellier makes to the town centre. Greater day-time use of the Town Hall and an exit from the rear of the building direct to the gardens would bring more people nearer to Montpellier and reduce the psychological distance between it and the town centre, leading to some more linked trips. We also believe that it would assist the development of the south west quadrant as a leisure quarter, an idea developed further in para 6.20 and Section 7.



6.0 Leisure Facilities

- 6.19 The Art Gallery and Museum has a substantial collection of paintings and furniture, but it is located off-pitch and is not easy for visitors to the town to find. To attract more visitors and improve function, the Museum wishes to develop more space for temporary exhibitions to enable more touring exhibitions to be accommodated, provide a café with an on-street presence, an enlarged shop and improved education and outreach facilities and improved storage and collection access.
- 6.20 We believe that, with the improvements mentioned above, the Art Gallery and Museum could make a much greater contribution to vitality and viability of the town centre and particularly to the High St to the west of the Promenade, which has, in recent years, lagged behind the rest of the town. Equally improvements to the Art Gallery and Museum would benefit from improvements to the wider area. In our view, the Art Gallery and Museum should be seen within a more strategic context for this part of the town centre, which at present has low pedestrian flows and a rather backstreet character, notwithstanding many fine buildings. Considered in the context of more day time use of the Town Hall, Civic Pride improvements to Royal Well Rd and St Mary's Churchyard and the Brewery development, we consider that there is an opportunity to develop this south west quadrant as a cultural and leisure quarter and this would assist the regeneration of the High Street shopping frontage in this area. An improved Art Gallery and Museum, attracting more people for instance, to touring exhibitions, would be an important element in such a strategy. We consider this further in section 7.
- 6.21 The Everyman Theatre offers a permanent venue for professional theatre companies which brings a number of well-known companies to Cheltenham and the Playhouse Theatre is one of the few remaining year round amateur theatres.
- 6.22 As noted, the contribution of the Festivals has recently been assessed by Comedia and it is not possible to make any further financial analysis of the contribution that the arts and cultural activities make to the town centre within this report. However, we believe that the developments by the Council under consideration could, with Civic Pride sites, assist greatly with the regeneration of the south west quadrant as a cultural and leisure quarter.
- 6.23 We finally note that the contribution of arts and culture to regeneration is now widely appreciated and the town can expect greater competition for both performers and visitors from other towns developing their own arts and festival programmes and attractions. Backed by the Council, Cheltenham has built up an enviable reputation in this field over a long time. This activity has contributed greatly to the current vitality and vitality of the town and the local economy and in our view it is important that this reputation is not allowed to wane. Upgrading of the main venues is clearly an important part of maintaining the town's current status.



6.0 Leisure Facilities

Hotels and Accommodation

- 6.24 Hotels are an essential part of the infrastructure required to support the local economy but have an added importance in Cheltenham in supporting the Festivals and tourism more generally. It should be recognised that accommodation in the town will always be complemented by hotels in the surrounding areas and that, for instance, hotels in the Cotswolds will always have an attraction to a proportion of visitors to Cheltenham and the Festivals. The town equally benefits from visitors to the Cotswolds visiting the town. The hotel industry is changing. It is important that Cheltenham continues to develop its hotel offer in line with national economic trends and public expectations.
- 6.25 The growth of hotel chains which offer a known standard of quality and service has been strong. Budget operators, including Travelodge, Premier Lodge, and Premier Travel Inn, have been key drivers in hotel growth in recent years. At the other end of the market, major hotel chains are also beginning to offer 'apartment hotels' in major towns and cities which offer suites to extended-stay guests. There are a few of apartment hotels in Cheltenham. A further trend is boutique hotels, such as Hotel du Vin, that have developed a highly individual, non-corporate offer and has recently bought the Carlton Hotel. Smaller independent hotels and guest houses are having to compete with these new styles of hotel, both in quality/value for money and in the ease of booking via the internet. The independent sector is still the most important provider of hotel accommodation in Cheltenham and is adjusting to these trends, but this requires investment which will not be viable in some cases, particularly in the case of small hotels.
- 6.26 The Southwest of England is a major tourist region, attracting, according to the United Kingdom Tourist Survey, over 20 million overnight trips in 2004. This represents 20% of all trips made in England and equates to over £4bn of tourist spending. Cornwall and Devon are the biggest attractors in the region. However, Gloucestershire attracts 1.7 million overnight trips representing £253m of tourist expenditure.
- 6.27 The holiday season has become extended, particularly with the short break market, but unlike many holiday destinations in the South West, Cheltenham's attraction has not relied on the warmer seasons and school holiday periods. The festivals are important for the hotel sector (and restaurant sector) and, for instance, the Cheltenham National Hunt Festival, held in March, attracted 150,000 paying visitors in 2002 (Comedia Report) and 270,000 in 2006 (Racecourse Website) many who stay in Cheltenham or the surrounding area, and hotels are full for the Festival.



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- 6.28 There are over 50 hotels and guest houses listed on the Visit Cheltenham website. The cost of the rooms ranges from £20 to £120 a room for a guesthouse and between £48 and £215 a room for hotels and the accommodation ranges from top hotels to budget accommodation. Although attention tends to focus on the larger chain hotels, the independent hotel and guesthouse sector is important.
- 6.29 Between 1996 and June 2006, planning permission was granted for the change of use from a hotel on 18 occasions, mostly to single dwellings. The number of bedspaces lost is indicated as 106 but the information is not available for 3 of the permissions. Planning permission was granted for 7 hotels with 334 bedspaces, although the number of bedspaces is unknown in one case. These include the 42 bed Travel Inn on Gloucester Road with permission for a 24 bed extension, the Travel Lodge at Hatherley Lane, Golden Valley, and permission for a 120 bed hotel on land at the former Dunalley St Primary school site. A Big Sleep hotel with 63 rooms opens on Wellington St on the 5th November.
- 6.30 The evidence therefore suggests that the overall number of bedspaces in the town is increasing but, the number of smaller guesthouses is falling, at least partly due to the financial incentive of residential conversion. This trend also reflects the hotel market with the emergence of budget hotel chains providing competing accommodation. Private hotels and guesthouses, however, offer a particular type of service that will attract a different group of people and as wide a variety of hotels as possible must be desirable. The question of whether this desire is sufficient to justify a planning policy is considered shortly.
- 6.31 According to the DTZ Regional Leisure Study 2006, there are 9 operator requirements for hotels in the north-eastern sector of the region, 3 of which are in Cheltenham. The Focus database supports this information with interests recorded from De Vere Hotels, Holiday Inn and Innkeepers.
- 6.32 There is clearly a demand from hotel operators for more hotels in Cheltenham and, in view of the importance of hotels to the local economy in general and the Festival and events calendar, we recommend that this should be met where possible. Hotels are a town centre use according to PPS6 and proposals should be subject to the sequential approach to site selection. Furthermore, they can help make development viable as part of a mixed-use proposal. We consider suitable town centre sites in section 7.
- 6.33 In view of the importance of hotels and guest houses to the local economy and Festival programme, we have considered whether a policy to resist the loss of hotel accommodation



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would be justified. However, the number of applications for a change of use from an hotel is small, as are the hotels subject to change of use applications, and the number of bedspaces in the town overall is increasing significantly. There is no quantitative argument that special protection is justified.

- 6.34 We have acknowledged that as wide a range of accommodation as possible is desirable, but do not consider that a qualitative argument is sufficient justification for a policy to prevent the loss of hotel accommodation. In practice, it is the smallest guest houses that have closed (typically for change of use to a single dwelling) and we have noted the changes in the hotel sector which are putting them under financial pressure. Furthermore, if the investment necessary to maintain guest house accommodation is either not available or not viable, the policy is likely to lead to declining standards of repair and maintenance, which in the long run could only be detrimental to the reputation of the town. In our view, there is insufficient evidence of a problem of sufficient scale to justify a policy restricting the change from hotel use.
- 6.35 We consider that there would be cause for concern if there was a general pressure to convert larger hotels from hotel use, but do not think this is likely in view of the current growth in the sector. However, in view of the importance to the sector to the economic life of the town for business, general tourism and the festivals in particular, we do recommend monitoring and have included this in the monitoring framework.

Eating Out and Drinking

- 6.36 At the national level, the last decade or so has seen major changes affecting pubs, restaurants, cafes, and bars. The most pertinent of these are described below:
- Higher disposable incomes have led to considerable growth in spending on eating out and the restaurant sector has expanded greatly. Recent years have seen the development of chain restaurants such as Bella Pasta, as well as the better-known Pizza and Burger outlets. There has also been considerable expansion of the independent restaurant sector although data on this sector is generally lacking as such firms are not required to publish annual reports.
 - There has been a tremendous increase in the number of coffee shops in towns since the late 1990s. with strong requirements for premises from major chains in most towns. The sector is becoming increasingly dominated by major chains including Starbucks, Costa Coffee and Café Nero.



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- The number of public houses in the UK has decreased since 1990 but there has been a noted expansion of pub chains including Wetherspoons, O'Neills and Hogshead. In many towns, these have tended to locate in close proximity to each other in a developing drinking circuit.
- The trend of many pubs placing a greater emphasis on food sales is considered likely to continue.
- There are signs of a 'reaction' to the larger chains and gastro-pubs. Indeed, the value of the 'traditional local pub' as a community resource is sometimes recognised in planning policy particularly in rural areas. Such policies would be more difficult to operate in urban areas, because although local pubs may perform the same community role in neighbourhoods, there is always a choice of pubs within walking distance.
- Within the pub sector, it is too soon to assess the effect of extended licensing hours. Within Cheltenham the anecdotal evidence is that this has tended to favour the out-of-centre pubs, which did not previously have late opening. It is generally accepted that the extended opening hours have not led to an increase in crime and disorder in the town centre.

6.37 There are numerous cafés and coffee shops within Cheltenham town centre, including many independents as well as the national chains. There is a good selection of restaurants, which cater for most markets, although the GOAD report indicates that the proportion of such uses is marginally lower in Cheltenham than the UK in terms of both numbers of units and floorspace. This suggests that there is scope for further expansion.

6.38 The Council adopted a Night-time Economy Strategy in July 2004. This quotes the University of Gloucester's 2001 study that found the nightclub sector contributed between £21m and £31m to the local economy and that the figures would be double this taking account of the pub, takeaway and restaurant sectors and taxi services. It also estimated that 20,000 people visited Cheltenham at the weekend to enjoy the late night activities and describes the town as having the biggest night-time scene between Birmingham and Bristol. There were 87 pubs and bars and 15 nightclubs in the town centre in 2004 according to the Strategy.

6.39 The Study also found that there were two night-time economies – an early one based around the theatres, cinemas, venues, performances and festivals and restaurants and a late night economy based around the clubs. The strategy set out 5 key aims:-

- i) to co-ordinate planning and licensing operations more fully;
- ii) to provide improved facilities for all night-time users of the town centre including transport and toilets;



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- iii) to encourage a more diverse night time economy that will appeal to a wider audience;
- iv) to create a safe and clean environment; and
- v) to respect and enhance the quality of local residents lives.

- 6.40 Concerns were voiced at the stakeholder consultation exercise that the pubs and nightclubs were aimed at a specific age group, namely 18-35 year olds. Representatives at the workshop indicated that operators in Cheltenham were beginning to recognise that there was much competition in this sector and managers would need to adjust their offer to ensure that all venues were commercially viable. We are aware the problems that the night-time economy causes, the impacts that it can have on residents and the effort required to avoid it having an impact on the day time functions of the town centre and have taken it into account in our recommendations.
- 6.41 There is considerable interest registered with Focus from firms wanting restaurant/café/bar accommodation in Cheltenham. As at May 2006 there were 28 interests recorded from restaurants, bars and cafes, including Ask, Costa, Café Nero, Harvester, Pret-a-Manger, Pizza Hut, Waggamma, Wadworths, Zizzi and Zumo and a number of lesser known companies. Interests include a variety of sizes and some companies are looking for out-of-centre locations. Some of these are already present in Cheltenham. They are likely to have registered an interest because they want larger or better located premises, although a few may want additional premises. The majority of interests for restaurants and cafes will come from small independent businesses which are unlikely to register interest with Focus.
- 6.42 Policy CP 2, which applies to all key town centre uses including restaurants, pubs and nightclubs, applies the sequential approach to all development which would attract a significant number of trips. Policy RT84 seeks to restrict the change of use from A1 retail in the primary shopping frontages where they would adversely affect the vitality and viability of the retail function. From our analysis, this policy has not restricted the range of restaurants, bars and cafes in the town centre and we believe that there remains both scope within some frontages for further non-retail use and sufficient opportunity outside of the primary frontages to accommodate further outlets. Indeed, the redirection of these uses away from the main retail frontage, assists the regeneration of the more problem areas of the town and this should be seen as one of the objectives of the policy.
- 6.43 Overall we believe that a reasonable balance is obtained between the attractions for younger and other age groups. This is primarily achieved by the strength of facilities for the other age



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groups which include the theatre and events and the wide range of independent restaurants. While a balance away from pubs for 18 - 30 year olds might be sought, there is some difficulty in using the planning process to achieve this. While planning can control the number and location of new A4 uses, this does not control the management of existing or new bars which is the main determinant of their impact. In our view, the main control of the impact of bars in the town centre has to be through the licensing process.

- 6.44 However we do consider that some parts of what we have identified as the South West Quadrant are unsuitable for chain pubs aiming at the younger market in view of the relatively quiet streets, lack of natural surveillance and the residential uses in this area. In our view policies CP3 and CP4 (or their LDF successors) are adequate to control such nuisance from new pubs. However, the promotion of the South West Quadrant as a cultural/leisure quarter could give rise to the expectation of new A4 uses being set up in that area and we believe that it would be useful to indicate in any consultation or proposals from the outset that proposals for A4 uses would be assessed against policy CP4 and that as a result it is likely that A4 and A5 uses would be restricted to the Lower High St.

Health and Fitness

- 6.45 The health and fitness sector grew rapidly in the 1990s and benefited from a wider trend towards attaining a healthier lifestyle. According to Mintel, by 2001, there were 2,631 private health and fitness clubs in the UK and expenditure exceeded £1.6bn, an increase of 95% in five years. However, more recently there has been a period of consolidation in the industry although, in 2005, there were still over 2,000 private clubs with over 6 million UK members (Source: The Leisure Database Company).
- 6.46 Many health and fitness clubs offer a broad range of facilities and activities under one roof. As the market appears to be reaching saturation point, brand identity will be of great importance in terms of commercial survival. Locations close to major employment uses will also be of value to health and fitness operators looking to generate business.
- 6.47 The DTZ Regional Leisure Study 2006 concludes that more health and fitness facilities will be required in the south-west as the population increases. Operators have been increasingly looking at town centre sites, in response to planning policy and to be in close proximity to employment centres. However, there is likely also to be market demand for new types of health and fitness facilities including space-hungry uses such as football centres which will



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not easily be accommodated close to centres. 5 a side football leagues are operated by private companies at Bournside and St Benedicts Schools and at Bentham Country Club. Similar leagues are also available in neighbouring towns, including Gloucester and Evesham

- 6.48 The Leisure@Cheltenham Leisure Centre provides a very wide range of sports facilities with swimming pools, sports halls, a health and fitness studio and conditioning suite. It offers a wide range of sports including 5 a side football, Squash, Table Tennis, Net Ball, Basketball, and Martial Arts. The Prince of Wales Stadium provides athletics facilities on the same site. The Sandford Parks Lido offers an outdoor heated pool in the summer months and has just gained lottery funding for major repairs and refurbishment. Sports and Leisure Centres are also available to the public at Balcarras, Bournside and St Benedict's Schools with less comprehensive facilities at Kingsmead and Pittville Schools. There are a number of playing fields in Cheltenham providing for other sports. Appendix I summarises the facilities within 5 miles of the town centre identified on the Sport England's website .
- 6.49 Sport England is developing Active Places database, which, will allow easy comparison of the level of facilities in different local authority districts which have been identified by the Office of National Statistics as similar. At present information is available on Swimming Pools, Sports Halls and Fitness Suites. The figures are:-

Local Authority	Population	Swimming	Sports Halls	Fitness Suites
Cheltenham	110,029	10 (0.09)	20 (0.18)	18 (0.16)
Bath & NES	169,033	12 (0.07)	26 (0.15)	24 (0.14)
Warwick	125,959	6 (0.05)	9 (0.07)	16 (0.13)
York	181,089	12 (0.06)	31 (0.17)	21 (0.11)
Chester	118,235	18 (0.15)	24 (0.20)	22 (0.19)

Source – Sport England Active Places Database - The numbers in brackets are the number per 1000 population

- 6.50 The number of pools or halls does not take their size into account. Sport England have produced figures which measure the capacity of these facilities more accurately. In terms of capacity per 1000 population figures for adjacent and comparative local authorities are overleaf.



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Local Authority	Swimming Pools (sq m per 1000)	Sports Halls (sq m per 1000)	Fitness Suites (stations per 1000)
Cheltenham	39.3	94.8	6.4
Cotswold	27.7	93.3	3.8
Gloucester	18.7	74.6	6.3
Tewkesbury	13.2	53.3	3.6
Stroud	18.0	55.8	3.0
Swindon	19.0	80.9	6.4
Bristol	18.5	70.6	5.0
South West	20.6	71.7	4.1
England	17.5	69.7	4.9

6.51 At first glance it would appear that the provision of these sports facilities in Cheltenham is above average, but care is needed in interpreting them. In the first place the population is that of the Borough and not of the catchment area. The figures for Cheltenham would be lower if the true catchment area were taken into account, and the figures for the neighbouring authorities would be higher. Secondly, the figures for Cheltenham include facilities which are primarily private with very limited community access, such as the private schools which have extensive sports facilities including swimming baths.

6.52 The assessment of the need for such facilities and the management issues which arise has been assessed in a "Playing Pitch Assessment", and are beyond the scope of this report. We are advised by the Council that the Playing Pitch Strategy will be updated as part of the Green Space Strategy.

6.53 According to Yellow Pages, there are 15 private sports, health and fitness establishments in, or adjoining the town, including Fitness First, which has just opened in the Brewery development in the town centre. These are:-

- Reach Fitness
- CLC Sports Centres
- River Fitness Rooms
- Lady Tone
- Reset
- Sport Connection
- Curves
- AMC Fitness
- LA Fitness
- Chelsea Spa Ladies Leisure Club



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- Bodysense
- Bannatyne's Just Fitness Club
- Otium Health and Leisure
- Chapel Spa Ltd
- Fitness First

Focus records further interest from David Lloyd Leisure Ltd, Esporta and Rosemary Conley Diet and Fitness Centres.

- 6.54 It seems likely that the Council will receive planning applications for additional gym/health club facilities, or more general D2 uses, in due course. They are town centre uses and should be subject to a sequential approach to site selection. However, many sports clubs aim at providing local facilities and smaller centres may well be appropriate locations. The number of applications is likely to remain small and since there are few public interest issues arising from health clubs we do not consider that there is any need for specific policies.

Cinemas

- 6.55 During the 1990s, the domestic cinema industry underwent considerable expansion after decades of decline consequent upon the growth of television. Significant growth in cinema audiences (reacting to more popular output from Hollywood film studios) led to the development of large multiplex cinemas, often as part of multi-activity leisure developments in out-of-centre locations, but sometimes as anchors for mixed-use development in or on the edge of town centres. At that time, substantial need for additional cinema screens was forecast for many towns based upon increasing cinema attendance per head of population. These proved over optimistic and the growth has been far less consistent than imagined at that time. Furthermore, there was no clear link between the need based on such calculations and the willingness of operators to invest. As a result, numerical forecasting is somewhat out of fashion.

- 6.56 This is compounded by the uncertainties about the future of cinemas once again. Mintel estimate that growth in expenditure in cinemas in the UK increased by 12% over the period 1997-2002 (from £674m to £758m) but the industry's future is difficult to forecast due to a number of factors including:

- Audience size relies to a great extent on the quality and popularity of movies being produced;
- Improvements in the quality, cost, availability, and accessibility of home entertainment including audio/visual equipment (plasma screens, LCD, High Definition, Nicam stereo etc), film downloads, pay-per-view channels, and digital television reduces the appeal of cinemas;



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- The industry itself is also entering a period of change with the sale of Warner Village, Odeon and UGC.

6.57 The Odeon cinema on Winchcombe Street is due to close in November but hitherto provided 7 screens and a total of 1118 seats and was successful in obtaining films when first on general release. The re-development of the former Brewery site has provided Cheltenham with an 11 screen cinema operated by Cineworld with 2058 seats. The nearest multiplex cinema to Cheltenham before the Brewery was at the Peel Centre in Gloucester with 6 screens and 1682 seats.

6.58 To examine the viability of two cinemas in Cheltenham in more detail we have compared the situations in Swindon and Cheltenham. In Swindon, there now are two cinemas, both out of centre (at Shaw Ridge and Greenbridge) and both operated by Cineworld. Given that the existing multiplexes are run by the same operator and have been running for a number of years, it is likely that both are viable. In total there are 18 screens and 3926 seats. In addition there is commercial interest in providing further screens as part of a mixed use development in the town centre.

6.59 The population of the Swindon catchment area was estimated at 456,983 in the recent Swindon Retail and Leisure Study. The estimate for Cheltenham's catchment area population is 532,952 but includes Gloucester. Taking account of the cinema in Gloucester the provision (people per cinema seat) is as follows:

Cinema	Population	Screens	Seats	Pop/seat
Odeon Cheltenham		7	1118	
Brewery Cheltenham		11	2058	
Peel Centre Gloucester		6	1682	
Cheltenham/Gloucester	532,932	24	4858	110
<i>(Chelt/Glos exc Odeon)</i>		17	3740	142
Shawridge Swindon		7	1878	
Greenbridge Swindon		12	2038	
Swindon	456,983	19	3926	116

6.60 We therefore conclude that two cinemas in Cheltenham could be viable. Given the importance of cinemas to the vitality and viability of town centres, we consider that it would be reasonable



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to apply a policy to seek to retain the site in that use. Furthermore, the façade of the Odeon is identified as a locally important building.

6.61 However, such a policy would not necessarily ensure the retention of the cinema and the closure of the Odeon would release an edge of centre site adjacent to an already identified development site north and west of the Beechwood Shopping Centre. We consider this opportunity in section 7. There is no reason why there should not be a significant D2 use in any such redevelopment and recommend that the policies for this area should include a requirement to retain a cinema (or other substantial leisure use if that were demonstrated to be unviable) as part of a mixed use development in this area.

6.62 It is clear that from this we doubt the likelihood of further cinema proposals coming forward and we do not believe that there is a need to make specific provision for additional cinema provision in the LDF. Equally, there would be little reason to resist such proposals in principle, should they come forward. However, cinemas are undoubtedly a town centre use in terms of PPS6 and the location of any new cinemas in Cheltenham, should be governed by a sequential approach to site selection and the requirement to demonstrate need if not located within the town centre. Out of centre cinemas would in our view be likely to seriously affect the vitality and viability of the town centre's evening economy and should be strongly resisted. We consider that Policy CP2 of the Local Plan and PPS6 provide sufficient guidance on this to support this stance.

Ten Pin Bowling

6.63 Two technological advancements have boosted the success of ten pin bowling in the UK. The first was the introduction of automated 'pinspotters' in the 1960s which led to the development of around 160 bowling centres in the UK. However, around two-thirds of these had closed within five years, according to research by Sport England. The second change in technology was the introduction of electronic automated scoring in the 1980s, making the game much simpler and more attractive to the public. Operators including Hollywood Bowl and Bowlplex were the major driving force behind bowling centre development.

6.64 Research by Mintel suggests that the continued popularity of tenpin bowling is attributed to its broad appeal, attracting both younger consumers along with the older age groups within the family. The increase in levels of personal disposable income and growth in the numbers of consumers in the younger and family age groups have helped the market grow. Operators have benefited from positioning their venues as multi-leisure entertainment sites focused around a tenpin bowling offer.



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- 6.65 Despite participation falling slightly since the mid 1990s, expenditure grows largely as a result of the propensity of existing customers to spend more on ancillary services such as food, drink, video games and slot machines. Operators have also been proactive, offering discounts to students, children, families and large groups.
- 6.66 There is only one ten-pin bowling alley in Cheltenham on Wymans Lane, Kingsditch. It is the 'Cotswold Bowl' and is relatively small and dated. We consider that there is no need to make specific provision for additional facilities, but the Council may have to consider proposals for them. Ten pin bowling is in our view properly a town centre use, to which the sequential approach to site selection should apply, but it must be borne in mind that bowling alleys are space hungry and it might be difficult to accommodate new facilities on a town centre site.

Bingo

- 6.67 Trends in bingo since 1980 have seen a decrease in the number of licensed premises from 1,700 to about 970 in 1994 and around 700 in 2004. However, there has been a substantial increase in turnover.
- 6.68 Legislative changes in 2002 allowed higher prizes in the larger clubs which has led to a marked trend towards consolidation, with the development of new style clubs in large units on out of centre retail or leisure parks, mirroring the trend associated with the growth of multiplex cinemas. The new purpose built clubs have a greater seating capacity, many with between 1,000 and 2,000 seats, and some over 3,000. Some bingo halls have simply converted retail warehouse units to suit their needs for large space with the benefit of plentiful adjacent car parking (particularly in the evening out of normal shopping hours).
- 6.69 Operators are promoting a more up-market image with bar and catering facilities and sometimes stage acts as part of the entertainment package. In terms of demographics, there have been increases in the number of male visitors and younger people since the 1990s. Over 3 million people in Britain now play bingo with over 90 million admissions per year (source: DTZ Regional Leisure Study 2006).
- 6.70 Whilst trends indicate that, overall, the bingo industry is expanding, deregulation as part of the Gambling Act 2005 will mean that large casinos are likely to attempt to attract existing bingo customers by providing their own games and by promoting wider gambling and gaming interests.



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- 6.71 In terms of Cheltenham, Ace bingo is located at the western end of the High Street and Gala Bingo has signed a pre-let agreement with the developers for a large unit as part of 'The Brewery' development. Bingo outlets are capable of contributing to the vitality and viability of the town centre and may assist in making further town centre investment viable. They are town centre uses under PPS6, particularly as now being developed with more facilities, and out-of-town centre locations should be resisted, unless it is demonstrated that proposals are designed to meet a more local demand and are of an appropriate scale to do so.

Casinos

- 6.72 There has been much debate regarding casinos in recent years. The latest position at the time of writing and following the Gambling Act 2005 is that the Government will permit one 'regional casino', eight larger casinos (minimum customer area 1,500sq.m.), and eight smaller casinos (min. 750sq.m.) across the UK. An independent panel will assess applications from local authorities wishing to have one of these seventeen casinos and the Department of Culture, Media and Sport will decide on their location in 2007.
- 6.73 Cheltenham Borough Council did not submit a casino application. The nearest local authorities to apply for the regional casino were Cardiff, Newport, Solihull, Dudley and Coventry. Other authorities to apply for the large or small casinos included Swindon, Bath and North East Somerset, Wolverhampton and Cannock. Short lists for casinos have been prepared and a decision is intended to be made in December 2006.
- 6.74 In our view, a Casino would add to the diversity of the evening economy and fit in reasonably with overall image the town as a horse racing centre and spa. In the longer term there is a risk that the lack of a casino will become a disadvantage to the town if their introduction around the country is successful and Casinos become part of the expected facilities of tourist/festival towns. Having said that, should the opportunity arise in the future, any decision to apply for a Casino would depend on the circumstances at the time and the criteria on which towns will be selected. The selection for the present round of licenses has been strongly based on regeneration and we doubt if Cheltenham would be able to marshal a sufficiently strong case if this remains the main criterion.

Racing

- 6.75 Cheltenham Racecourse has regular race day fixtures. The most notable of these is the 4-day National Hunt Festival in March and the 3-day Open Horse Racing Festival in November,



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attracting around 150,000 and 50,000 visitors respectively in 2002 (Comedia). The attendance figure for the National Hunt Festival in March 2006 is given as 270,000 (Racecourse website).

- 6.76 There are six other racecourses in the south-west region, although the nearest courses to Cheltenham are in other regions: Worcester, Hereford, Stratford and Chepstow. Further racecourses in the region are not envisaged.
- 6.77 Links between race meetings (in particular The National Hunt Festival) and expenditure in the town centre have been recognised in the Comedia Report in 2002. However, we note that the racecourse is in the green belt, and that it is very much out-of-centre. It is therefore not favoured as a location for key town centre uses which attract a lot of trips. Although there are no proposals which represent a clear threat to the Racecourse, events could lose their popularity over the years if the improvement of facilities does not keep pace with race goer's expectations and the facilities of competing courses. The Council should seek to help the Racecourse to adapt to changing circumstances within the planning constraints by responding positively to any proposals by the Racecourse for racecourse related development which does not conflict with Green Belt or town centre policies or give rise to development control or traffic problems.

Conclusions

- 6.78 The Leisure Sector is very significant in Cheltenham and covers a very diverse range of activities from outdoor sport to parks, museums and pubs. The factors affecting their provision, running and impacts are equally varied and in our view, a single, holistic strategy would be inappropriate. For Council provided or encouraged services, these have been subject to detailed appraisals and reports beyond the scope of our study, but we would emphasise the importance of the leisure and culture sector to the reputation and economy of Cheltenham and the vitality and viability of the town centre. It is important that the Council recognises the impact that its decisions in one area will have on its other activities and the need to co-ordinate Council activity - for instance between the Green Space Strategy, the Civic Pride initiative, and the night-time economy strategy.
- 6.79 A great deal of the investment in leisure facilities will come from the private sector and the Council does have the opportunity to guide this, primarily through the planning system, and we have orientated our report to what form of guidance is appropriate. Again the disparity of activities means that a one size fits all strategy is unlikely to be helpful. The exception is with regard to the locational policies based on sustainability which indicate that all such activities should be located in the town centre, or districts centres (if appropriately local in scale and function), as



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a first preference. This also helps to protect residential areas from their impacts. These leisure uses provided by the private sector are also important to the local economy and the vitality and viability of the town and in our view, as a general policy should be encouraged unless there is clear harm to the Council's agreed objectives. In view of the rapid changes in the leisure industry and the investment that is likely to be made, we recommend a flexible policy framework and that provision is made for new leisure uses through the mixed use development of sites near to the town centre, but that the Council should not seek to be too prescriptive in identifying specific leisure uses.

- 6.80 The evening/night-time economy is of concern to the Council, and PPS6 (paragraph 2.23) advises council's to prepare policies to help manage the evening and night-time economy. Policies should encourage a range of uses which appeal to a wide range of age and social groups and should ensure "*that provision is made where appropriate for a range of leisure, cultural and tourism activities such as cinemas, theatres, restaurants, public houses, bars night clubs and cafes.*" The Council has addressed the problems that some aspects of the night-time economy give rise to through its integrated strategy.
- 6.81 Although opinions will vary, our assessment of the facilities suggests that Cheltenham has broadly achieved a wide range of provision and the town is certainly not dominated at night by any single age or social group as some towns are. We do however, acknowledge that localised problems will arise and that considerable effort is required to control this and to ensure that some night time activities do not detract from others or the town centre's day time attractions. We consider that Local Plan policies CP4 and CP5 provide the basis for assessing proposals for leisure development throughout the Borough, and advise that attention be drawn to these policies in any documents concerned with leisure uses, and particularly in relation to proposals for central and central-fringe areas.
- 6.82 Within this context of achieving a balanced cultural and leisure provision in which no one group predominates, we have noted the importance of the festivals and other events in contributing to the vitality and viability of the town centre, together with other benefits to local residents and the local economy. This has been achieved through considerable support from the Council, and we note the importance of the continuing support if that balance is to be maintained, although the way that this can best be achieved is beyond the scope of this study.
- 6.83 The commercial leisure sector is also important in maintaining the evening economy and there has been very significant private investment, The Brewery development is clearly one large corporate example, but there is also considerable investment by private companies and



6.0 Leisure Facilities

individuals in smaller enterprises, particularly in the restaurant sector. This is particularly important in maintaining the qualitative offer which widens the attraction of the centre in the evening.

- 6.84 Many future leisure and cultural facilities in Cheltenham will be provided by the commercial sector and there is likely to continue to be considerable desire for new investment. We have considered whether there is a need to develop planning policies to respond to this in relation to each sector. Overall we consider that the existing planning framework has provided a thriving and varied leisure sector without undermining the retail and other town centre functions and that there is no need to review either the wording or the operation of Local Plan Policy RT84.
- 6.85 However, leisure development should be located in town, or local centres, depending on the activity and its intended catchment and should be located according to the same sequential approach to site finding as retail development. We have considered whether there is a need a specific policy or whether it would be sufficient to rely on PPS6. In our view, PPS6 is not sufficiently clear in its scope to avoid doubt as to the applicability of the sequential test in all types of leisure development and it would be wise to provide a policy framework in the LDF similar to policy CP 2 of the Local Plan. Out-of-centre leisure development should also be assessed against its impact on the vitality and viability of the town centre. There may be some merit in combining the retail and commercial leisure location policies, but this would depend on the overall format of the LDF plan.
- 6.86 While the Council could seek to encourage a specific, high profile commercial leisure development, such as an indoor arena or snow dome, the implementation would be out of its hands and we do not see the value of identifying sites for such development in the circumstances of Cheltenham. First, where there is market demand for such a development, it is likely to come forward in Cheltenham without encouragement and where there is not, the allocation of a site will not help. Second, the priorities of commercial leisure investment change rapidly and the LDF risks becoming quickly dated and unhelpful if it is too specific. Third, the only reasonably central site which is available is at North Place/Portland St. This is an important opportunity site, which we recommend for a mixed use with a large leisure content. To specify the type of high profile leisure use as this would risk sterilising the site and tend to pre-determine the contents and character of rest of the development rather than allowing the package to be assessed as a whole.
- 6.87 However, we do consider that further leisure development should be encouraged in the town centre. The cultural and leisure sector is likely to become a more important attractor of people



6.0 Leisure Facilities

to town centres in the future and it is important that the town centre meets changing expectations and continues to attract visitors. The Council is examining its role within the culture and leisure sectors both with regard to specific venues and to the way its support is provided and the activities are managed. In doing this, the considerable contribution that the sector makes to the vitality and viability of the town centre and the success of the local economy, and the Council's leading role within that sector should be recognised. Its role in developing Civic Pride proposals also offers a important opportunity to improve open spaces and public areas in the town centre.

- 6.88 Private sector investment also has a considerable role to play and substantial sums are likely to be invested in the future, both as large scale developments and as small scale enterprises, such as restaurants, bars and clubs. Although there are a number of smaller potential development sites around the ring road, these are some distance from the primary shopping area and we regard them as unsuitable for retail and leisure development. There are now only two potential sites suitable for major development within reasonable distance from the core, the area north and west of the Beechwood Shopping Centre and the North Place/Portland St car parks. These sites are discussed in more detail in our recommended strategy but we recommend that the sites should come forward as mixed development sites including leisure/cultural uses. However, in line with the views expressed above, it is better to leave the nature of the leisure development non-specific and to adopt a flexible approach that can reflect the market interests at the time of development and the viability of the whole package of development.
- 6.89 We also recommend that the area between Royal Well Rd and the High Street/Brewery (The South West Quadrant) be developed as a cultural quarter, building on the Art Gallery and Museum, a number of fine or interesting buildings and the generally intimate character of the area to encourage. This would also assist in continuing the regeneration of the High Street. What the cultural quarter could involve is considered in more detail in section 7 overleaf.



7.0 Recommended Strategy

Introduction

- 7.1 This section provides a recommended retail and leisure strategy for the town and district centres in the Borough of Cheltenham. It includes an assessment of potential areas which could accommodate additional retail and leisure development. Previous sections of this report have identified a need for additional comparison goods retail floorspace within the Borough over the period to 2016.
- 7.2 Potential areas have been identified following discussions with officers at the Borough Council, having regard to existing allocations in the local plan, sites which are subject of development briefs and work currently being undertaken on the Civic Pride project. Some areas were identified during the stakeholder workshop held in April. The areas of opportunity have been assessed having regard to their availability, suitability and viability for retail and other town centre uses in accordance with the sequential approach as set out in PPS6.

Areas for New Development

- 7.3 In the context of a forecast rise in population and expenditure growth within Cheltenham's catchment area, there is a requirement for a significant level of additional comparison goods floorspace in the Borough by 2016. There is a need to maintain Cheltenham's market share of comparison goods expenditure in the face of strong and increasing competition from towns and cities including Gloucester, Swindon and Bristol. Improvements, or further developments, are needed just to maintain Cheltenham's current market share.
- 7.4 The need for additional comparison goods floorspace should predominantly be addressed through a single allocation in the Local Development Document for retail development. At the stakeholder workshop, there was a general consensus that new retail development should relate well to the existing primary retail area. Other, more peripheral areas, held little commercial appeal to retailers. Indeed, the agent for the developers of the Brewery stated that they are experiencing difficulties in attracting retailers to their new shop units.
- 7.5 The areas of opportunity are identified broadly on the plan at Appendix F.

Opportunities Within the Primary Shopping Area

- 7.6 There are no opportunities wholly within the Primary Shopping Area for new development which would contribute significantly to meeting the identified need for new comparison goods retail development.



7.0 Recommended Strategy

Royal Well

- 7.7 The area to the rear of the Council Offices and in front of the Royal Crescent would be an important part of the South West Quadrant proposals and represents an opportunity for small-scale redevelopment and environmental improvements which would help create a leisure quarter. The area lies adjacent to the Primary Shopping Area and has the potential to link well with existing town centre uses. Its future also needs to be considered in strategic context in relation to the south west quadrant.
- 7.8 Appropriate uses in this area would include restaurants, cafes, bars and, importantly, retail units capable of accommodating small scale, specialist retailers which would enhance the retail offer in the town centre. Given the architectural context, good design will be imperative, and a strategy will be required for the bus station which should either be reduced in size and incorporated, or relocated. Ways in which to provide an active frontage to the rear elevation of the Council Offices should be explored.
- 7.9 Redevelopment proposals for Royal Well should include areas of public open space and seating. The design should encourage and strengthen links with the town centre and Montpellier through Crescent Terrace, Clarence Parade and St Georges Road.

Area to the North and West of Beechwood Shopping Centre

- 7.10 The area to the north and west of Beechwood Shopping Centre represents the best opportunity for an expansion of the town centre for retail development. Given its proximity to the Primary Shopping Frontage on High Street and the Primary Shopping Area which extends up Winchcombe Street, it represents an area of under-used land and, through a comprehensive redevelopment, has the potential to provide a significant amount of additional comparison goods floorspace and provide the large-scale units which are currently lacking in Cheltenham town centre.
- 7.11 The area currently contains small shop units on either side of Winchcombe Street extending as far as Albion Street; this area is within the Primary Shopping Area. Whilst these units are currently occupied, it is considered that their inclusion as part of a larger redevelopment would be beneficial in terms of the overall vitality and viability of the town centre.
- 7.12 The area of opportunity extends further to the north-east across Albion Street to include land on Winchcombe Street and Gloucester Place. This area includes the Odeon cinema, a car sales and repairs business, some small shops, service uses and several vacant units or sites. Many of the buildings are poorly maintained, particularly on Winchcombe Street, and the area has an untidy appearance.



- 7.13 A major, multi-level, mixed-use redevelopment of this area has the clear potential to provide a significant amount of retail floorspace (primarily for comparison goods shopping). However, the design of such a scheme is crucial in order to ensure that development enhances the vitality and viability of the town centre, and meets current design standards for public streets and areas.
- 7.14 As previously noted in this section, the majority of the comparison goods floorspace requirement should be met in a single location. There should be a mix of retail units including large-scale units for which there is an identified need. This is more likely to attract potential developers to invest in what will no doubt be a costly scheme, and will appeal to shoppers in Cheltenham who want to see a broader range of shops. On this basis, a piecemeal approach to the redevelopment of the area would not be appropriate.
- 7.15 In addition to retail development, other town centre uses would be appropriate, including leisure, restaurant, café and office uses. Residential units on upper floors would also add to the sense of vitality in the town centre. However, it is important to reiterate that the area represents the most appropriate location for significant levels of retail floorspace to meet the identified need. Any proposals for a comprehensive mixed-use development must address the need for retail development as a priority above other uses.
- 7.16 The retail element of redevelopment proposals for this area should be pedestrian-friendly and ideally create a car-free environment. Ways in which to remove traffic from Albion Street or realign it near the junction with Winchcombe Street should be explored or, at the very least, vehicle-pedestrian conflict should be kept to a minimum.
- 7.17 New development should also create a retail 'loop' rather than a pedestrian cul-de-sac (for example, the Regent Arcade mall creates a loop incorporating High Street, The Promenade, and Ormond Place). In this context, strong links with existing shops in the Beechwood Shopping Centre should be sought.
- 7.18 The area should be identified in the Area Action Plan for Cheltenham town centre. In addition, given the importance of design in ensuring that redevelopment in this area enhances the town centre, the Council should take a strong lead in the design process and should, in view of the complex access and circulation issues involved, and the need for a comprehensive development, consider preparing a planning brief (supplementary planning document – SPD) for the area as a priority. The Council may have to take positive measures to bring forward the development including exercising its CPO powers to ensure that land assembly problems do not prejudice a satisfactory development.



7.0 Recommended Strategy

North Place / Portland Street

- 7.19 This area lies to the north of the Primary Shopping Area and is currently predominantly used for surface-level car parking (around 730 spaces). The main surrounding uses are residential and commercial, although the new Brewery development lies to the south-west across St Margarets Road and a health club, social club and restaurant are located to the south. The Multiyork Furniture showroom on Portland Street is an isolated retail use.
- 7.20 In comparison to the area north and west of the Beechwood Shopping Centre, this area relates poorly to the Primary Shopping Frontage and Primary Shopping Area. Linkages to the Primary Shopping Frontage will be more difficult to create and existing retail uses between the area and the Primary Shopping Area on North Street and Pittville Street do not exist. The fact that the area relates poorly to the Primary Shopping Area means that it would be difficult to attract, and would be unsuitable for, the type of retail development for which there is an identified need. The area is likely only to appeal to retailers who want warehouse type units with adjacent car parking, similar to those currently found on the south side of Fairview Road occupied by Majestic Wine Warehouse, Maplin and Blockbuster. Therefore, it is considered that the area north of the Beechwood Centre is preferable to the area around North Place and Portland Street for retail development to meet the identified need.
- 7.21 However, in terms of the scope for further leisure facilities, this area would be suitable for such development. In particular, large-scale leisure uses could be accommodated in this area. The proximity of the Brewery development would facilitate linked trips and add to the attractiveness of the town centre for leisure and recreational uses.
- 7.22 In terms of complementary uses, the scale of new leisure development will be one of the determining factors. For example, a hotel and/or conference facilities could complement a large-scale leisure or recreation use. A3 uses, offices and residential development would also be appropriate as part of a mixed use development.
- 7.23 Car parking will no doubt have to be replaced as part of the multi-level development, although the exact level will have to be considered in the context of the development proposed. Development should be designed in such a way as to encourage pedestrian linkages with existing town centre facilities.



7.0 Recommended Strategy

Emphasis on Quality Shopping

- 7.24 The town has been identified in the emerging Regional Strategy as one of the Strategically Significant Town and Cities which should form the primary focus for development in the Region. In the context of this role, the Council should seek to broaden the range and choice of retail facilities to maintain Cheltenham's status as one of the South West Region's foremost shopping destinations. The Royal Well and the area to the north and west of Beechwood Shopping Centre will provide the opportunity to do this.
- 7.25 There should be particular emphasis on creating new development which will help to attract quality retailing (high value, higher order goods). Cheltenham already has a reputation for high quality shopping in terms of its retail offer and the shopping environment. This distinctiveness is a key asset and should be enhanced to set Cheltenham apart from competing centres. Marketing is likely to be a key factor in building on Cheltenham's reputation.
- 7.26 The provision of a range of unit sizes in a high-quality new development will help to attract more quality retailers. It has previously been noted that retailers who have expressed an interest in establishing a presence in Cheltenham (or relocating to new premises within Cheltenham) include Republic, USC Group, Saks hair, and Schuh shoes, representing the quality product or services market.

The Development of 'Quarters'

- 7.27 In previous retail studies for Cheltenham, the strategy for the town centre was based around different areas or 'quarters' which have their own specific strengths, weaknesses, needs, and opportunities.
- 7.28 It is suggested that this strategic approach to town centre management should continue. We provide comments on each of the 'quarters' below. It should be noted that these quarters generally reflect the character areas described in section 4. In addition we recommend the identification of an additional quarter, the south west quadrant, to develop as part of a pedestrian circuit taking in the High St west of Clarence St.

Central High Street / South East High Street

- 7.29 The Primary Shopping Frontage on the High Street will remain the core shopping area for the town centre. Retailer demand for representation in this area is likely to remain strong.



Some retailers who are currently in the town centre are likely to seek larger shop premises to suit their new business formats.

- 7.30 New development which will provide a significant proportion of the identified need for comparison goods floorspace should relate well to this core shopping area. The area to the north and west of the Beechwood Shopping Centre has the potential to form an extension of the Primary Shopping Frontages and broaden the range of shopping facilities in the town centre. It is also an area which could accommodate large-scale retail units which the town centre currently lacks.
- 7.31 The shopping environment of the High Street would be improved if private vehicles could be prevented from using the sections between Rodney Road and Winchcombe Street and between Pittville Street and the top end of the Promenade. Such measures could enable wider pavements or full pedestrianisation in this area, thus providing a safer and more attractive environment for visitors.

Lower High Street / North West High Street

- 7.32 The Lower High Street area continues to attract less investment than other parts of the town centre, notwithstanding the recent Brewery development which relates poorly to the existing shops and services on the High Street. Development or highway works which improve linkages between the two areas should be encouraged. In particular, re-development on the northern side of High Street would provide the opportunity for a strong visual link between the High Street and Baynham Way.
- 7.33 In view of difficulties of complete redevelopment, the most practical method of improving linkages would be to provide a high quality pedestrian link through one or more of the shop units on the High Street to link up with the entrance to the Brewery. The most obvious link would be through the Wilkinsons unit as an arcade with smaller shop units on either side and the closure of a short section of Baynham Way which would still allow rear servicing. We cannot judge the costs of acquiring such units or the likely uplift in value of the Brewery so it is not clear that such a proposal is commercially viable. We also doubt if the public interest in improving trading on the High St frontage is sufficient to justify Council involvement bearing in mind the benefits would largely fall to the owner of the Brewery.
- 7.34 In terms of diversity, the western end of the High Street provides an important function. The on-street survey highlighted the popularity of the discount shops along the pedestrianised section of the High Street, and Lower High Street also contains shops and services geared towards the budget-conscious consumers.



7.0 Recommended Strategy

- 7.35 In this context, strategies for this part of the town centre should focus on its strengths and its specialist nature; the western end of the High Street should continue to be a focus for discount retailers and broaden its appeal to students, ethnic groups, those seeking ethically-sourced products, and other communities or interest groups. Moving some of the activities and events for certain festivals to this end of the High Street may act as the catalyst for change and enhance its reputation.
- 7.36 In terms of links with the rest of the town centre, Clarence Street represents a significant barrier to pedestrian movement, dissecting the High Street. Improvements to this crossing point are likely to benefit the western end of the High Street by encouraging visitors across Clarence Street and increasing footfall to a part of the town centre which would benefit from additional investment.

The Promenade

- 7.37 The Promenade between Imperial Circus and Crescent Terrace provides an excellent opportunity for occasional outdoor events or exhibitions (the French market or a Christmas market for example). Such events must be appropriate in the context of a high quality shopping environment and should complement businesses in the vicinity.
- 7.38 The redevelopment of the Royal Well and associated environmental improvements (as previously recommended) will add to the vitality of this area and provide diversity to the retail and leisure offer.

Montpellier

- 7.39 The link between the area around the Promenade and Montpellier should be improved to encourage visitors to walk between the two attractions. Improved signage, quality pavement treatments, street activities, temporary stalls, and other measures should be introduced or strengthened to increase pedestrian activity and people's awareness of what Montpellier has to offer. Any activities or stalls should be occasional, viable, and be part of well-managed initiatives which do not detract from the culture and ambience of the area. In our view Montpellier would benefit from the proposed strategy for the South West Quadrant

The South West Quadrant

- 7.40 The area between St Georges Rd and the High St offers considerable opportunity to increase footfall and activity and would benefit the regeneration of the High St and Lower Higher Street.



The area includes two Civic Pride sites, the Royal Well and St Mary's Churchyard which offer the opportunity for good quality public space. The Art Gallery and Museum offers a focus for day time activity and there are a large number of high quality buildings, including St Mary's Church itself, Royal Crescent, John Dower House, the 19th Century electricity substation building on the corner of Clarence St and St Georges Place and a number of the houses, for instance in Jenner Walk, many of which are still in residential use. There are a number of restaurants and cafes and the area has seen significant investment in these uses in recent years. The area already has high pedestrian permeability. These features give the area a small-scale, sequestered charm away from the busier, commercial Promenade. We consider that this gives the opportunity to create a pedestrian loop taking in the High St and the Promenade based around leisure and small scale specialist retail uses.

7.41 Key to achieving this in our view would be:-

- The improvements to the Art Gallery and Museum;
- The improvements to the Royal Well Rd area suggested above;
- The reduction of traffic or at the very least, traffic speed, on Royal Well Road, Clarence Parade and Clarence Street;
- Signposting
- The identification of buildings of interest and greater publicity for them, for instance, possibly within the Art Gallery and Museum;
- The encouragement of Sunday retailing, particularly on the Lower High Street;
- The encouragement of residential uses above the ground floor level.

7.42 Part of the aim must be to encourage activity on Sundays as this is the prime day for leisure time and consideration should be given to a Sunday Market on the Henrietta Street site. This and the specialist shops now setting up on the Lower High Street would form a destination to draw people through the area. Given this framework, we consider that the area would attract small scale investment and contribute significantly to the vitality of the town centre and particularly the Lower High Street.

General Town Centre Strategy

7.43 Existing commitments for additional convenience goods floorspace in the Borough will address any quantitative capacity for foodstore development over the period to 2016.



7.0 Recommended Strategy

Car Parking

- 7.44 The sustainability aims of planning policy and the Council are recognised, but in the context of this report on retailing and leisure we note that the most negatively perceived aspect of the town centre is the availability and cost of car parking. In the context of increasing competition from other retail centres, it is important that Cheltenham does not disadvantage itself. Parking regimes in competing centres should be monitored and due consideration should be given to Cheltenham's existing and future parking arrangements. The Council could also seek to pursue its sustainability agenda through joint action with neighbouring authorities to agree car parking regimes and could for instance seek to agree common parking standards to avoid competitive parking provision.

Markets in Cheltenham

- 7.45 The farmers market which operates fortnightly on the Promenade would appear to be trading very successfully. The household survey indicates that it is reasonably well-used by Cheltenham residents and those from further afield.
- 7.46 The Henrietta Street market appears to be trading less successfully. Street markets predominantly selling discount goods have generally struggled in recent years across the UK as specialist discount stores in the 'High Street' have grown. Stores including Primark, QS, Peacocks, and Bon Marche offer similar goods at discount prices, and customers are turning to these stores because their fixed status and nationwide coverage gives them the edge over market traders in terms of customers' perceptions of quality and reliability.
- 7.47 It seems to us that there are two possible strategies for improving the fortunes of the Henrietta Street market. The first option is to move it to a more 'central' location with a higher footfall. The wider part of the High Street between the Regent Arcade and the Beechwood Shopping Centre would appear to be one of the potential alternative locations. There are obviously potential problems in relocating the market, including the effect on the vitality of the Lower High Street and the effect on the uses surrounding the relocated market.
- 7.48 An alternative strategy which would dovetail with the strategy for the Lower High Street (see above) would be to place significant emphasis on ethical goods, ethnic goods, and target certain community groups like students. As previously noted, as the town centre reaches the Lower High Street area, specialist goods, discount shops and ethnic produce begin to appear. If the market can broaden its appeal to fit in with its surroundings, the benefits may flow in both directions. We have suggested that a Sunday market could help in the development of the South West Quadrant as a cultural quarter.



7.0 Recommended Strategy

Town Centre Boundary, Primary Shopping Area and Shopping Frontages

- 7.49 According to PPS6 (see Table 2, Annexe A), the Primary Shopping Area is the defined area *“where retail development is concentrated (generally comprising the primary and those secondary frontages which are contiguous and closely related to the primary shopping frontage). The extent of the Primary Shopping Area should be defined on the proposals map.”* Primary Shopping Frontages are *“likely to include a high proportion of retail uses”* and *“Secondary Frontages provide greater opportunities for a diversity of uses.”*
- 7.50 The definition of the Primary Shopping Frontage and the Primary Shopping Area is of great importance. Planning policies can be formulated to prevent the dilution of the main retail function of Primary Shopping Frontages. Also, importantly, the Primary Shopping Area constitutes ‘the centre’ for retail development. A site which lies within the town centre boundary, but outside the Primary Shopping Area, falls outside ‘the centre’ for the purposes of retail planning policy. Therefore, the extent of the Primary Shopping Area has a significant bearing on deciding where to allocate sites for further retail development, and in the determination of planning applications for retail development.
- 7.51 Having regard to the definitions contained in PPS6 and based on surveys of Cheltenham town centre, it is considered that the Primary Shopping Frontage predominantly comprises a significant stretch of the High Street, The Promenade, Ormond Place and Imperial Circus. On this basis, it is recommended that the Primary Shopping Frontage is not changed from that shown in the Cheltenham Borough Local Plan Second Review (2006), except that 91-95 High Street (currently occupied by Argos), 97 High Street (Superdrug) and 99 High Street (formerly QS Clothing) should also be included in the defined frontage.
- 7.52 It is further recommended that the Primary Shopping Area should be defined in accordance with the plan contained at Appendix G. There are, strictly speaking, two Primary Shopping Areas as Montpellier is physically separate from the main shopping area.
- 7.53 A ‘town centre’ in PPS6 is defined as the *“area, including the primary shopping area and areas of predominantly leisure, business and other main town centre uses within or adjacent to the primary shopping area”*. In our view, this is the area currently defined as the Core Commercial Area in the adopted local plan. The town centre, primary shopping areas, and the primary shopping frontage should also be clearly shown in the forthcoming LDF.



7.0 Recommended Strategy

Out-of-Centre Retailing

- 7.54 In terms of out-of-centre retail development, land already committed for retail warehousing and vacant units on existing retail parks in Cheltenham are capable of accommodating significant levels of additional comparison goods expenditure. There is no need to allocate additional sites for retail development outside existing centres. Policies in the LDF should direct all retail development in the first instance towards the town centre and district centres, where appropriate in scale.
- 7.55 In view of the amount of out-of-centre retail floorspace, applications to vary conditions which would change the character of existing out-of-centre development, for example by lifting restrictions on the type of goods to be sold or by sub-dividing units, should only be approved in exceptional circumstances.

District Centres in Cheltenham

Bath Road

- 7.56 The centre is relatively vital and viable. There is no clear identified need and little opportunity for further development or expansion of the centre. Traffic is intrusive and measures which improved the pedestrian environment would benefit the centre.
- 7.57 The boundary of the district centre should be extended to include 119 and 123-125 Bath Road and exclude 179 Bath Road and 21 Shurdington Road to reflect changes of use since the Local Plan was adopted.

Caernarvon Road

- 7.58 A popular centre for food shopping. Proposals to broaden the range of shops and services in the centre should be encouraged. However, such uses should be appropriate in scale to the role of the district centre which predominantly serves the southern part of the Borough. There appears to be some scope, physically, for expansion or reorganisation to increase the amount of floorspace in the centre.

Coronation Square

- 7.59 The centre is struggling in terms of its vitality and viability and is in need of modernisation. The area around the centre is being improved with the new Gloscat campus and housing regeneration. It is considered that the centre is physically too large for its current function and its redevelopment should be encouraged. The centre should be anchored by a foodstore, as



7.0 Recommended Strategy

it is now, with a range of other shops and services of a scale appropriate to its intended role in meeting the needs of residents on the western side of Cheltenham. Residential and office development as part of any redevelopment proposals would be welcome as they would contribute to the vitality of the centre.



8.0 Summary and Conclusions

Existing Shopping Facilities

- 8.1 Cheltenham has one of the most attractive town centres in the south-west region, and is relatively high in the national rankings of shopping centres. Its success is based on providing a broad range of shopping facilities, with a particular emphasis on quality, in attractive and vibrant surroundings. The town centre has a relatively wide catchment area for comparison shopping, extending well beyond the Borough boundary.
- 8.2 There are a number of large foodstores serving the Borough's convenience shopping needs. Cheltenham also has a broad range of retail warehouses, predominantly located on out-of-centre sites, including the Gallagher and Kingsditch Retail Parks on Tewkesbury Road.
- 8.3 Three district centres serve more localised catchment areas. All three are important in terms of providing convenience shopping facilities.

The Need for Additional Retail Facilities

- 8.4 There is no need for additional convenience goods floorspace in the Borough by 2016 with the exception of improvements to foodstore provision within the town centre and district centres which should be encouraged in line with a strategy to enhance the vitality and viability of those centres.
- 8.5 There is a need for additional comparison goods floorspace in the Borough. Depending on the assumptions used to forecast special forms of trading, the floorspace requirement will be in the order of 2,000-6,000sq.m.net by 2011 rising to between 17,000-26,000sq.m.net by 2016.

Leisure Facilities

- 8.6 Leisure activities are important to the local economy and the vitality and viability of the town centre. Cheltenham has broadly achieved a wide variety of leisure provision and the town centre is not dominated at night by any single age band or social group in the way some towns are.
- 8.7 Cheltenham's festivals are important to the vitality and viability of the town centre, as is the commercial leisure sector. New investment from the commercial leisure sector is likely. Local planning policy should ensure that new leisure development is directed towards existing centres.



8.0 Summary and Conclusions

Opportunity Sites

- 8.8 There are no suitable sites wholly within the Primary Shopping Area to satisfy the above requirements. However, new retail development should relate well to the existing Primary Shopping Area.
- 8.9 The area around Royal Well provides an opportunity for small scale retail development and environmental improvements which would help to create a leisure quarter. Appropriate uses would include restaurants, cafes, bars and, importantly, small-scale units which would appeal to specialist retailers thus enhancing the retail offer in the town centre and its reputation for quality retailing.
- 8.10 The area to the north and west of the Beechwood Shopping Centre represents the best opportunity for an expansion of the town centre for retail development and provide a significant amount of floorspace to meet the identified need. The redevelopment of this area would also accommodate the type of large-scale retail units currently lacking in the town centre. Given the importance of design in ensuring that the redevelopment of this area enhances the town centre, the Council should take a strong lead in the design process and consider preparing a development brief. The Council may also have to take positive measures to bring forward the development including exercising its CPO powers to ensure that land assembly problems do not prejudice a satisfactory development.
- 8.11 The area around North Place and Portland Street would be suitable for mixed use development incorporating leisure facilities. A large-scale quality hotel, ideally with conference facilities, would complement a leisure use. Other suitable complementary uses would include A3 uses, offices, and residential development. Car parking for the town centre should be required as part of a multi-level development.

Out-of-Centre Development

- 8.12 There is no identified need for additional convenience good floorspace in the Borough, and there is no need to allocate further sites for out-of-centre retail warehousing.

District Centres

- 8.13 The district centres at Bath Road and Caernarvon Road are performing well in terms of their role and function serving local needs. Coronation Square District Centre is struggling in terms of its vitality and viability and is in need of modernisation, and its redevelopment should be encouraged.