



RETAIL MARKET REPORT – CENTRAL WINCHESTER COMMENTARY 2017

Prepared on behalf of Winchester City Council

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1.0 INTRODUCTION

- 1.1 This report has been prepared in tandem with work on the Central Winchester Community Planning Weekend (CPW) and the Supplementary Planning Document (SPD) that will follow. Propernomics was instructed by Winchester City Council to prepare this report. Propernomics was separately instructed by JTP as a subcontractor to work alongside property agents and other members of a multi-disciplinary team on the CPW and SPD.
- 1.2 We start this report with a brief overview of contextual economic trends and forces affecting the retail sector.
- 1.3 Then Chapter 3.0 reviews the Council's retail property evidence base, particularly the "quantitative" retail expenditure and retail floorspace projections that have been prepared over many years to inform Town Planning policy. Definitions of "Comparison" and "Convenience" retailing are included at Appendix 1.
- 1.4 Our instructions also asked for advice on the mix of retail uses to be found in the town centre (Chapter 4.0), particularly cafés - which have excited some comment about whether or not they are too great in number compared to standard shops. In doing this work we have undertaken a complete audit of which shops in the principal shopping streets are in what use. We have also taken the opportunity to check which shops are vacant in order to comment on current vacancy rates compared to earlier data. The data from this audit of shops is included in Appendix 2.
- 1.5 Chapter 5.0 includes "market feedback" from several sources including local consultations and analysis of retail property databases listing companies interested in Winchester as a "target town".
- 1.6 We then examine demographic data (summarised in Appendix 3) and benchmarks from other places around the UK to draw out comparisons and recommendations for retail provision in Winchester.

- 1.7 For ease of reference and readers' convenience, Chapter 7.0 provides a summary of preceding chapters which can then be read with Chapter 8.0 (Recommendations and Policy Implications) as an Executive Summary.
- 1.8 This research has also yielded a slide presentation for the Community Planning Weekend (23rd - 25th March 2017) to help stimulate discussion about Winchester's "DNA"; to ask what it is that people value about the city's character; what types of town centre activity would people like to see; what uses are to be encouraged or discouraged; and so on. This report provides more in-depth material to help inform the SPD process that now follows.

2.0 CONTEXTUAL TRENDS

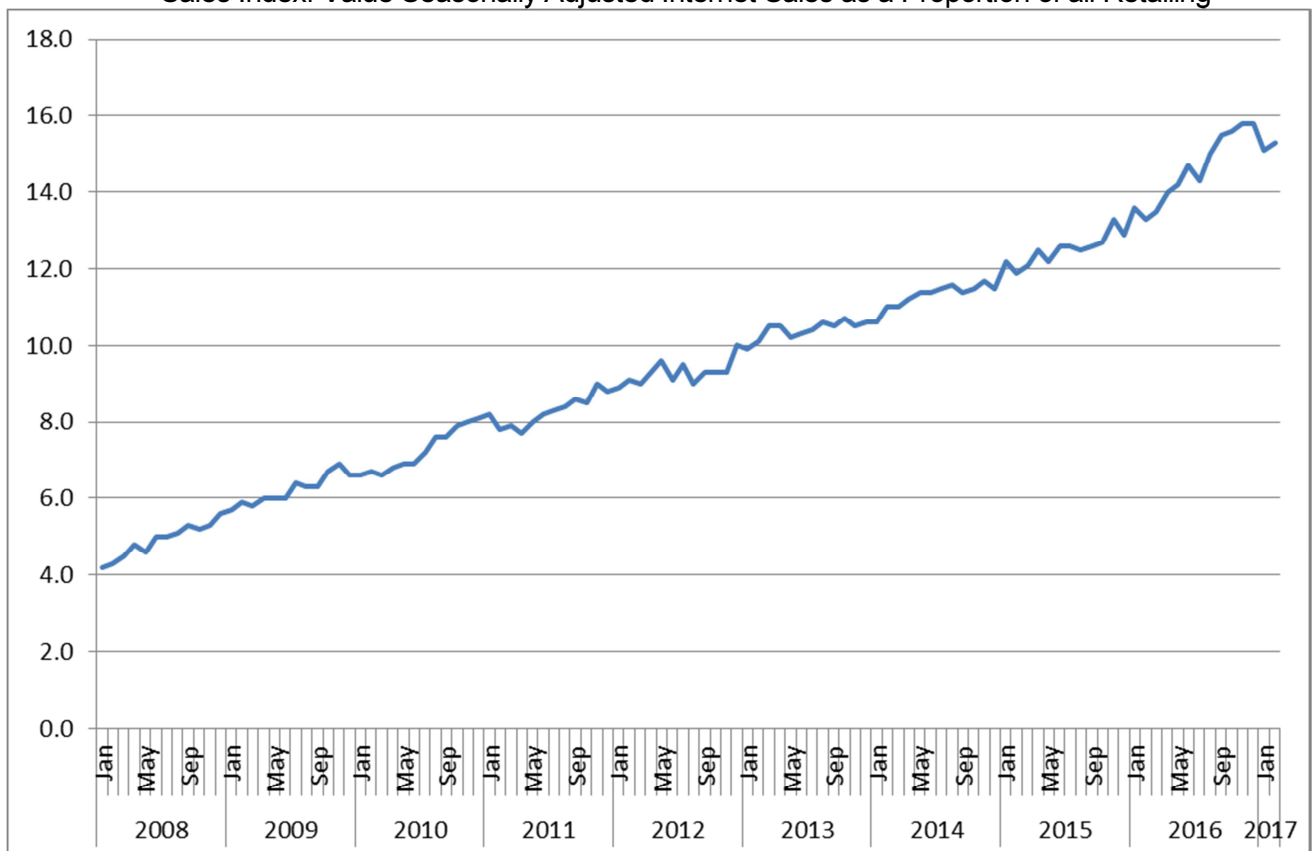
- 2.1 The overarching economic context at the time of writing is best described as slow growth from a post-recession plateau. A few years ago there had been great debate about the “shape” of the graph for growth as we entered the upward phase of recovery. In reality, economic growth has been altogether steadier, arguably more benign, than a steep upward rush into another economic cycle.
- 2.2 The chief concern of 2016 was post-EU referendum “uncertainty”. The property sector entered a short period of paralysis in late summer/early autumn of 2016 when many commercial property decisions were put on hold. However, the market returned to a more normal state once people realised they could not divine an immediate “cause and effect” between the EU vote and the state of the domestic economy.
- 2.3 In many sectors of the economy (particularly for manufacturers that have export business and can take advantage of a fall in the value of the pound) the mood is positive and certainly less pessimistic than was foretold by many economists in 2016.
- 2.4 However, for many retail businesses the chief concerns are structural changes in retailing (e.g. the rise in internet based transactions), downward pressure on margins due to competition and for how long can they resist passing on price increases to consumers due to a rise in the cost of imports (forced upon retailers by the fall of the pound).
- 2.5 Consumer expenditure has held up relatively well in the last few years but some commentators are now expressing concern about upward pressure on inflation and levels of consumer debt. These trends will be a very real concern to retailers if they accelerate or if interest rates rise.
- 2.6 Recent ONS data¹ notes that rising petrol prices have suppressed expenditure on other goods in the last three months. Nonetheless, retail sales increased by 3.7% compared with February 2016 and by 1.4% compared with January 2017 across all types of store. However, although there is an upward trend, there is a note of caution in the ONS data that the “underlying pattern as suggested by the 3 month on 3 month movement

¹ “Retail sales in Great Britain: Feb 2017”, Office for National Statistics

decreased by 1.4% for the second month in a row; the largest decrease since March 2010 and only the second fall since December 2013". This dip has been experienced by department stores in particular.

- 2.7 Tellingly, the ONS also puts a marker down for the share of shopping taken by online sales which, excluding automotive fuel, "increased year-on-year by 20.7% and by 3.3% on the month, accounting for approximately 15.3% of all retail spending."
- 2.8 It's important to note however that "bricks and mortar" retailers have an important share of online sales (including exports) which helps their overall business. The vast majority of retailers have websites and enjoy a mix of custom via the internet as well as their shops, in some cases combining the two forms of trading with "click and collect". However, many online sales will be fulfilled direct, from warehouse to home. The following chart shows the changing proportion of all retailing accounted for by internet sales over time.

Sales Index: Value Seasonally Adjusted Internet Sales as a Proportion of all Retailing



Source: ONS retail sales index

- 2.9 It would be advisable to keep track of this trend to identify whether a “tipping point” is reached at which this structural shift in shopping habits gives way to a more cyclical pattern.
- 2.10 In a competitive environment we can expect to see some winners and losers. This has been very apparent with, for example, Tesco’s struggle in recent years to maintain margins and shareholder value at the same time as the “discounters”, like Aldi and Lidl, have been building market share. Supermarkets have also been experimenting with different formats, including much smaller, “convenience” shops in town centres. We note recent press that Tesco is gaining strength once more.
- 2.11 Retailers in the comparison sector have also faced challenges. Recent news includes announcements that Jaeger and Jones Bootmaker will be entering administration; Next has warned of reduced profits and is said to be baulking at a proposed increase in rent for its Winchester premises due to competition from the internet and the presence of its own stores in Southampton and Basingstoke, as well as the wider opportunity to operate more cheaply from out-of-town stores.
- 2.12 Retail sector commentators have also voiced concerns that rises in Business Rates will also reduce retailers’ margins. The changes are supposed to be tax neutral overall, so the rates revaluation exercise will hit some places more than others; for example, retailers in London are expected to be hit harder than others. Local authorities also have some discretion over the rates relief that they can offer.
- 2.13 So why are some high streets busier than others? A large part of the answer is the “experience” of shopping: online sales are not a substitute for the process of touching, comparing and trying products; a trip to the shops can also involve a coffee or lunch with friends; some towns have a magnetic attraction due to their heritage or the quality of their public realm, as well as the practicality of parking/transport; and if a town has touristic appeal, then why not combine shopping and tourism?
- 2.14 Potentially shopping towns will become polarised between those that offer a visitor-friendly and attractive experience and those that do not. This will favour towns that are proactively managed as “destinations”, making the most of markets, festivals and other

initiatives that keep town centres animated (rather like the discipline of shopping centre management).

- 2.15 Other trends include a generally ageing population. The Central Winchester Community Planning Weekend involved a wide age range of consultees (children to pensioners) but the older generation was very much in evidence. Retailers will follow the market but will gladly trade with the widest set of customers they can.
- 2.16 We now turn to a close examination of Winchester City Council's retail property "evidence base" in order to consider its implications.

Chapter summary

- 2.17 The economic context is relatively steady; economic growth is better than predicted in 2016 but there remains "uncertainty" about the effect of Brexit. Meanwhile, a drop in the value of Sterling is helping exporters but has an inflationary effect on imports which will trickle through to High Street prices. Other risks include a resurgence of consumer debt, especially if interest rates rise in future.
- 2.18 Retailers are still adjusting to the threats and opportunities presented by online shopping, which is on a rising trend. This is a structural change that will create winners and losers amongst retailers and high streets. Tight margins are forcing some retailers out of business or out of town to cheaper locations.
- 2.19 The downside risks implicit in the economic conditions mean that towns need to pay more attention to the "experience" they offer to shoppers, visitors and tourists. Some towns have a magnetic attraction due to their appealing mix of features, including town centre retail/leisure uses, the quality of the public realm and the built environment and the practicality of the place for access. Shopping towns need to be proactively managed as "destinations" with broad appeal.

3.0 IMPLICATIONS OF THE RETAIL EVIDENCE BASE

3.1 Retail studies have been published by Winchester City Council in 2003, 2007, 2010, 2012 and 2014 to inform the Council's policy position. This chapter considers the retail expenditure and floorspace forecasts within the two most recent reports and comments on their implications today.

3.2 The methodology for estimating the need for retail expenditure and floorspace is summarised as follows:

1. Review expenditure data per head, projected for study period
2. Apply to population in study area (bearing in mind housing growth)
3. Equals potentially available expenditure broken down by type (including "convenience" and "comparison" goods)
4. Interrogate (via consumer surveys) how and where people spend their money
5. Assess market share and potential spending in study area
6. Compare spending with benchmarks for turnover per store (£/sq m)
7. Equals retail floorspace required
8. Deduct existing space and planning commitments (allowing for any excess vacancies) that can absorb the likely expenditure
9. Balance equals floorspace potentially required (or surpluses) within study period

3.3 The outcome is therefore sensitive to: the state of the economy; disposable income ("the money in people's pockets"); the changing population; where people choose to shop - bearing in mind the competition and "Special Forms of Trading" (such as online sales); the efficiency with which retailers use their space; and the ability of the market to bring forward or to shed retail floorspace.

3.4 This is largely a mathematical exercise focused on "quantitative" data. Also important are "qualitative" factors such as the vision for an area, its market appeal and the way that individual properties or town centres are managed – these issues are considered in subsequent chapters.

- 3.5 A helpful summary of the findings from the 2012 and 2014 retail assessments and how the Council arrived at an “objectively assessed need”² can be found in Local Plan Background Paper 3³. Table 1 of that paper summarises the retail floorspace projections for Winchester (the city rather than the district) as follows:

Year of study	Existing commitments plus additional need by 2031 (net sq m)	
	Convenience shopping	Comparison shopping
2012	2,368	12,555
2014	2,780	9,594

Source: Winchester City Council

- 3.6 Focusing on comparison shopping (defined in Appendix 1), the figure of 12,555 sq m in 2012 was made up of 4,734 sq m for existing commitments in the Silver Hill area⁴ (with floorspace gains netted down for space lost in the course of development) plus 7,821 sq m of expected additional floorspace requirements for the Winchester urban area by 2031. However, what is not immediately apparent from these headline figures is that in the years 2012 to 2018 the expenditure projections signalled that this amount of floorspace would generate an under-trading position (i.e. a theoretical surplus of 1,423 sq m of retail floorspace until taken-up between 2018 and 2021)⁵.
- 3.7 A second, higher growth scenario was also explored; this assumed that expenditure levels in 2026 would be at the same level as the first scenario in 2031 – i.e. assuming that consumer expenditure would be on an accelerated path and reach the same level 5 years earlier. This scenario implies development of 22,962 sq m (net) of comparison sales floorspace, over and above “commitments”, by 2031. However, Local Plan Part One adopted the lower scenario for its “objectively assessed need” – i.e. convenience space of 1,125 sq m plus comparison space of 7,821 sq m (low growth scenario by 2031) = 8,946 sq m, say 9,000 sq m, within Winchester during the Plan period, in addition to that identified at the time for Silver Hill⁶ and Weeke.

² Based on the 2012 study by NLP (updated 2014)

³ “Background Paper 3 - Silver Hill, Winchester”, March 2016 (prepared in support of “Winchester District Local Plan Part 2: Development Management and Site Allocations”)

⁴ 4,734 sq m is based on the “2009 scheme” for Silver Hill (having less retail space than the “2014 scheme”) – see Para 5.24 of Local Plan Background Paper 3

⁵ Retail Update 2012, Appendix C, Table 10C

⁶ Silver Hill: Net comparison space of 5,864 sq m gain less 1,250 sq m loss = 4,614 sq m

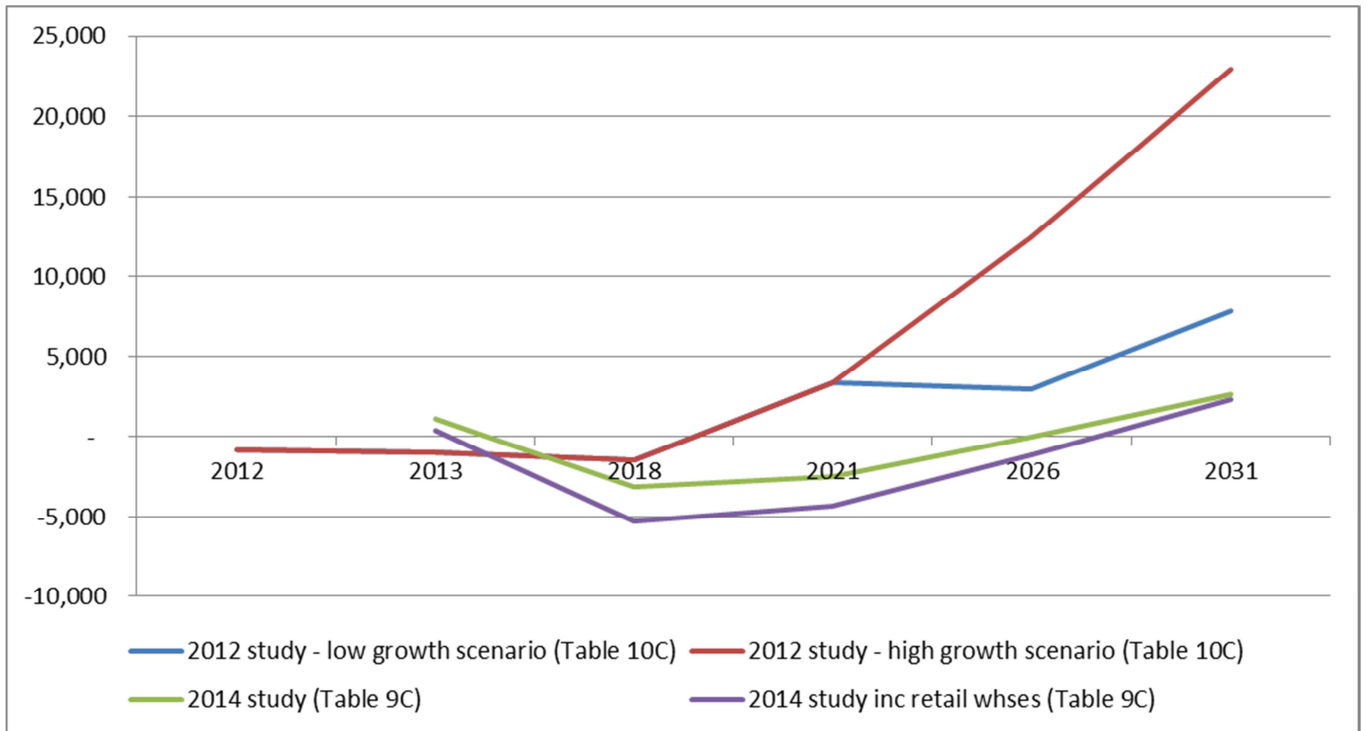
- 3.8 This figure of 9,000 sq m can be seen in paragraph 4.16, page 33 of “Local Plan Part 1” and within Policy WT1 on page 35. The 2014 study then suggested lower figures, which are summarised in Local Plan Background Paper 3 (page 9) – i.e. Convenience space of 1,715 sq m net plus comparison space of 2,660 sq m net = 4,375 sq m net, over and above “existing commitments”.
- 3.9 These “existing commitments” include the same allowance for Silver Hill of 4,614 sq m of net comparison floorspace, allowing for development gains and losses as before. Other commitments include space for retail warehouses at Winchester Trade Park and a “local centre” at Barton Farm.
- 3.10 The difference between the two studies and the relevant policy references are summarised here:

Projected requirement for additional space (sq m net), over and above existing space and commitments

Year	Retail Study 2012		Retail Study 2014	
	Convenience	Comparison	Convenience	Comparison
2018	- 1,082	- 1,423	- 104	- 3,140
2021	- 597	3,338	40	- 2,512
2026	260	2,924	881	- 6
2031	1,125	7,821	1,727	2,656
Total by 2031	8,946		4,383	
Policy ref	Policy WT1 in LP pt 1 (9,000 sq m net)		Para 3.5.1 LP pt 2 (6,200 sq m gross; 4,340 net) & see principles in WIN4	

- 3.11 The following chart shows the contrast between the low growth and high growth scenarios explored in the 2012 study (for comparison shopping), together with the equivalent, less optimistic, figures from the 2014 study.

Comparison sales floorspace projections over and above “commitments” (sq m net)



3.12 It is very noticeable that the background data in the 2014 study foretold an extended period of under-trading until about 2026 (see bottom pair of lines in the chart above). The position is a little weaker if allowing also for potential retail warehouse capacity.

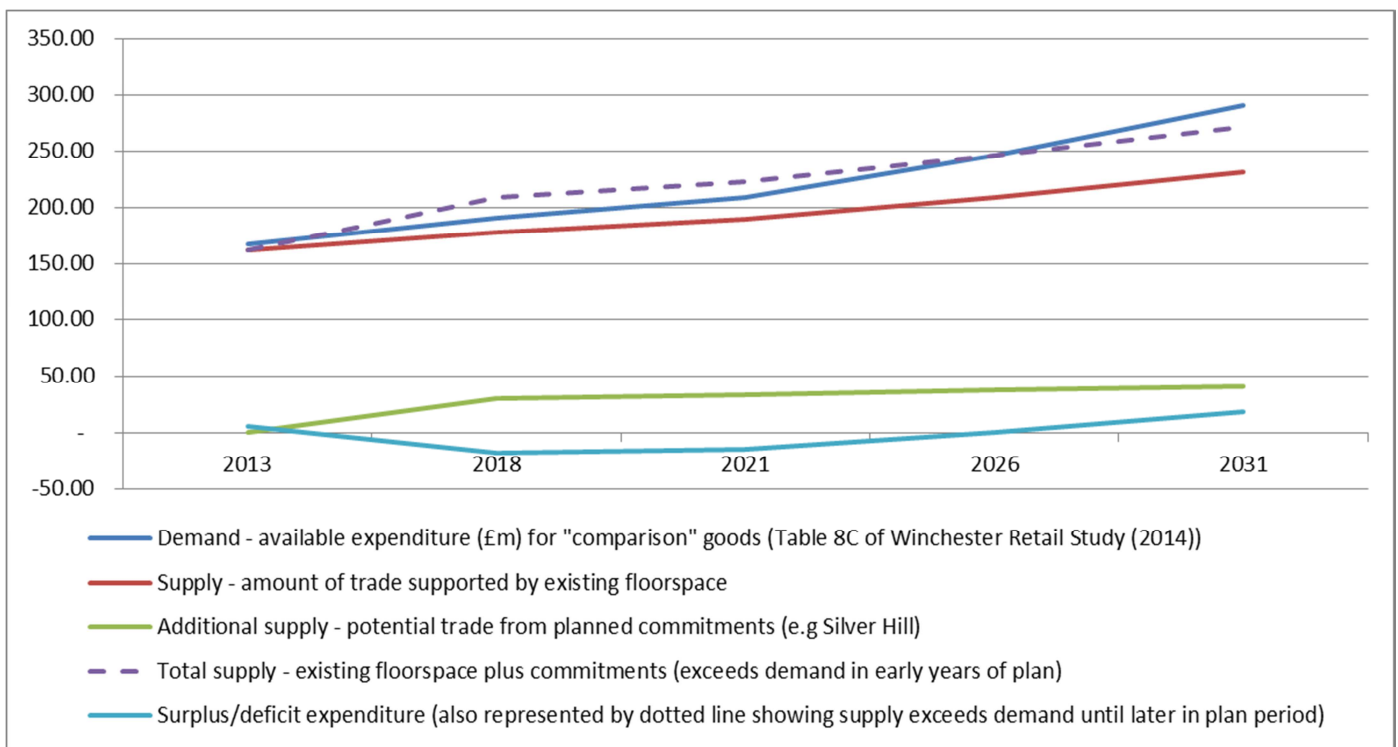
3.13 This is echoed by the authors of the 2014 study in paragraph 6.7 of the report: “Where floorspace figures are recorded as zero in Tables 6.1 and 6.2 there is a projected over-supply of retail floorspace, and there is a negative floorspace projection. There may be some potential for this over-supply of floorspace to meet projected growth within other parts of the District. For example the oversupply of retail warehouse floorspace in Winchester could reduce the need for additional floorspace in the rest of Winchester. The comparison floorspace projection could therefore be viewed as a high estimate.”

3.14 However, the “trough” of over-supply is not especially deep at about 2% to 3.3% of the district’s stock. Nonetheless, it is more significant within the context of Winchester (representing say 15 to 20 average size shops) and so the timing or phasing of development requires great care.

3.15 Developers need to be confident that their new space can be let within a reasonable time; they may take a positive view if, for example, their proposal meets a gap in the market notwithstanding that district spending models express a degree of caution, or if they are confident that a location's prospects are improving. Helpfully the level of vacancies in Winchester is relatively low and these projections suggest that the existing and proposed floorspace will be met by sufficient expenditure in due course, but not until late in the Plan period.

3.16 The following chart looks at consumer expenditure data from the most recent retail report in more detail.

Comparison sales expenditure projections (£m)



3.17 The solid line near the top of the graph represents demand – i.e. available expenditure (£m) for "comparison" goods. The second solid line in red represents supply – i.e. the amount of trade supported by existing floorspace. The gap between the two suggests that, based on the existing shops, shopper demand exceeds supply and retailers should be able to capture their notional share of expenditure. However, the gap widens to 25% (c. £60m) as time progresses. This suggests that the existing space cannot quite match

the potential retail expenditure that is available (i.e. Winchester is not trading to its full potential). So there may be some headroom for growth in the supply of retail floorspace to match consumer expenditure, especially towards the end of the Local Plan period.

- 3.18 This helps to explain the rationale for introducing an element of additional supply (the second line up from the bottom of the graph) – i.e. floorspace generated by planned commitments such as Silver Hill. When combined with the existing floorspace, this creates a picture of total supply (the dotted line). However, supply then exceeds demand for a while and the interaction between the two is finely balanced in the medium term, until 2026. This is also illustrated by the bottom line on the graph which shows that there will be a deficit period when shops will (in theory) not capture the full amount of retail expenditure that their floorspace might otherwise yield – however, much depends upon the management and performance of individual shops in this competitive environment.
- 3.19 So whilst it makes sense to plan for growth in order to maximise the city’s retailing potential, further development will put demand and supply into closer alignment. The retail studies refer to spare retail capacity provided by vacant shops. Naturally, if there were excessive vacancies then this would weigh against new development. However, the studies all note that Winchester’s vacancy rate is lower than national averages. Furthermore, as shown in the next chapter, the number of vacant shops is in decline at present.
- 3.20 Fluctuation in vacancy rates and consumer spending habits (including expenditure leakage to alternative centres and the internet) are factors in the recommendation in the Winchester Retail Study that progress should be monitored and reviewed. In addition, we would recommend that any growth plans are accompanied by a clear vision and action plan for Winchester that is orientated to the “quality” of provision (as perceived by consumers and retailers) to help grow the city’s market share.
- 3.21 Paragraph 3.40 of the Retail Update 2012 warned about “comparison expenditure leakage” from Winchester District to Basingstoke and other competing centres in the M27 corridor. Paragraph 3.41 postulated that “further improvements to comparison retail provision within the District could help to claw back some additional expenditure” and the development of retail space at Whiteley Village was part of that equation. This reinforces

two key points: a) the concept of clawing back market share for central Winchester and b) a reminder that Winchester town centre competes with other retail floorspace in the same catchment area, including within Winchester District.

- 3.22 Developing growth that is solely orientated to the “quantity” of floorspace without considering consumer preferences and retailer needs risks pushing supply ahead of demand. Therefore we recommend that careful consideration is given to defining what is “attractive” to consumers and retailers and that any further development is accompanied by appropriate measures to achieve this. The Community Planning Weekend and the forthcoming production of a Supplementary Planning Document for Central Winchester are important steps in consulting stakeholders on these questions.

Chapter summary

- 3.23 Winchester City Council has maintained a long series of retail studies as part of its Town Planning evidence base. Recent reports have reflected changing economic circumstances and shopping trends with a consequent reduction in the retail expenditure growth that is expected during the Local Plan period.
- 3.24 The existing retail floorspace lags slightly behind the amount required to maximise central Winchester’s trading potential and the gap widens gradually as time progresses. The presentation of high and low growth scenarios in 2012 highlighted the difficulty of being precise about future additional floorspace needs. Given the direction of travel, policy WT1 in Local Plan Part 1 was linked to the low growth scenario. A subsequent study in 2014 proposed a projection that was lower still. Local Plan Background Paper 3 responded to this and noted that new supply would be needed later rather than sooner during the Local Plan period; relevant references in Local Plan Part 2 include para 3.5.1 and the principles in policy WIN4. The 2007, 2012 and 2014 studies all allowed for a retail floorspace “commitment” of 4,614 sq m (net comparison floorspace) at Silver Hill; this was built into the projections as an assumption at the time, pending actual development.
- 3.25 The effect of adding the commitments to the current stock of retail floorspace is to put demand and supply into much closer alignment – i.e. raising the supply of floorspace to take advantage of projected expenditure growth later in the Local Plan period but risking a period of under-trading in the short/medium term. Like all forecasts, these projections

rely on a set of assumptions that should be reviewed at intervals. It would also be helpful if future studies included some “sensitivity testing” of the inputs to test, for example, the potential for Winchester to gain more market share (by responding to consumer preferences); and the sensitivity of the projections to industry “turnover benchmarks” as retailers continue to adapt their online/offline trading models.

- 3.26 Similarly, the 2014 study warned that retail warehouse development could reduce the need for additional floorspace in the rest of Winchester District. This underlines the need to differentiate between types of shopping – e.g. functional shopping trips versus leisure orientated and experiential retail. Furthermore, Winchester needs to focus on its qualitative offer in order to remain attractive, especially as a lull in consumer expenditure is predicted during the early/mid part of the Local Plan period.

4.0 ANALYSIS OF VACANCIES AND USES (INCLUDING CAFÉS)

4.1 As mentioned in the previous chapter and within the series of retail studies commissioned by Winchester City Council, vacancy rates in the city tend to be lower (better) than average. This is a reflection of Winchester’s location within a relatively prosperous part of the country as well as its innate characteristics (e.g. its heritage and the character of its buildings) which make it attractive to visit.

4.2 In preparing this report we have audited the current occupation and use of the shops in central Winchester. In terms of vacancies we note that the 2007 “Retail and Town Centre Uses Study” by NLP found there to be 29 vacant units (May 2007). The Local Plan Background Paper 3 (para 5.22) identified 27 vacant shops plus 2 more thought to be closing (as at March 2016). One year later, our audit has detected 19 vacancies (about 6% of 318 central area shops counted) as follows:

High Street/Upper High Street	6	The Brooks Centre ⁷	4
Southgate Street	1	Kings Walk	2
Jewry Street	2	St George’s Street	2
St Thomas Street	1	The Square	1
Total number of vacancies: 19			

4.3 The decline in vacancies over the past year from 29 to 19 units (a drop of 34.5%) is very encouraging for Winchester. This trend is broadly consistent with data from the Winchester Business Improvement District (BID) team which shows vacancy rates have declined from 7.8% in October 2013 to 3.9% in January 2017⁸.

4.4 Interestingly, recent press about the closure of a restaurant in The Square and the forthcoming departure of Next has prompted some of our consultees to emphasise that there will always be a degree of change as companies come and go⁹; they suggest that some departures are due to the efficiency of individual restaurants and retailers, some being especially sensitive to rising rents and Business Rates whilst others are more able to maximise the opportunity of being located in Winchester.

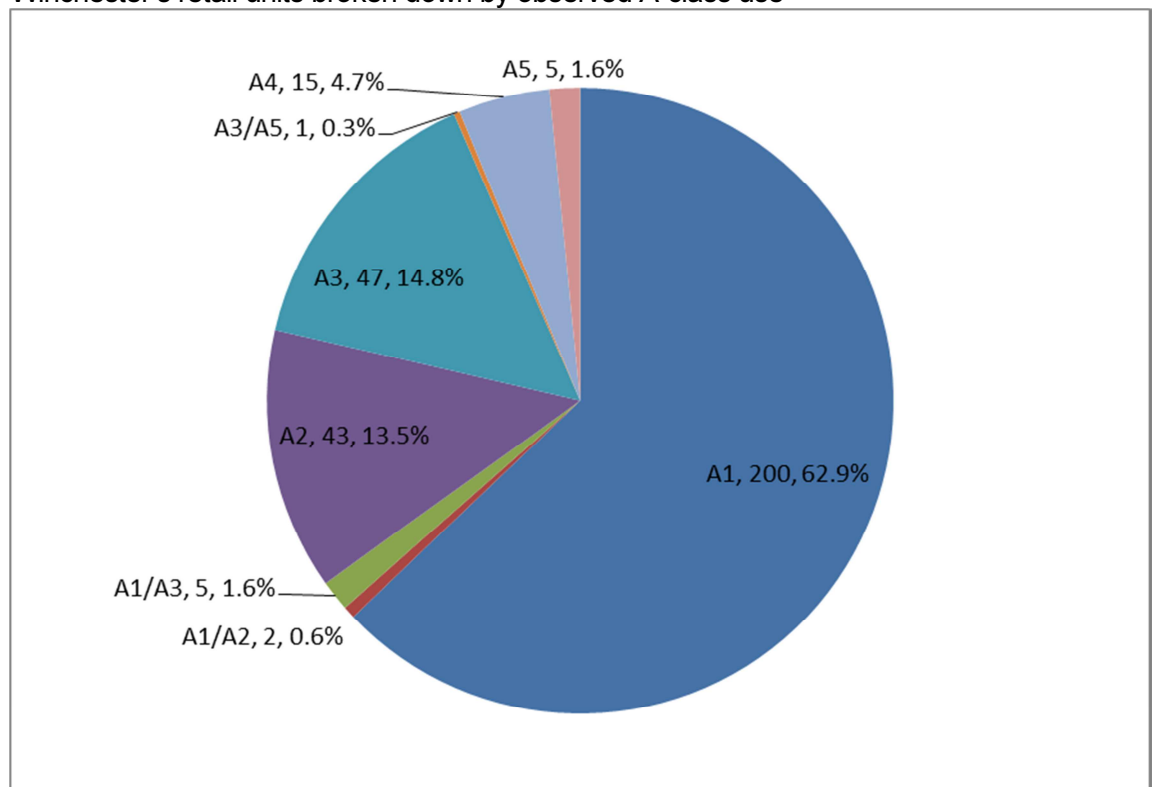
⁷ Depending how the available space is divided and the outcome of proposed lettings.

⁸ The BID data defines “vacancy” as a location with no evidence that the property is occupied for commercial purposes. (Sources vary in their methodology with some researchers analysing vacancy rates in terms of the number of shops; others in terms of floorspace.)

⁹ Anecdotally, two potential occupiers have been identified for the Next unit.

- 4.5 Although a high number of empty shops would be a sign of a centre being in poor “retail health”, it is perfectly normal to have some vacancies; these can facilitate “market churn”, refurbishments and changes of use.
- 4.6 The changing balance between “A-class” uses¹⁰ in central Winchester is also of interest to the Council. The following pie chart shows the overall mix of shops in Winchester’s main shopping streets, sorted by Use Class. A detailed audit of these shops, listed in the form of a schematic layout, is included in Appendix 2.

Winchester’s retail units broken down by observed A-class use¹¹



Source: Propernomics

- 4.7 Almost two thirds (63%) of the units inspected operate as conventional shops (A1 use).

¹⁰ In summary – A1: shops; A2: financial/professional services such as banks & building societies; A3: restaurants and cafés; A4: drinking establishments (exc. night clubs); A5 hot food takeaways

¹¹ Use Classes based upon observation rather than planning records (actual planning consents may vary)

- 4.8 The situation is quite different in Jewry Street which has almost as many restaurants (11 out of 40 units, 27.5%) as A1 units (12 out of 40 units, 30%). There is also a significant cluster of 8 estate agents in Jewry Street (20% of units). Southgate Street adds another 9 estate agents, plus a small cinema converted from a church (Everyman) plus the Hotel du Vin (including restaurant) and two public houses. There are also 5 estate agents in Upper High Street.
- 4.9 Parchment Street includes mainly independent traders plus 2 charity shops (no vacancies). Footfall is limited here due to the absence of a circular walking route for shoppers. This is reflected in the rents which are noticeably lower than within the “prime pitch” on the High Street. However, the presence of St Peter’s car park off North Walls may be of some benefit to Parchment Street if shoppers walk this way to/from their cars.
- 4.10 Apart from the 2 charity shops in Parchment Street, we identified 2 in the High Street, 2 in Upper High Street, 1 in King’s Walk and 2 in St George’s Street (a total of 9).
- 4.11 The uptake of retail space by coffee chains has especially attracted press comment with questions over the merits or otherwise of this occurring.
- 4.12 Our starting point for assessing this change is the 2007 retail study which noted this trend (para 13.56): “Food and drink establishments (Class A3/A4/A5) including restaurants, bars and pubs have supported other major leisure uses on leisure and retail parks. Within town centres the demand for A3/A4/A5 uses has increased including a significant expansion in the number of coffees shops, such as Starbucks, Costa Coffee and Coffee Republic.”
- 4.13 The report goes on to quote from planning guidance of the time (PPS6 para 2.22) that “a diversity of uses in centres makes an important contribution to their vitality and viability”. Certainly there is an argument for saying that the increase in the number of coffee shops since 2007 (detailed below) is in response to their popularity amongst the public, including office workers using them as drop-in workspaces and for informal meetings. Furthermore, they add a leisure dimension to shopping which increases consumers’ “dwell time” in high streets and help to attract footfall; they have also helped absorb retail space at a time when many towns are having to adjust to new forms of retailing. With this

in mind it is important not to overstate concerns about coffee shops as their presence is not without benefits.

- 4.14 The 2007 retail study includes data from Goad on the mix of A-class uses to be found in 1,200 town centres across the country. This shows that the average proportion of retail units in A3 to A5 use grew from 8.6% to 13.9% between 1991 and 2006. At para 13.65 the report anticipates that: “The growth in Class A3 to A5 uses within town centres may continue in the future, and will compete for shop premises with other town centre uses. Future town centre development should provide additional space for these uses as well as Class A1 retail. An allowance of 10% to 15% of new floorspace for Class A3 to A5 uses may be appropriate.”
- 4.15 Table 5.1 of the 2007 retail study shows that the national average proportion of units in A3 and A5 use was 13.9% in November 2006, compared to 9.3% (or 30 such units) in Winchester. So Winchester town centre lagged behind the national average for the provision of restaurants, cafés and takeaways at the time.
- 4.16 The retail study from 2014 said at paragraph 5.26: “In order to promote extended trading hours restaurants, café and bars (Class A1, A3 and A4) could be encouraged to locate in designated secondary shopping frontages in Winchester, particularly on Jewry Street and City Road, and there could be no policy restriction on these uses, other than amenity/transport impact issues. These uses can also be encouraged within upper floors of the primary shopping frontages.”
- 4.17 The current position, focusing on the main shopping streets of Winchester, is that out of 318 units, there are four (1.3%) taken by the large coffee chains, namely Caffé Nero, Starbucks, Costa and Pret a Manger (whose seating is mainly on the first floor). In addition, there are shops which also have cafés within them, such as M&S, Debenhams, West Cornwall Food Company, Reeve the Baker, Greggs and Mini Molly’s Den. The Loft (a music shop/studio in St Clement Street) also serves coffee.
- 4.18 Furthermore, our audit identified another 19 cafés which are mainly independents or small chains, or where coffee is ancillary to their main trade (e.g. Subway and the Sweet Ice Cream Lounge):

- Eat, Drink & Be, Upper High Street
- Caracoli, High Street
- Chococo, High Street
- Library café, Jewry Street
- Cabinet Rooms Art Café, Jewry Street
- Josies Cakes/Patsie's Café, Jewry Street
- Subway (2 units: Southgate Street and The Broadway)
- Café Winchester, St Thomas Street
- Coffee Lab, St Thomas Street
- Café Monde, The Square
- Café La Place (café/bar) , The Square
- Pie Caramba, Parchment Street
- Rawberry Café, Parchment Street
- Forte Kitchen, Parchment Street
- Sweet Ice Cream Lounge, Middle Brook Street
- Gallery Café, King's Walk
- Rawberry, St George's Street
- 1871 Café, The Broadway (in the Guildhall)

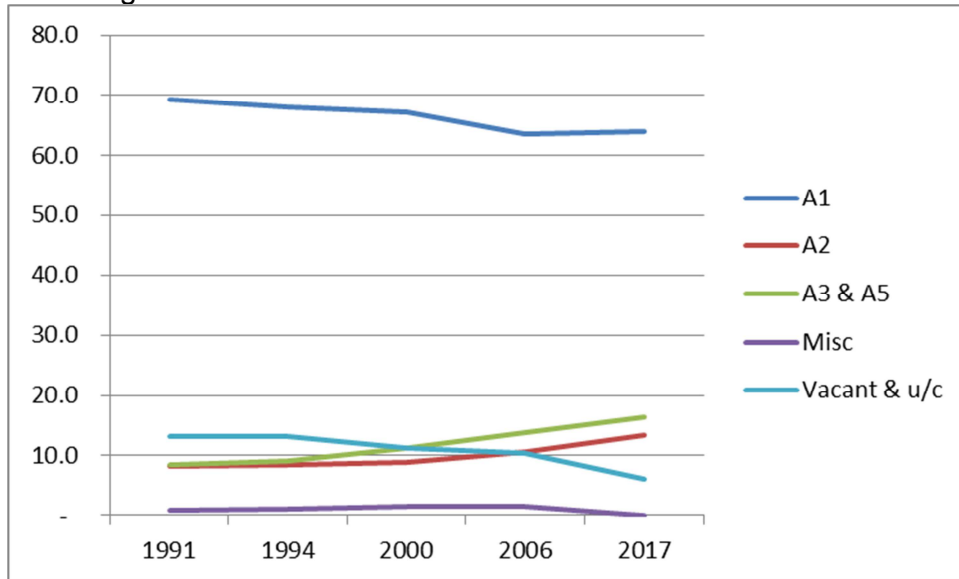
4.19 There are more independent cafés in Winchester than multiple/chain coffee outlets. Interestingly, it tends to be the large coffee chains that have attracted adverse press (associated rightly or wrongly with their tax arrangements or the speed with which they have appeared on many high streets). Arguably the independent (and small chain) coffee shops and cafés are less familiar than the multiple coffee chains; they are more individualistic and interesting to “discover” in the side streets.

4.20 Some cafés have been lost. For example, Maison Blanc has recently closed its café next to Cross Keys Passage; Baristas in the Upper High Street is being refitted as a window showroom so it is no longer a café. However, there is no shortage of places to buy coffee or tea in Winchester, bearing in mind also that pubs, hotels and restaurants add to the choice available.

- 4.21 According to research by Barclays and the International Coffee Organisation (published in the Daily Telegraph)¹² the coffee shop market in the UK has continued to grow but coffee consumption per head has not. Consumption levels are said to be lower than in 2006 in Britain (at 2.8 kg per head) and lower than in Germany and Sweden (about 7 kg per head) and France (5.5 kg per head). So it is reported that consumption has not increased but behaviour has changed in favour of visiting coffee shops rather than consuming instant coffee at home or at work. Coffee shops are now used as places to meet (for both work and socially), rather than say pubs which might be regarded as less inclusive.
- 4.22 In addition to the food and drink cluster in Jewry Street, The Square and Little Minster Street also include several cafés, pubs and restaurants, e.g.:
- Café Monde
 - Café La Place (café/bar)
 - Slug & Lettuce (PH)
 - Old Vine (PH)
 - Eclipse Inn (PH)
 - The William Walker (PH)
 - La Place (restaurant)
 - Stable Pizza (restaurant)
- 4.23 Compared to the position in May 2007, when there were 30 units in A3 and A5 use in Winchester town centre, the equivalent figure now is about 50, split almost equally between cafés and restaurants. We also identified about 15 pubs (A4 use) in the main shopping streets (see Appendix 2). The following chart compares the percentage split between uses (excluding pubs) identified at intervals by the 2007 report, compared to our audit in 2017.

¹² Various press cuttings available on this topic on request

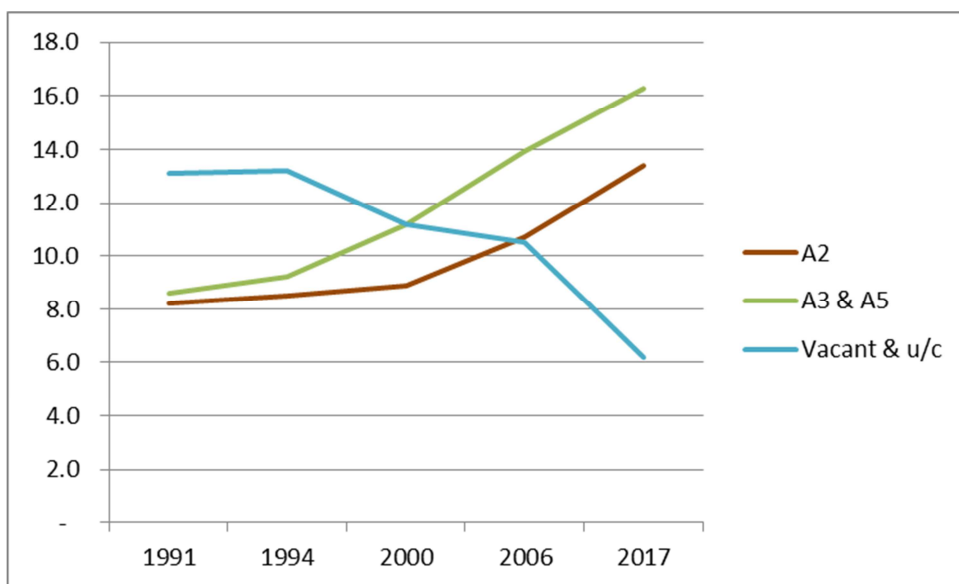
Percentage of town centre units in different uses



Source: NLP 2007 and Propernomics 2017

4.24 This data identifies a slight downward trend in the proportion of standard shops (A1) over time. A decline in the number of units vacant or under construction/refurbishment is especially apparent. At the same time there has been steady growth in the proportion of units in A2, A3 and A5 use; closer examination of these trends (at altered scale) can be seen here:

Percentage of town centre units in different uses



Source: NLP 2007 and Propernomics 2017

- 4.25 So, as anticipated in earlier advice to the Council, there has been significant growth in the number of food and drink establishments in the last decade, but this is part of a national trend and by no means peculiar to Winchester; it has also enabled Winchester to catch up on provision of this kind. Feedback from consultees has included appreciation of Winchester's cafés and restaurants as being part of the centre's attraction and they are seen as complementary to retail, leisure and other business activity.

Chapter summary

- 4.26 The occasional departure of retailers and restaurateurs from Winchester is a concern; some are especially price sensitive but others appear better placed to maximise the opportunity of being located in Winchester.
- 4.27 Almost two thirds of Winchester's shops are in A1 use. Jewry Street has a far higher proportion of restaurants (plus a cluster of estate agents, together with Jewry Street and Upper High Street).
- 4.28 Parchment Street includes mainly independent traders plus 2 charity shops, but no vacancies. Footfall is limited here due to the absence of connected side streets or a circular walking route for shoppers. Rents are noticeably lower than "prime pitch".
- 4.29 The uptake of retail space by coffee chains is a national trend (rightly anticipated in the Council's evidence base) that has absorbed space and added diversity to UK high streets. They are now fashionable as meeting places and for mobile workers. They are part of a centre's leisure offer and extend "dwell" times.
- 4.30 Winchester's café and restaurant provision was lagging behind average but appears to have caught up. It now has a good choice of coffee shops, including several national multiples; however, many are independent cafés; some are run within bakeries, patisseries or delicatessens and some from within larger premises such as department stores, the Guildhall or the cathedral complex.
- 4.31 Winchester's cafés and restaurants are part of the centre's attraction; they are complementary to retail, leisure, tourism and other business activity. It is likely that they would form part of any new development.

5.0 MARKET FEEDBACK

- 5.1 There are several ways in which potential requirements for retail property can be established (in addition to consumer expenditure analysis already discussed above). These include “gap analysis” (who is missing from a town that could be targeted if premises were available); analysis of retail requirements lists (commonly used by retailers to alert property agents to their “target towns” – see also Appendix 4); dialogue with retailers already in the town about their plans; consultation with property agents about market conditions and any particular “leads” from potential occupiers that they can disclose; direct contact with prospective occupiers to discuss a particular property or potential transaction. We now comment on market requirements from these perspectives.
- 5.2 As instructed (linked to preparatory work for the Central Winchester Community Planning Weekend), we have met with the Winchester Business Improvement District (BID) to discuss potential market requirements and their aspirations for retailing in Winchester.
- 5.3 The Winchester Business Improvement District (BID) has defined its “mission” for Winchester as follows: “A vibrant, exciting and successful business community; an attractive, clean and safe destination for customers and clients, shoppers and staff, residents and visitors; a profitable place in which to do business.”
- 5.4 Feedback from the BID included targeting retailers that are missing from Winchester whose presence would be complementary to the current retail offer – e.g. well known clothing brands (for a range of age groups) found in larger centres.
- 5.5 A list of suggested brands to target for Winchester is included in Appendix 5.
- 5.6 Similar suggestions were made by members of the public, some of whom made a plea for “greater choice” so that they could shop more in Winchester rather than, say, Southampton. This supports the notion that Winchester could gain more market share. However, without further research, there remains a question mark over whether retailers that are already represented in competing centres, such as Southampton, would also want premises in Winchester. Further research into their preferences and intentions is recommended if the full extent of demand is to be established.

- 5.7 Some consultees also suggested that large department stores such as House of Fraser and John Lewis would be “great to have” in Winchester. However, investment by “anchor stores” of this kind is very sensitive to the availability of sufficient trade compared to larger centres (such as Southampton). Their interest also depends on there being adequate space to accommodate them; hence demand from large space users is hard to secure without direct dialogue between decision makers about specific development proposals. Market feedback suggests that 10 years ago (perhaps 5) it would have been easier to attract large anchor tenants to Winchester but the impact of the internet and similar, large department stores in Basingstoke and Southampton means the case has very much to be made. Winchester is fortunate in having qualities that help set it apart from other places and make it attractive for further investment.
- 5.8 Many retailers and their agents promote their property requirements on lists of “target towns” which are shared with commercial property agents on online registers. We have identified 61 retailers that have listed Winchester as a target town. However, such lists should be treated with caution as some companies may alter their property search if they gain representation in competing centres; furthermore, some entries are out of date or include duplicates. Hence we have scrutinised the list and checked some queries with retailers or their agents; we have also separated those requirements that appear to be for out of centre locations. This leaves 43 leads (30 for A1 use) that could be shortlisted for further research if required. These companies are listed in the Appendix 4 and the list breaks down by use class and potential size requirement, as follows:

Use class	Number of units	%	Size from (sq m)	Size up to (sq m)
A1	30	70%	3,586	7,943
A2	1	2%	325	325
A3	6	14%	1,561	2,555
A3/A5	1	2%	70	167
A4	2	5%	743	1,394
A5	2	5%	177	269
D1	1	2%	279	465
TOTAL	43	100%	6,740	13,117

- 5.9 At present, this market intelligence suggests that these companies could account for about 6,700 to 13,100 sq m of floorspace. However, further research into the preferences and intentions of these companies is recommended if the true level of interest is to be established.
- 5.10 Although we cannot be certain which of these companies will actually secure space in Winchester, the fact that so many have included Winchester in their lists¹³ of target towns is encouraging.
- 5.11 We have also invited dialogue with retailers already in the town about their plans and encouraged them to participate in the Central Winchester Community Planning Weekend. Initial feedback included the following perceptions.
- 5.12 Healthy competition is seen as positive. Unlike some sectors, retailers welcome a degree of competition due to the clustering or agglomeration effect that draws in customers; the extra footfall benefits the group as a whole. For this reason, retailers (like consumers) called for "more choice":
- “Loss of competition gives less reason for shoppers to come to the High Street so we're keen to see more choice for shoppers. H&M, Top Shop and other high street brands could help draw people.”
 - “It's a worry that River Island left and now Next - competition helps drive footfall.”
 - “Not all the nationals are represented here so there is scope for more competition. Winchester's ‘uniqueness’ creates an opportunity for retailers that get representation here.”
 - “It's disappointing that Next is to close and for Monsoon to leave – perhaps it's because of larger units in competing centres. But there's potential for another department store with the loss of Beales – people want variety.”
- 5.13 By and large, the presence of cafés was seen in positive terms for the same reason - i.e. they create a reason for shoppers to come to Winchester or to stay longer. One company however thought that direct competition with incomer, Pret a Manger, had caused them to lose some sandwich/snack business.

¹³ Examples available upon request

- “Our café tends to be busy despite the high street coffee chains but we have lost some snack trade.”
- “Winchester is quite saturated with coffee/food outlets, especially with market stalls sometimes selling food too. The cafés are perhaps good for office workers, but I think we have enough cafés.”

5.14 Using “loyalty card” data, one of the retailers we spoke to has analysed the average age of its customers (age 58). A natural market opportunity for them is to broaden their customer base by attracting younger people. This is partly down to their own management decisions and choice of products but if Winchester itself had a broader offer for young people, even if it created extra competition, then this would be regarded as a positive opportunity. Other comments on customer profiling included:

- “We attract older customers as well as lots of regulars buying small amounts (small average baskets), plus visitors. The tourists come in the summer and at Christmas; the festive period attracts more and more, plus the festivals.”
- “We would welcome something like a visitor attraction to add to Winchester’s offer.”
- “We are targeting a spectrum of customers – young, old, families, visitors, students.”

5.15 A property agent commented to us that a natural market opportunity for the Brooks Centre is provide lower value products than those available from retailers on the High Street (prime pitch) and to cater for younger customers, including students. Although the architecture of the Brooks Centre has attracted criticism, it provides a home for “secondary” retailing that is otherwise priced out of prime locations.

5.16 Some companies are successfully adapting to the competitive threat posed by the internet. It is now very common for retailers to have both physical stores and websites; in some cases the online sales stimulate visits to shops, particularly to check the suitability or to collect products.

- “We are moving towards 7 day deliveries to support ‘click and collect’, as well as ‘little and often’ replenishment.”

- 5.17 Like their customers, retailers seem very aware that Winchester should play to its particular strengths in order to support demand and that physical regeneration is important.
- “The area needs change - physical improvement.”
- 5.18 The notion of "independent" shops is multi-faceted with some people seeking cheap premises from which to start or run a business; others being more interested in characterful and quirky shops that may charge a premium but offer "something different" to the multiples.
- 5.19 The overall view is that:
- “Independent traders add to the attraction” (of Winchester).
- 5.20 Research elsewhere by Propernomics involved a survey of 1,000 people about priorities for development if creating a new community. One of the questions concerned access to independent shops; 96% of respondents agreed (74% strongly) that special provision should be made to accommodate them. When asked about likely levels of patronage, 78% agreed (37% strongly) that they would use independent shops even if they were more costly. Actual behaviour may differ, but this research seems to suggest that the public would respond well to the provision of space for independent retailers.
- 5.21 Feedback from property agents has endorsed the role of low cost shops such as those in King’s Walk which tend to attract steady demand. There is also an appetite for shared space/stalls, such as in the adjacent Antiques Market. The challenge is finding ways to reinvest in such premises so that they remain in good condition and affordable. Public feedback certainly supports the concept that “unusual” and “individual” shops add to the “experience” of shopping/leisure. A cluster of creative, craft/art based traders, including places for “food and drink”, would have strong market appeal. This fits well with the concept of an indoor market or the re-use of existing buildings in a creative way.
- 5.22 However, the delivery of “affordable” shop units may not be easy in a newly built scheme due to the costs involved, as well as competitive pressure from multiples that trade from small units. Potential solutions to explore may include refurbishment of buildings in the

study area that could be retained for this purpose, or carefully allocating space within any new development for independent traders (although this may rely on a landlord's letting policy rather more than public planning policy).

5.23 The idea of incorporating "leisure property" in the study area means different things to different people. The market is segmented between three main groups: firstly, large format ("big box") buildings containing multiplex cinemas or bowling alleys (with examples to be found in Southampton, Eastleigh and Basingstoke); compared to cultural facilities and tourist attractions; and, thirdly, retail type leisure (e.g. restaurants and drinking establishments nestled amongst shops). There seems to be wide recognition that the character of Winchester is best suited to the latter two categories of leisure property. Feedback included:

- "Think about the leisure time offer. Perhaps another cinema – especially with all the students. Southampton has a new complex with about 20 screens!"
- "Winchester is more of a leisure destination with a 'cathedral city USP' compared to Southampton's leisure with its new cinema etc."

5.24 The principle of a street market appears to be broadly popular but some retailers are clearly concerned that the stalls, in some cases, obscure their shopfronts or otherwise hamper their trade. An alternative location, such as The Broadway, may prove attractive if tied in with complementary development with good pedestrian flow to/from the shops.

- "The street market creates healthy competition. It's good to have one 5 days a week. It creates more animation than other high streets, it's good. But it does obscure the fascias - we'd prefer a more dedicated location."
- "The market can be too busy, food smells drift into the shop which is not good for selling clothes."
- "The street market is a 'Marmite scenario' – it seems well managed and the offer changes during the week; so the variety is good and it adds to the city centre. But it can be difficult to walk up the High Street when it's busy. We're lucky not to be obscured like some shops. A covered market would bring footfall without the same problems."

- 5.25 The relentless rise of internet shopping is a concern to many. However, “Special Forms of Trading” (SFT), including online sales, were accounted for in the Council’s retail studies. However, this is a fundamental shift in retailing so when the Council’s retail expenditure projections are next updated, it will be important to check the progress of this trend and its impact on shopping habits. In the meantime retailers are adapting in response:
- “We have seen a shift to online sales. Therefore customers can order online and collect in-store. Shopping is still very much a leisure activity and people want to touch/feel/try their shopping.”
- 5.26 Comment from the British Retail Consortium¹⁴ notes an increase in visits to retail websites but with the caveat that visits do not always equate to sales; “The customer journey to purchase may play out over weeks or months. Even if consumers are not spending they are researching products”. Retailers are still adjusting to consumer behaviour online, noting for example the sensitivity of turnover to key events such as Christmas, Valentine’s Day, Easter and so on, as well as the release of new products such as gaming equipment and other electronic devices.
- 5.27 At the same time there is a strong incentive for retailers to cut costs and improve margins by relocating shops to edge/out of town retail parks. It is probable that the case for more such development will continue to be made, especially in those locations where Local Plans or constrained sites do not allow town centres to keep pace with retail needs assessments. One multiple retailer commented:
- “Around the country we are also opening out-of-town locations but I’m not aware of plans for that at Winchester.”
- 5.28 Winchester is probably not immune to this challenge but it does have a significant advantage in having an interesting and characterful town centre which could sustain “reasons to go into town”.
- 5.29 Parking is a seemingly intractable problem due to limited supply in the face of strong demand. Retailers and property agents are firm in the view that car parking has a direct

¹⁴ British Retail Consortium “Digital Retail Insight” March 2017

impact on shopping habits and a shortage of parking suppresses demand for retail property. By contrast with Winchester, property agents cite “lots of parking” at Whiteley, Gunwharf Quays and West Quay.

- “The average basket size would be higher if people could carry more shopping to their cars. The Park & Ride is not good - it removes a reason to shop.”
- “Our main criticism is parking. Parking is a constraint. Sometimes people feel there’s no guarantee of a parking space in Winchester.”

5.30 Potential solutions include better promotion of Park & Ride (especially for long stay visitors) and greater ease of use (potentially including a shopping delivery service). However, town centre parking can also be a form of “anchor” that attracts shoppers. Public transport also plays an important part but there seems to be consensus that buses should be re-routed to avoid the M&S/Sainsbury corner to minimise accidents involving pedestrians. The findings from other studies on transport and parking are awaited.

5.31 Property demand and rents vary significantly on and off the High Street. Winchester’s shopping is mainly “linear” in form and footfall tails off quite significantly in side streets. One advantage of new development is that it could create fresh links and circular walking routes that encourage footfall and drive value. However, the study area is at one end of the linear strip so it would be preferable for any new development to be complementary to the existing provision rather than in direct competition. Hence it may help to place any new retail space towards Silver Hill, compared to say housing at the bus station end of the study area.

5.32 One retailer situated near the bottom of the High Street commented:

- “We are well placed in the High Street, which is prime pitch, so we chose not to consider the Silver Hill development before.”

5.33 This supports the view that retailers already close to the proposed regeneration area are unlikely to relocate to units within it unless there is a special reason for doing so. However, the same retailer needs “more trading space ideally” and so there may be an opportunity to have more detailed discussions with Winchester’s existing retailers as development plans crystallise. Retailers will also respond more meaningfully once they

have a clearer understanding of the space to be made available, the quality of the public realm and the potential mix of occupiers.

5.34 Other comments related to demand and supply include:

- “We often get asked for sportswear but we lack space.”
- “Southampton benefits from having John Lewis and West Quay.”
- “We lack storage space in our shop but we manage with what we've got.”
- “We've had fewer people through the store this week - not exactly sure why, but only 3.5% so not a huge fall. 'Brexit uncertainty' might be a factor. The High Street doesn't feel quite so busy compared to last year but it may pick up over Easter.”

5.35 When speaking to local managers it was evident that whilst they might be present at the Community Planning Weekend, the “more serious or long term decisions” about investment priorities or property strategies would be made at head office.

- “We're not sure if/when HQ will decide to modernise our branch – the focus for investment tends to be on towns where we don't have branches, or on larger stores and on creating new product lines.”
- “We are not fully aware (locally) of management decisions and store managers move on quite regularly whereas head office takes a longer term view.”

5.36 If the Council is interested in gauging demand for specific propositions in detail then further research is recommended and this would be best channelled to senior directors or estate management departments.

Chapter summary

5.37 We have gathered market feedback via the BID, Chamber of Commerce, property agents, retailers and from registers listing retail property requirements. Market feedback from consumers (including business people) was also gathered at the Community Planning Weekend.

- 5.38 There was a plea for “greater choice” and “variety”: a) to provide a broader spectrum of clothing and b) so that Winchester shoppers could avoid separate trips to Southampton. This implies Winchester could gain more market share.
- 5.39 The BID would be pleased to see more traders, including top brands; a list of 28 “target retailers” chimes with their progressive vision for the prosperity of Winchester. Although retailers are concerned about trading conditions (especially due to the internet and tight margins), they also see “healthy competition” in the town centre as a positive magnet for footfall, including a wider age spread of potential customers.
- 5.40 We also have a list of 43 retailers that have listed Winchester as a “target town”. Collectively they specify space requirements of about 6,700 to 13,100 sq m, which weighs in favour of development if genuine, but further research is needed to establish their true interest.
- 5.41 From our initial discussions with retail property agents, large “anchor stores” would need to consider carefully the unique selling points and merits of Winchester and whether it would generate sufficient trade for them in relation to other stores/towns. Retailers in this category are few in number (compared to retailers that would take standard size high street units) so demand would need to be tested with individual retailers, whose views may vary. Dialogue will be more meaningful once firm development ideas are available; much now depends on the evolution of policy objectives and the intentions of landowners, including the Council.
- 5.42 Town centre cafés and restaurants add ambience and amenity; they are seen positively and, along with tourist attractions, add to the reasons to come to Winchester or to stay longer.
- 5.43 A natural market opportunity for the Brooks Centre is provide lower value products than those available from retailers on the High Street (prime pitch) and to cater for younger customers, including students. Although the architecture of the Brooks Centre attracts criticism, its legitimate role as a “secondary” retail location (in terms of cost and product) is also recognised by property professionals and the public.

- 5.44 Retailers are responding to the internet as a threat and as an opportunity. This is a structural change that is proving disruptive to the retail sector. New models are emerging (such as “click and collect” which sustains visits to physical stores) but the process of change is very challenging for retailers and makes space planning very uncertain. The Council’s next retail expenditure forecast should pay special attention to the growth of internet shopping and its impact on space requirements.
- 5.45 Like their customers, retailers see physical regeneration of the Central Winchester study area as very important.
- 5.46 The public yearn for “independent” shops but the issue is multi-faceted. Market research shows that most people will be drawn to and will pay extra for “something different” to the multiples; the independents may include price sensitive start-ups and craft businesses, which can be difficult (financially) to accommodate in new development unless deliberate steps are taken to include them. A covered market or other shared space might be part of the solution; this calls for an imaginative response from landowners in the study area.
- 5.47 In terms of commercial leisure, the character of Winchester is best suited to cultural facilities, tourist attractions, cafés, restaurants and bars rather than large format, “big box” leisure.
- 5.48 Street markets are broadly popular with the public and with traders but, unsurprisingly, retailers are concerned if stalls obscure their shopfronts or hamper their trade. An alternative location, such as The Broadway, may prove attractive if it is remodelled to attract footfall.
- 5.49 Pressure on retailers to cut costs and improve margins will drive demand (and planning applications) for more edge/out of town retailing. Nurturing the character of Winchester and its breadth of offer may help sustain its appeal as a place to visit/shop despite the convenience of other locations.
- 5.50 Parking, pedestrianisation and modified bus routes are all desirable for retailing and town centre living. Retailers and shoppers will want “user friendly” solutions. Further technical work should be done to resolve the tension between them or to make the case for radical change.

- 5.51 One advantage of the Central Winchester Regeneration Area is that it is of sufficient scale to permit significant change for the long term, potentially including the creation of new streets and public realm that encourages footfall. If circular walking routes fed back into the High Street, with existing/new retail space in close proximity, then this may help the two to be complementary to one another.
- 5.52 Ongoing and deeper dialogue with retailers is recommended as development plans crystallise.

6.0 COMPARISONS AND BENCHMARKING

6.1 As part of the preparations for the Central Winchester Community Planning Weekend we have researched demographic data on other districts for comparison with Winchester. Other members of the JTP team have also prepared case studies and researched design “precedents” from an architectural perspective. We have also reviewed government research into the character and retail health of 50 benchmark towns and the recommendations arising for different town “typologies”. This body of work has helped to stimulate debate about consumer preferences and to draw out potential lessons for Winchester.

6.2 Interesting comparisons have emerged from our analysis of the demographic context and floorspace in each of the following districts:

- Bath
- Canterbury
- Chester
- Chichester
- Salisbury
- Winchester

6.3 For example, we note that Winchester and Chichester districts are quite alike in terms of population (within about 3%); both have a main centre with a strong “cathedral city” heritage; each centre serves a large rural hinterland; yet Winchester has a third fewer shops (or 23% less retail floorspace).

6.4 An important distinguishing feature of Chichester is its criss-crossing network of streets (compared to Winchester’s largely “linear” retail layout), which can host many shops in close proximity to one another, with circular walking routes between them that help to distribute footfall amongst both multiples and independents. Winchester also has competing centres nearby, probably more so than Chichester, and this may also help account for the difference. Nonetheless, if Winchester was able to alter its street pattern through development then creating more of a network of streets may be beneficial for retailing.

- 6.5 Bath has the most shops in the group of districts studied with over 900 more units than Winchester¹⁵. An important distinguishing feature of Bath is its heritage status and the beauty and touristic appeal of its buildings – lessons for Winchester perhaps. There is a good flow of pedestrians around Bath’s network of streets, including to/from its railway/bus station complex. The street pattern also includes a variety of narrow and broad streets, interesting squares and views, with an intermingling of multiple retailers and independents. Bath also has extensive areas which are for pedestrians only. Like Winchester, parking is not always easy but the extent to which this is a deterrent in each place is hard to tell. Anecdotally, retailers and commercial property agents are adamant that a lack of parking in Winchester can be problematic for trade. However, larger cities like Oxford and Cambridge have introduced Park & Ride solutions to good effect.
- 6.6 Earnings data suggest that the prospects for retailing in Winchester are good. Winchester district has the highest average earnings of the group (£670.10/week which is almost 15% higher than the rest). Winchester also has the highest density of jobs for local residents, along with Chichester; whereas Canterbury and Salisbury have the least.
- 6.7 Winchester also has the lowest claimant rate for out-of-work benefits (0.5% compared to 1.02% on average for the group of districts). Chester and Canterbury have relatively high claimant rates.
- 6.8 Canterbury and Bath districts both have relatively high proportions of their population that are aged 16 to 64 (about 64% compared to Winchester at 61.1%). However, Canterbury has quite high unemployment (5.7% compared to Winchester at 2.5%).
- 6.9 Canterbury and Salisbury score least well in terms of Jobs Density (0.77 and 0.81 compared to Winchester at 1.26) yet Salisbury (like Winchester) has a high proportion of public sector employment (at over 2% of jobs compared to less than 1% on average). This is a reminder of the importance of public sector workers as a “customer base” for retailers (especially important in Winchester due to the presence of both Hampshire County Council and Winchester City Council).
- 6.10 A table summarising this demographic data is included in Appendix 3.

¹⁵ Based on Business Rates data for the number of retail hereditaments in each district

- 6.11 Further benchmarking of different towns can be found in research commissioned by the government's Department for Business Innovation and Skills¹⁶. The research analyses data on 50 town centres in England (20 in detail); it then develops profiles or "typologies" for typical towns and, following discussions with stakeholders involved with 10 towns, it examines the implications for town centre policies for each typology.
- 6.12 The town centre typologies have been developed with reference to retail performance indicators and the physical characteristics of different towns. Considerations in this profiling exercise included, for example, the size of the retail centre, the performance of the surrounding local economy, vacancy trends, the prevalence of multiple ("chain") retailers compared to independent traders and the number/size of charity shops.
- 6.13 We now comment on five main findings from the research. Firstly, the performance of towns was strongly influenced by their local economic context. This is not surprising because of the direct relationship between economic prosperity, earnings and the amount of expenditure available for shopping.
- 6.14 Relating this to Winchester, we observe that the local economic context is strong due to the success of the South East and, within that, Winchester is part of the relatively prosperous M3 corridor (evidence from Enterprise M3 Local Partnership confirms the relative strength of this economic sub-region). The area's relationship with London is also important due to the earnings brought home by London commuters. That said, Winchester has a mixed demographic community so not all its customer base has high earnings. High house prices may also be a factor in suppressing disposable income, but this is reflected in baseline data on consumer expenditure.
- 6.15 Secondly, a degree of critical mass is important. The research found that larger centres can "overcome their immediate circumstances and thrive despite being set in a weak local economy"; smaller centres are more sensitive to their local economic context.
- 6.16 Relating this to Winchester, it is important to note the quantitative gains and qualitative improvements made by large centres nearby such as Southampton. Critical mass has

¹⁶ BIS Research Paper no. 188 - "Policy Implications of Recent Trends in the High Street/Retail Sector" by URS and GL Hearn, December 2014

helped Southampton to develop the West Quay shopping centre, complete with major retailers such as John Lewis and high profile stores such as Apple, amongst many others.

- 6.17 The owners of West Quay (Hammerson) describe the shopping centre as “the South Coast’s premier retail destination” with “high street favourites, destination drivers and aspirational fashion alongside a wide variety of dining offers”. Furthermore, “Westquay South, the scheme’s dining and leisure extension, opened from December 2016, offering a new Showcase cinema-de-lux alongside a Hollywood Bowl and restaurants including Franco Manca, The Diner, Red Dog Saloon and Five Guys.”¹⁷ Without doubt, Southampton draws trade from Winchester and retains expenditure that might otherwise “leak” to Winchester.
- 6.18 Winchester lacks the critical mass of Southampton and it is only reasonable to contemplate expansion of Winchester’s floorspace if this is matched by a net increase in the town’s share of consumer expenditure – i.e. Winchester must win more business. This relies on harnessing the innate qualities of Winchester to drive expenditure growth, preferably for both the existing and any new floorspace proposed.
- 6.19 We note that one of the key findings of the BIS study was that: “Large, successful centres have got larger, but overall the relationship between performance and physical change is ambiguous; some thriving centres have reduced in size.” This is a reminder that big is not always beautiful and smaller cities like Winchester must play to their strengths. One policy approach would be to avoid mirroring Southampton’s offer because there is no reason for the two places to be exactly alike.
- 6.20 Thirdly, the BIS research paper commented on the relationship between the performance of a retail centre and the diversity of expenditure it attracts between retail, leisure and cultural pursuits. The research found that “over-performing centres tend to be more homogeneous than under-performing centres” and “an above-average proportion of a centre’s spending going on retail tends to go hand-in-hand with low vacancy and a smaller charity shop presence”. This implies that stronger retail centres dominated by

¹⁷ <http://www.hammerson.com/property/shopping-centres/westquay/>

multiples do not need to diversify their income – i.e. retail expenditure focused on multiples is far higher than for leisure/cultural activity and independent shops.

- 6.21 The report continues: “It is important to note that the finding of a correlation between homogeneity and success does not imply that a lack of diversity *causes* success. It is more likely that a relatively high proportion of retail spending relative to spending of other types is a symptom of success.”
- 6.22 Feedback from the public tends to suggest that they value a variety of leisure and cultural activity, as well as independent retailers. In our view the BIS report could have gone further in exploring this issue and to differentiate between types of independent trader in different situations. Although independents represent a small proportion of overall expenditure (compared to the multiples), they can play a part in making a place attractive and interesting, but much depends on their quality. In poor performing centres or less popular streets the profile of the independents may be weaker (“cheap and cheerful”) compared to stronger locations that can support a higher value type of trader (“chic and cheerful”). This is an important distinction for Winchester to address. New development that suits multiples could also include small units for independents; both are of interest to shoppers and each can drive footfall for the other.
- 6.23 Fourthly, large centres tend to have large catchments that attract visitors from a wide radius. This is especially noticeable in rural areas where “island” towns (like Salisbury or Chichester) draw in shoppers from the surrounding hinterland. The situation is more nuanced in southern Hampshire because transport infrastructure, including local train services plus the M3 and M27 corridors play a part in enabling a flow of consumers between retail facilities at, for example, Gunwharf Quays in Portsmouth, Whiteley Shopping Village, Hedge End Retail Park, West Quay in Southampton, Winchester and Festival Place in Basingstoke. So Winchester is not an island town in charge of its own catchment; there is a degree of overlap. However, this works both ways and Winchester draws trade from these shared catchment areas. Winchester could also choose to compete for a greater share of trade, including tourism from outside the area. The advantage of tourism is that it draws footfall and expenditure from outside the local catchment area (i.e. net additional business).

- 6.24 Fifthly, the BIS research paper notes that vacancy rates and the presence of charity shops have increased in most locations over the last decade. The impact of recession and slow growth in subsequent years has been more keenly felt in centres in the research sample that were already struggling. Winchester appears to have bucked the trend with relatively low vacancy rates and just 4 charity shops in the High Street and Upper High Street at the time of our audit.
- 6.25 Lastly, the size of the centres examined “has remained stable over the past decade, suggesting that overall, town centres have undergone little or modest physical change in response to broader trends”. This may in part be due to physical constraints acting as a drag on development. Another key determinant of change is achievement of rental values that overcome the cost of development. This equation has been particularly difficult to resolve during recession, especially at a time when consumer expenditure has also been diverted to online shopping, a large part of which has by-passed high streets. This difficulty with viability is likely to persist, especially for large scale additions to town centre floorspace unless they attract fresh sources of retail expenditure or include high value uses (such as market housing) that can generate a degree of cross-subsidy.
- 6.26 Helpful outcomes of the BIS research include the definition of four main types of retail centre and recommendations for how retail performance is improved. We now set out those definitions and recommendations and then comment on their applicability to Winchester.

Retail town typologies

Typical characteristics

Type 1 - large, homogenous, thriving

- i. Focused on Comparison retailing
- ii. Draws shoppers from a wide radius area
- iii. Relatively low, stable vacancy rates
- iv. Increasing in size over time

Type 2 - medium to large, diverse, struggling

- i. Weak local economic context
- ii. Relatively high vacancy rates
- iii. Losing out to larger "destination" centres
- iv. Diverse, with above average non-retail spend

Type 3 - small to medium, weak local economic context, struggling

- i. Convenience retailing focus; less comparison
- ii. Serves local community and small catchment
- iii. Local economic context tends to be weak

Type 4 - small, strong local economic context, thriving

- i. Local economic context tends to be strong
- ii. Draws comparison shoppers from wide area
- iii. Reliant on local custom for convenience sales
- iv. Attracts a range of spending, including leisure and cultural expenditure
- v. Responsive to trends

6.27 Although not an exact match, our overall view is that Winchester is a "Type 4" centre because (using the same numbering):

- i. The local economic context tends to be strong for the reasons we have explained.
- ii. However, (less like Type 4) there is competition for comparison retailing from other centres in the sub-region so Winchester is both losing and winning business to/from other centres.
- iii. As might be expected in many places, Winchester's convenience retailing tends to be reliant on local custom. (However, we anticipate that Tesco at Winnall, being so well located by junction 9 of the M3 motorway, also draws convenience business from non-Wintonians.)
- iv. Winchester attracts a range of spending. It has a strong cluster of restaurants and cafés that help the Winchester economy diversify its income between different sources of expenditure. However, it does not have the same "leisure park" type units or "multiplex" cinemas found in say Southampton, Eastleigh and Basingstoke. A choice needs to be made between competing with, or complementing such facilities with something different - arguably Central Winchester's built environment

is better suited to a cultural offer geared to its history and heritage (i.e. a strategy of playing to its existing strengths).

- v. Finally, Type 4 towns are described as being responsive to trends. Examples of trends noted in the report¹⁸, that may need to prompt a response in such towns, include:
- Reduction of surplus space. This is especially important where vacancy rates are high, which is not the case in Winchester at present. However, as shown in an earlier chapter, retail expenditure projections within the Council's evidence do warn of a potential deficit in expenditure to support both current and proposed retail floorspace in the short/medium term.
 - Changing consumer expectations and a preference for a combined retail and leisure "experience". This trend is reminder of the need to distinguish between shopping experiences that are "functional" (e.g. convenience retailing, bulky goods and internet transactions) and shopping experiences that are "fun" (e.g. visiting shops, leisure activities, food and drink and tourism).
 - More "mega" supermarkets with a large non-food offer and more recently a move towards smaller format "convenience" supermarkets in town centres. Winchester now has a mix of large and small format supermarkets.
 - Online shopping and multi-channel shopping (including in-store, online, click and collect). This is an ongoing process of change that is well recognised by retailers, although they differ in their response.
 - A rise in the popularity of out-of-town retail, particularly for larger purchases such as furniture and garden equipment. We do not envisage central Winchester participating in this market.
 - An ageing demographic. The population of Winchester District that is aged 16 to 64 (61.1%) is only fractionally below the SE (62.2%) and GB (63.3%) averages. Although Central Winchester has a "prosperous middle-class" image and high house prices, the overall community of the city is diverse so there is a need to cater for a spectrum of age/income groups.

¹⁸ Para 7.2

- Increasing homogeneity within and between centres. Nonetheless, the typologies do not suggest that homogeneity is a factor of success; indeed the public seem to favour an eclectic mix of retail/leisure uses and multiples/independents/market traders.
 - Difficult economic conditions, with consumers increasingly turning to discount stores. We would expect consumers to continue to be very price sensitive, especially with regular convenience shopping.
- 6.28 Winchester also has some of the characteristics of a Type 1 town. For example, it includes comparison retailing, but not on the scale of a larger centre like Southampton. It also has relatively low, stable vacancy rates.
- 6.29 Winchester is unlike Types 2 and 3 but they have characteristics which act as warning signs for Winchester. So, for example, despite being situated in a relatively prosperous part of the UK and having a strong local economic context, Winchester has to compete with other centres in the same sub-region and will lose out to other "destination" centres unless it maintains, preferably strengthens, its own offer as a destination.
- 6.30 An important concept for Type 4 towns and for Winchester is the extent to which they are regarded as attractive "destinations" – i.e. "attracting visitors for the experience of spending time there as much as for the goods on offer, though they offer quite a different experience to Type 1 centres, attracting a range of spending, with leisure and cultural spending being a relatively important source of revenue".
- 6.31 The discipline of "town centre management" therefore demands consideration as part of the economic development agenda. Winchester has the advantage of having a BID team that is very focused on encouraging the economic prosperity of the city, as well as other stakeholders pulling in the same direction with organising festivals and so on. Although the management of a singly owned shopping centre is a different proposition, there are perhaps some lessons to be learned from the proactive approach that is taken to create the right environment for retailing. For example, Hammerson's online promotion of its shopping centres includes the following pitch to retailers:

"Whatever the size of your brand or business we can create the perfect platform to set your sales alight. Hammerson shopping centres are vibrant, social destinations

welcoming millions of shoppers a year, all with a mindset that's relaxed and ready to buy. By using a wide range of advertising and promotional channels, we can put your brand at the top of their shopping list."

- 6.32 Like other cathedral cities and centres such as Bath, Winchester has touristic appeal. If this can be developed further then it could contribute to the town's footfall without having to compete with places like Southampton and Basingstoke for the expenditure of their residents.
- 6.33 We are aware that Winchester has enthusiastic interest groups that champion heritage led regeneration and tourism. This has the potential advantage (if demand for proposed projects is proven) of attracting net additional expenditure that is not otherwise easily created. The Council should therefore come to a view on the extent to which footfall and expenditure from tourism can support new retail floorspace compared to other strategies for the Central Winchester Regeneration Area. This evaluation should consider not only potential tourist numbers (driving net additional expenditure) but also any premium value that Winchester as a whole can derive from heritage led regeneration.

Chapter summary

- 6.34 Analysis of demographic and benchmarking data, alongside other comparisons made by the multi-disciplinary team working on the Central Winchester SPD, has stimulated debate and drawn out recommendations for Winchester.
- 6.35 Winchester and Chichester districts have similar populations and a rural hinterland; Winchester district has a third fewer shops but more sub-regional competition. Chichester and Bath have walkable networks of crossing streets. Winchester is more linear. All three have an attractive built environment, including impressive heritage assets.
- 6.36 Although the community is diverse, Winchester's labour market, jobs density, employment rate and average earnings are all very strong – so the prospects for retailing in Winchester are good. The public sector workforce in town is also a helpful customer base for the shops/cafés.

- 6.37 Government data on 50 town centres has generated 4 profiles or “typologies” for typical towns, with implications for town centre policies. Winchester has a strong local economic context; it lacks the critical mass of say Southampton and suffers some expenditure leakage (retail and leisure) as a result.
- 6.38 If Winchester is to have more retail floorspace then it must win more business. Winchester has a very different character to Southampton/Basingstoke and should reinforce that difference. Winchester must play to its strengths.
- 6.39 The public values a variety of leisure and cultural activity, as well as market stalls, crafts, antiques, food and beverage and independent retailers (whether “cheap”, “chic” or “quirky”). These add to the appeal of a place so long as the quality of the overall experience is good.
- 6.40 Winchester is not an island town in charge of its own catchment; expenditure is shared with competing centres. Together with tourism, there is a legitimate market to compete for - if that is Winchester’s choice. Tourism can draw shoppers from a wider catchment.
- 6.41 Compared to other places, Winchester has bucked the trend with relatively low vacancy rates at the time of writing.
- 6.42 Physical constraints and viability problems are a common drag on town centre development. Viability will be a persistent issue of concern without cross-subsidy from more valuable uses (e.g. market housing/private sector retirement living), or fresh sources of retail expenditure to counteract a lull in expenditure in at least the short/medium term. The Council’s evidence base indicates an improvement in expenditure towards the end of the Local Plan period but forecasts are inherently risky and the position should be monitored.
- 6.43 An important consideration for Winchester is the extent to which it is regarded and managed as a “destination” to attract a range of retail, leisure, cultural and heritage related expenditure.

7.0 SUMMARY

- 7.1 This report has highlighted characteristics of Winchester that set it apart from competing locations. These include physical features such as the attractive built environment as well as less tangible but equally important features such as the city's history, cultural appeal and ambience. Winchester benefits from a strong local economic context, above average earnings, high educational achievements/qualifications and stable employment; Winchester also has national recognition as a desirable place to live¹⁹. These features all help support the case for further investment in Winchester.
- 7.2 We have examined the Council's retail evidence base in detail and have audited the number and type of shops currently trading in Winchester. In conjunction with the Community Planning Weekend for the Central Winchester Regeneration Area we have gathered and analysed market feedback, including ambitions for retailing in Winchester. Our research has also included analysis of demographic data and benchmarks to inform our report and its recommendations.
- 7.3 For ease of reference and readers' convenience, this section of the report draws together the individual chapter summaries. The next chapter then covers recommendations and policy considerations to help inform development of the Central Winchester SPD.

Contextual trends

- 7.4 The economic context is relatively steady; economic growth is better than predicted in 2016 but there remains "uncertainty" about the effect of Brexit. Meanwhile, a drop in the value of Sterling is helping exporters but has an inflationary effect on imports which will trickle through to High Street prices. Other risks include a resurgence of consumer debt, especially if interest rates rise in future.
- 7.5 Retailers are still adjusting to the threats and opportunities presented by online shopping, which is on a rising trend. This is a structural change that will create winners and losers amongst retailers and high streets. Tight margins are forcing some retailers out of business or out of town to cheaper locations.

¹⁹ The Sunday Times and Halifax surveys

- 7.6 The downside risks implicit in the economic conditions mean that towns need to pay more attention to the “experience” they offer to shoppers, visitors and tourists. Some towns have a magnetic attraction due to their appealing mix of features, including town centre retail/leisure uses, the quality of the public realm and the built environment and the practicality of the place for access. Shopping towns need to be proactively managed as “destinations” with broad appeal.

Implications of the retail evidence base

- 7.7 Winchester City Council has maintained a long series of retail studies as part of its Town Planning evidence base. Recent reports have reflected changing economic circumstances and shopping trends with a consequent reduction in the retail expenditure growth that is expected during the Local Plan period.
- 7.8 The existing retail floorspace lags slightly behind the amount required to maximise central Winchester’s trading potential and the gap widens gradually as time progresses. The presentation of high and low growth scenarios in 2012 highlighted the difficulty of being precise about future additional floorspace needs. Given the direction of travel, policy WT1 in Local Plan Part 1 was linked to the low growth scenario. A subsequent study in 2014 proposed a projection that was lower still. Local Plan Background Paper 3 responded to this and noted that new supply would be needed later rather than sooner during the Local Plan period; relevant references in Local Plan Part 2 include para 3.5.1 and the principles in policy WIN4. The 2007, 2012 and 2014 studies all allowed for a retail floorspace “commitment” of 4,614 sq m (net comparison floorspace) at Silver Hill; this was built into the projections as an assumption at the time, pending actual development.
- 7.9 The effect of adding the commitments to the current stock of retail floorspace is to put demand and supply into much closer alignment – i.e. raising the supply of floorspace to take advantage of projected expenditure growth later in the Local Plan period but risking a period of under-trading in the short/medium term. Like all forecasts, these projections rely on a set of assumptions that should be reviewed at intervals. It would also be helpful if future studies included some “sensitivity testing” of the inputs to test, for example, the potential for Winchester to gain more market share (by responding to consumer preferences); and the sensitivity of the projections to industry “turnover benchmarks” as retailers continue to adapt their online/offline trading models.

- 7.10 Similarly, the 2014 study warned that retail warehouse development could reduce the need for additional floorspace in the rest of Winchester District. This underlines the need to differentiate between types of shopping – e.g. functional shopping trips versus leisure orientated and experiential retail. Furthermore, Winchester needs to focus on its qualitative offer in order to remain attractive, especially as a lull in consumer expenditure is predicted during the early/mid part of the Local Plan period.

Analysis of vacancies and uses (including cafés

- 7.11 The occasional departure of retailers and restaurateurs from Winchester is a concern; some are especially price sensitive but others appear better placed to maximise the opportunity of being located in Winchester.
- 7.12 Almost two thirds of Winchester’s shops are in A1 use. Jewry Street has a far higher proportion of restaurants (plus a cluster of estate agents, together with Jewry Street and Upper High Street).
- 7.13 Parchment Street includes mainly independent traders plus 2 charity shops, but no vacancies. Footfall is limited here due to the absence of connected side streets or a circular walking route for shoppers. Rents are noticeably lower than “prime pitch”.
- 7.14 The uptake of retail space by coffee chains is a national trend (rightly anticipated in the Council’s evidence base) that has absorbed space and added diversity to UK high streets. They are now fashionable as meeting places and for mobile workers. They are part of a centre’s leisure offer and extend “dwell” times.
- 7.15 Winchester’s café and restaurant provision was lagging behind average but appears to have caught up. It now has a good choice of coffee shops, including several national multiples; however, many are independent cafés; some are run within bakeries, patisseries or delicatessens and some from within larger premises such as department stores, the Guildhall or the cathedral complex.
- 7.16 Winchester’s cafés and restaurants are part of the centre’s attraction; they are complementary to retail, leisure, tourism and other business activity. It is likely that they would form part of any new development.

Market feedback

- 7.17 We have gathered market feedback via the BID, Chamber of Commerce, property agents, retailers and from registers listing retail property requirements. Market feedback from consumers (including business people) was also gathered at the Community Planning Weekend.
- 7.18 There was a plea for “greater choice” and “variety”: a) to provide a broader spectrum of clothing and b) so that Winchester shoppers could avoid separate trips to Southampton. This implies Winchester could gain more market share.
- 7.19 The BID would be pleased to see more traders, including top brands; a list of 28 “target retailers” chimes with their progressive vision for the prosperity of Winchester. Although retailers are concerned about trading conditions (especially due to the internet and tight margins), they also see “healthy competition” in the town centre as a positive magnet for footfall, including a wider age spread of potential customers.
- 7.20 We also have a list of 43 retailers that have listed Winchester as a “target town”. Collectively they specify space requirements of about 6,700 to 13,100 sq m, which weighs in favour of development if genuine, but further research is needed to establish their true interest.
- 7.21 From our initial discussions with retail property agents, large “anchor stores” would need to consider carefully the unique selling points and merits of Winchester and whether it would generate sufficient trade for them in relation to other stores/towns. Retailers in this category are few in number (compared to retailers that would take standard size high street units) so demand would need to be tested with individual retailers, whose views may vary. Dialogue will be more meaningful once firm development ideas are available; much now depends on the evolution of policy objectives and the intentions of landowners, including the Council.
- 7.22 Town centre cafés and restaurants add ambience and amenity; they are seen positively and, along with tourist attractions, add to the reasons to come to Winchester or to stay longer.

- 7.23 A natural market opportunity for the Brooks Centre is provide lower value products than those available from retailers on the High Street (prime pitch) and to cater for younger customers, including students. Although the architecture of the Brooks Centre attracts criticism, its legitimate role as a “secondary” retail location (in terms of cost and product) is also recognised by property professionals and the public.
- 7.24 Retailers are responding to the internet as a threat and as an opportunity. This is a structural change that is proving disruptive to the retail sector. New models are emerging (such as “click and collect” which sustains visits to physical stores) but the process of change is very challenging for retailers and makes space planning very uncertain. The Council’s next retail expenditure forecast should pay special attention to the growth of internet shopping and its impact on space requirements.
- 7.25 Like their customers, retailers see physical regeneration of the Central Winchester study area as very important.
- 7.26 The public yearn for "independent" shops but the issue is multi-faceted. Market research shows that most people will be drawn to and will pay extra for "something different" to the multiples; the independents may include price sensitive start-ups and craft businesses, which can be difficult (financially) to accommodate in new development unless deliberate steps are taken to include them. A covered market or other shared space might be part of the solution; this calls for an imaginative response from landowners in the study area.
- 7.27 In terms of commercial leisure, the character of Winchester is best suited to cultural facilities, tourist attractions, cafés, restaurants and bars rather than large format, "big box" leisure.
- 7.28 Street markets are broadly popular with the public and with traders but, unsurprisingly, retailers are concerned if stalls obscure their shopfronts or hamper their trade. An alternative location, such as The Broadway, may prove attractive if it is remodelled to attract footfall.
- 7.29 Pressure on retailers to cut costs and improve margins will drive demand (and planning applications) for more edge/out of town retailing. Nurturing the character of Winchester

and its breadth of offer may help sustain its appeal as a place to visit/shop despite the convenience of other locations.

- 7.30 Parking, pedestrianisation and modified bus routes are all desirable for retailing and town centre living. Retailers and shoppers will want “user friendly” solutions. Further technical work should be done to resolve the tension between them or to make the case for radical change.
- 7.31 One advantage of the Central Winchester Regeneration Area is that it is of sufficient scale to permit significant change for the long term, potentially including the creation of new streets and public realm that encourages footfall. If circular walking routes fed back into the High Street, with existing/new retail space in close proximity, then this may help the two to be complementary to one another.
- 7.32 Ongoing and deeper dialogue with retailers is recommended as development plans crystallise.

Comparisons and benchmarking

- 7.33 Analysis of demographic and benchmarking data, alongside other comparisons made by the multi-disciplinary team working on the Central Winchester SPD, has stimulated debate and drawn out recommendations for Winchester.
- 7.34 Winchester and Chichester districts have similar populations and a rural hinterland; Winchester district has a third fewer shops but more sub-regional competition. Chichester and Bath have walkable networks of crossing streets. Winchester is more linear. All three have an attractive built environment, including impressive heritage assets.
- 7.35 Although the community is diverse, Winchester’s labour market, jobs density, employment rate and average earnings are all very strong – so the prospects for retailing in Winchester are good. The public sector workforce in town is also a helpful customer base for the shops/café’s.
- 7.36 Government data on 50 town centres has generated 4 profiles or “typologies” for typical towns, with implications for town centre policies. Winchester has a strong local economic

context; it lacks the critical mass of say Southampton and suffers some expenditure leakage (retail and leisure) as a result.

- 7.37 If Winchester is to have more retail floorspace then it must win more business. Winchester has a very different character to Southampton/Basingstoke and should reinforce that difference. Winchester must play to its strengths.
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- 7.39 Winchester is not an island town in charge of its own catchment; expenditure is shared with competing centres. Together with tourism, there is a legitimate market to compete for - if that is Winchester’s choice. Tourism can draw shoppers from a wider catchment.
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- 7.41 Physical constraints and viability problems are a common drag on town centre development. Viability will be a persistent issue of concern without cross-subsidy from more valuable uses (e.g. market housing/private sector retirement living), or fresh sources of retail expenditure to counteract a lull in expenditure in at least the short/medium term. The Council’s evidence base indicates an improvement in expenditure towards the end of the Local Plan period but forecasts are inherently risky and the position should be monitored.
- 7.42 An important consideration for Winchester is the extent to which it is regarded and managed as a “destination” to attract a range of retail, leisure, cultural and heritage related expenditure.

8.0 RECOMMENDATIONS AND POLICY IMPLICATIONS

8.1 This chapter draws together recommendations from earlier parts of the report as well as the findings of the government's research (BIS research paper 188) on policy implications and trends in the high street/retail sector.

Context

8.2 The general economic context is one of slow growth but tinged with "uncertainty" about how the UK's future relationship with the EU will play out for the domestic economy. The recent fall in the value of Sterling is helpful to exporters but not for those retailers buying from abroad. The retail sector is also undergoing structural change as it adapts to and develops online retailing. Slight upward pressure on inflation and on consumer debt are new concerns. This means that forecasts of future expenditure growth (a key driver of floorspace demand) are vulnerable to change and should be kept under review.

Implications of the Council's retail evidence base

8.3 The Council should be aware that its retail evidence base (2014 report) warns that the combination of existing and proposed floorspace could create "over-supply" and "the comparison floorspace projection could therefore be viewed as a high estimate". The projections suggest that demand and supply will move into close alignment, which risks adding more floorspace than will be matched by expenditure forecasts in the short and medium term.

8.4 This is not necessarily problematic if, as anticipated, expenditure levels overtake the supply of floorspace once more late in the Local Plan period. The proposed new supply may even be beneficial if development helps meet a long term need (such as qualitative improvement or wider regeneration objectives)

8.5 As a long running assumption, the forecasts in the Council's evidence base assume that Silver Hill would deliver in the order of 4,614 sq m net of comparison space (i.e. a 5,864 sq m gain less 1,250 sq m lost in the course of development). The Council and the professional team working on the SPD will need to decide whether it is possible or appropriate to define a target figure at this stage.

- 8.6 Factors weighing for and against development of retail floorspace, over and above the existing shops, include:

Factors weighing against development	Factors favouring development
Continued growth of online sales/SFT.	Low vacancy rates in Winchester.
A policy of restraint or adaptation of buildings instead of development.	Expenditure is forecast to improve later in the Local Plan period (subject to review) which may suit the delayed timetable for development in the study area.
Anchor stores focusing on larger, regional shopping centres elsewhere.	The uptake in recent years of space by cafés and restaurants, also adding to the ambience/appeal of Winchester.
Traffic and parking congestion without effective alternatives being put in place.	Public feedback calling for more choice and variety (if followed through with spending power).
Further expenditure leakage to competing centres.	Subject to research, leads from retailers naming Winchester as a target town.
Increased pressure on consumer expenditure from inflation, wage restraint, high house prices or other debt.	A mix of uses that maximises value (whilst balancing cost and quality to remain attractive to end-users).
A loss of office space or other sources of town centre footfall.	An increase in tourism (if demonstrably linked to additional expenditure).
Any downward revision of expenditure forecasts.	Proactive TCM measures (well orientated to consumers and businesses) that enable Winchester to win more market share.
Unforeseen development costs.	Successful land assembly to enable development to occur.
Adverse economic conditions that reverse expected economic/expenditure growth.	Population growth (e.g. from any additional housing not reflected in projections).

- 8.7 Logically the items in the left hand column might be regarded as “risks” and those in the right hand column as “opportunities”. Balancing the two columns requires technical judgement on each item, plus political judgement and vision for what is desirable.
- 8.8 Reflecting policy considerations, the 2014 report notes that a sequential approach to retail development would prioritise town centre sites first. Furthermore: “It is important that the needs for retail and other main town centre uses are met in full and not compromised by limited site availability.”
- 8.9 Taking into account our findings and those of the BIS report it is recommended that any future review of retail floorspace projections tests the sensitivity of key inputs, including the upward trend in online retail sales, vacancy rates (much reduced in Winchester at

present), population growth bearing in mind housing delivery now in progress plus forthcoming planning appeals for housing yet to be settled.

- 8.10 Given the fact that comparison floorspace projections may be to the high side (at least in the short/medium term), Winchester needs to gain market share by winning more business and “clawing back” spending that is lost to other places (“expenditure leakage”). Even standing still requires Winchester to protect its competitive position. This means that policies for the town centre should play to its strengths. The Community Planning Weekend gave strong feedback on what consumers believe to be the innate characteristics of Winchester that give it wide appeal. In the light of the technical evidence, this suggests that the SPD should help develop a vision and action plan that is orientated to “quality” if seeking to expand the “quantity” of floorspace.
- 8.11 The BIS report suggests that local authorities should define core retail areas and release secondary areas for residential development. Inevitably this would need to be judged according to local circumstances. In the case of the Central Winchester SPD it seems appropriate to step back from earlier proposals to expand the retail component of Silver Hill and to consider the merits of expanding the residential element instead. Much depends on architectural and masterplanning advice regarding the capacity of the regeneration area to accommodate particular uses and where they are placed.
- 8.12 Thinking of the layout of development, it would be logical to prioritise the western part of the study area for any new retail space, together with connecting streets/circular walks that encourage links with the existing shops. The introduction of high value uses, such as market housing (potentially including the retirement sector), would help cross-subsidise less valuable uses.

Analysis of vacancies and uses (including cafés)

- 8.13 As requested, we have analysed the use of Winchester’s shops by cafés. Our detailed audit has found almost two thirds of shops are in conventional, A1, use. The data suggests that whereas Winchester once lagged behind the average proportion of cafés and restaurants, it has now caught up. Market feedback endorses cafés as being complementary to retailing and adding to the ambience of Winchester, as well as being

places for informal meetings and mobile work. Winchester now has a strong portfolio of restaurants and cafés and the proportion of different A-class uses appears appropriate.

- 8.14 The BIS report encourages a flexible policy approach to allow transition between uses. In particular it recognises the important role that office, leisure and cultural uses (including in the evenings) play in encouraging footfall. These are already strengths of Winchester, especially with its high concentration of public sector offices but there is concern within the business community about a poor choice of offices for the private sector. This needs to be addressed in tandem with proposals for other sites that could potentially accommodate offices.
- 8.15 Winchester's town centre leisure and cultural uses include a good range of restaurants, two theatres and a small cinema. However, there is strong competition from nearby towns for mainstream, so-called "big-box" leisure (such as bowling alleys, multiplex cinemas and so on). Given the constraints of Central Winchester it would be challenging to incorporate modern buildings of this kind. Some residents and community groups highlight potential demand for heritage museums and concert halls, along with the economic benefits they could bring. The Council will need to consider carefully how such uses could be funded and if they can be incorporated within any development plans.

Market feedback

- 8.16 The BIS report recommends maintaining retail diversity in response to consumer demand, informed by regular reviews of consumer and business preferences. The Community Planning Weekend regarding the Central Winchester Regeneration Area generated extensive feedback on consumer preferences in particular so its findings are relevant to this heading.
- 8.17 The public was keen that Winchester should deliver more "choice", providing more effectively for the shopping requirements of young and old consumers, across a range of products and price points. This implies having more retail floorspace. However, it is not yet clear whether the consumers who shop in Winchester and would rather not go to Southampton or Basingstoke are sufficient in number to draw retailers that are absent from Winchester.

- 8.18 In addition, there was a clear call for “something different” and more individual than other places – e.g. an indoor market for arts, crafts, antiques, food and drink etc. This reflected a general desire for more independent retailers and a more eclectic mix than is provided by the multiples. If there are doubts about the need for more mainstream retail space then it makes sense to differentiate Winchester’s offer in this way, whilst remembering that independents and multiples can be mutually supporting .
- 8.19 It can be financially challenging to include “affordable” premises, or space for firms with unproven covenants, within new development. Solutions may include adaptation of buildings or greater collaboration that permits flexible lettings for independent traders/retailers (akin to serviced offices and shared workspace models which suit start-ups and work perfectly well without long leases). Further work is required with landowners to reconcile these pressures.
- 8.20 The BIS report also recommends that local authorities should track property prices in order to “mitigate impacts on small businesses and to offer rates relief if necessary”. To a great extent the market will dictate what rents are sought and paid which is largely outside the Council’s control. However, the Council should consider if/how it can help its own tenants and business rates payers.
- 8.21 Market feedback was split between retaining/demolishing the Brooks Centre. In the meantime, focusing the Brooks Centre on the “secondary” retail market, with proactive and imaginative management, is a perfectly legitimate strategy (bearing in mind also its tenure which militates against immediate redevelopment). Long term policies could anticipate what might replace the building should that occur in future.
- 8.22 Recommendations in the BIS report include keeping abreast of consumer preferences to attract footfall and spending. This is a reminder that nothing happens in retailing without consumer expenditure and it is essential to fully understand people’s preferences. Intelligence gathered from the Central Winchester Planning Weekend and ongoing survey work by the BID and others should be encouraged, analysed and acted upon on a regular basis. In many ways, town centres would benefit from the “customer focused” management applied to singly owned shopping centres.

- 8.23 Tourism can generate expenditure that is “net additional” to the area. The Council should therefore explore and test the potential of tourism as a draw for additional footfall and expenditure.
- 8.24 Market feedback confirms the appeal of a street market but some retailers have a genuine grievance that the stalls obscure their frontages. Public opinion appears to welcome the idea of more pedestrianisation around the study area, including the Broadway, so the Council should seriously consider relocating the market and encouraging footfall there.
- 8.25 Our research has identified retailers that have named Winchester as one of their “target towns”. Although this should be treated as a tentative “longlist” of leads, landowners would be well advised to test this source of potential demand. The ongoing consultation period for the Central Winchester SPD is an opportunity to approach these and other retailers about policy priorities and property options.
- 8.26 Feedback from retailers, like consumers, has endorsed the idea of more “choice” because of the potential agglomeration/clustering effect that generates footfall for retailers.

Comparisons and benchmarking

- 8.27 The BIS report is consistent with public feedback in calling for local policies to create a “unique, distinctive shopping and leisure experience”. This recommendation is made for Type 3 (small/medium, weak local economy, struggling) towns but is a reminder that Winchester should also do the same. In many ways Winchester already has a head start in terms of its unique features and distinctive character.
- 8.28 Similarly, the BIS report recommends capitalising on “unique heritage and assets to promote a distinct sense of place”. This is an important opportunity for Winchester. It does have a remarkable history and, in the most part, an attractive built environment that draws visitors and repeat business. A critical question for the Council, to be addressed by the SPD, is how to exploit that character whilst keeping it special.
- 8.29 The analysis of town typologies also recommends nurturing and protecting the characteristics of a centre that have allowed it to thrive. This very much implies playing to

established strengths with full recognition and respect for what makes Winchester special. Similarly, bearing in mind the commercial pressure to develop out of town stores, it is necessary to sustain reasons to shop and invest in town centres. The motivation to do so will be elevated by a sense that a town's prospects are improving.

- 8.30 The BIS policy recommendations include “creating a unique sense of place, including an improved public realm, making the most of unique assets and heritage, and enhancing safety and security”. Winchester has innate characteristics of this kind that it could harness to considerable advantage. However, if the ambition is for expansion of retailing or tourism then it must be easy (“user friendly”) and enjoyable for visitors to give Winchester their patronage.
- 8.31 This links directly with the next recommendation – “Improve public realm and infrastructure”. The benefits of an attractive public realm are to do with the “feel” of a place and the emotional response it provokes; this in turn can drive footfall and the "dwell time" of visitors, as well as repeat visits. The topic of infrastructure is more associated with the "functionality" of a place and how it works in a practical way. Public transport, ease of access by private car, parking, cycling and pedestrianisation are issues to resolve with consumers in mind.
- 8.32 BIS also recommends that towns “continually evolve” and adapt the centre with “physical improvement and innovative technologies”. Examples could include more "click and collect" points in town to encourage footfall. In response to comments from retailers we would also suggest free delivery of town centre purchases to collection points in the Park & Ride car parks to help people with heavy shopping and to encourage additional purchases. Modern “telematics” and mobile phone applications could also make bus arrival times entirely predictable and buses easy for pedestrians to use.
- 8.33 Perhaps controversial for Winchester where traffic congestion can be problematic, towns are recommended to consider two hours free parking in town centres (in conjunction with public transport improvements and encouragement of walking and cycling). Feedback from commercial property agents has emphasised the “critical” importance of car parking as a determinant of retailer demand for shops. Being generous with parking can be extremely problematic where the supply of space is limited but we note that places such

as Oxford and Cambridge have enforced Park & Ride with little other option offered to motorists. For a smaller centre such as Winchester, close to competing centres, there is a risk that some consumers will simply not come to shop; local agents have described parking as the “hassle” factor. So, if central parking is to be more restricted or expensive, then it would be prudent to ensure alternative arrangements are workable and convenient to use – in a way that supports retailing. The alternative policy approach is to accept that supply is limited and to manage demand accordingly.

- 8.34 Consensus seems to suggest that Winchester should focus on high street type leisure rather than modern, industrial scale "big box" leisure units. This may in any case be difficult to accommodate in the study area and would demand very sensitive design. There have been suggestions that Winchester should have another cinema although testing demand for one is outside the scope of this report at present.
- 8.35 The benchmarking exercise encourages “a mix of uses in town centres including housing, business, and leisure, and encouraging evening and night time as well as daytime economies”. Winchester has taken steps in this direction and benefits from a significant amount of public sector, office based employment - but it has lost office space through “Permitted Development Rights” to the detriment of the private sector. Careful consideration and research should be devoted to market requirements and the distribution of new office space around Winchester.
- 8.36 We understand that the Council is taking steps to stem the loss of offices to residential use (currently permitted following the relaxation of Permitted Development Rights) by invoking an "Article 4 Direction". This will help to arrest the loss of office space although this will come too late for some business that have left Winchester or will soon relocate due to a lack of offices.
- 8.37 Other policy suggestions from benchmarking different towns include encouragement of “Town Centre Management” plus, “Place Marketing and Branding”. As mentioned elsewhere in our report, there are advantages in regarding the management of a town centre in the same way as a singly owned shopping centre – i.e. with a strong focus on consumer preferences and business drivers. The BID has an important role to play and

by working closely with stakeholders WCC and the BID can deliver a strong “town centre management” function to include the Central Winchester Regeneration Area.

- 8.38 Towns are also recommended to encourage temporary use of vacant shops and to stage events (e.g. markets and festivals). Winchester already has a strong offer in terms of market days and festivals. It may be also possible to find imaginative “meanwhile uses” for empty sites or buildings that are in transition.
- 8.39 In addition to the mathematical dimension of the Council’s evidence base, it is clear from retail trends and public feedback that qualitative factors such as the “feel” and “experience” of shopping in Winchester are increasingly important in the face of competition. The ongoing process of developing the Central Winchester SPD will therefore need to consider how the study area can be developed with maximum appeal and the extent to which design considerations and market preferences place a limit on the amount of floorspace available in the study area for retail use.
- 8.40 Market trends and projections can be blind to the estate management decisions and business development strategies of individual companies so it is also important for the Council to remain alert to any one-off requirements expressed by particular retailers to relocate within or to the study area.

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APPENDIX 1

Definition of convenience and comparison goods

“Convenience” goods: regularly bought, often locally and at low-cost, including food, drink, tobacco, confectionery, shoe repairs and key cutting. Often seen as “essential” items.

“Comparison” goods: generally bought infrequently, often at a higher price; includes clothing, books, items for the home, electrical goods, jewellery, vehicles. More “discretionary”.

Some retailers sell both (available from town centres, edge or out-of-town shops and online).

APPENDIX 2

Audit of shops in the principal shopping streets of Winchester
(see separate document)

APPENDIX 3

Summary of demographic data for comparison between districts
(see separate document)



APPENDIX 4

Requirements list – retailers naming Winchester as a target town

The following companies have indicated that Winchester is a “target town” for them in which to acquire a shop; this list should be treated as preliminary as circumstances can change after such requirements are published. (Copies of the original circulars are available on request.)

Companies suggesting Winchester as a target town			
Between The Lines	Evapo	Menkind	Seasalt
Bosco Pizzeria	Farmfoods	Metro Bank	Shuropody
Brighthouse	Flight Centre	Miller & Carter	Sprinkles Gelato
Cara London	Fullers	Mind	Sweaty Betty
Carluccios	Ganesha	Oliver Bonas	Taco Bell/Caskade
Cats Protection	Headmasters	One Stop	Tapi Carpets
Churchill's Fish & Chips	Hotcha	Positive Steps	The Brogue Trader
Clintons	Joe's Kitchen	Poundworld	The Cosy Club
COOK	Maplin	Pure Collection	The Works
Crepeaffaire	Marstons	Red5/Menkind	Vapouriz
Ecco	ME+EM	Revital	

APPENDIX 5

Brands to target for Winchester

The following suggestions were made by the BID team as examples of aspirational brands to target for Winchester:

Companies to target suggested by the BID			
Apple	Hollister	Mango	T M Lewin
Boux Avenue	Hotel Chocolat	ManKind	Ted Baker
East	Hugo Boss	Nike	Timberland
French Connection	JD Sports	Office	Topshop/Topman
Gant	Jo Malone	River Island	Topman
Gap	Karen Millen	Schuh	Urban Outfitters
H&M	Lakeland	Superdry	Zara

In addition, if it were possible provide larger than average premises, the BID would be pleased to welcome retailers such as House of Fraser and John Lewis. Actual demand would need to be the subject of further research.

UPPER HIGH STREET AND HIGH STREET

(HCC offices, Three Minsters House)

Trafalgar Street and horse statue

Cote Brasserie	A3	Restaurant
Belgarum	A2	Estate agent
Hamptons	A2	Estate agent
Dogs Trust	A1	Charity shop
Fox & Sons	A2	Estate agent
RBS	A2	Bank
Crystals	A1	Jeweller
Phone Shop	A1	Phone
Hasta Shop	A1	News/snacks
Harvey Jones Kitchens	A1	Furniture

Southgate Street

Eyesite	A1	Optician
Boots Opticians	A1	Vacant or to let
Eastern Art Beauty	A1	Other comparison
Old Fashioned Sweetie	A1	Other comparison
Rawlings	A1	Optician
HSBC	A2	Bank
Zizzi	A3	Restaurant

Hammonds Passage

Jack Wills	A1	Clothing
Moss Bros	A1	Clothing
Joules	A1	Clothing

St Thomas St

Lloyds	A2	Bank
Whitestuff	A1	Clothing
Cath Kidston	A1	Other comparison
Edinburgh Woollen Mill	A1	Clothing

Little Minster Street

EE	A1	Phone
West Cornwall Food Co	A1/A3	Shop with café

The Square (accessed from Buttercross)

Montezuma	A1	Other comparison
Reeve the Baker	A1/A3	Shop with café
Vision Express	A1	Optician
Boots	A1	Chemist/pharmacy

Timpson	A1	Other comparison
Space NK Apothecary	A1	Other comparison
Jeremy France	A1	Jeweller
Starbucks	A3	Large coffee chain
White Company	A1	Clothing
Burrells	A1	Jeweller
Fat Face	A1	Clothing
Three	A1	Phone
Accessorise	A1	Other comparison
Pret a Manger	A3	Large coffee chain

Market Street

Jigsaw	A1	Clothing
Carphone Warehouse	A1	Phone
Shoon	A1	Shoes

Romsey Rd

West Gate	A4	PH
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Upper High St/Sussex St

(HCC offices)		
(Hampshire Constabulary office)		
Mailboxes Etc	A1/A2	
Anokhi	A1	Clothing
Timber Windows	A1	Window sales
Brides of Winchester	A1	Clothing
Eat, Drink & Be	A3	Other café
Stardust Years	A1	Vintage fashion
Exquisite	A1	Bridal couture
Connells	A2	Estate agent

Staple Gardens

Your Move	A2	Estate agent
Age UK	A1	Charity shop

Upper High Street

Warren & Son	A1	Stationery
Offord & Sons	A1	Jeweller
Associates Hair	A1	Hairdresser
City Insurance	A2	Insurance
O'Neill's	A4	PH
Retail/offices to let	A2	Vacant or to let

Jewry Street

Barclays	A2	Bank
Waterstones	A1	Books
I Repair	A1	Other comparison
Travel Bag	A1	Travel agency
Caracoli	A3	Other café

Royal Oak Passage (and PH)

Ask Pizza	A3	Restaurant
Russell & Bromley	A1	Shoes

High Street

St Peter Street		
LK Bennett	A1	Clothing
Nat West	A2	Bank
Spec Savers	A1	Optician
Mint Velvet	A1	Clothing
Caffé Nero	A3	Large coffee chain
Pandora	A1	Jeweller
O2	A1	Phone
WH Smith	A1	Newsagent & PO

Parchment Street

Phase Eight	A1	Clothing
Clarks	A1	Shoes
Whittard	A1	Other comparison
Costa	A3	Large coffee chain
Body Shop	A1	Other comparison
Santander	A2	Bank
Shop to let	A1	Vacant or to let
Kuoni	A1	Travel
Ernest Jones	A1	Jeweller
Vodafone	A1	Phone

Upper Brook Street (> Robert Dyas, MacDonalds, Jaegar etc)

Laura Ashley	A1	Other comparison
Nationwide	A2	Building Society
Hobbs	A1	Clothing

Audit of shops in Winchester

Bakers Arms/Passage	A4	PH
Mountain Warehouse	A1	Clothing
Holland & Barrett	A1	Other comparison
Hotter Comfort	A1	Other comparison
Greggs	A1/A3	Shop with café

Covered walkway & WCs

Debenhams	A1/A3	Shop with café
Next	A1	Clothing
Rick Stein	A3	Restaurant
Closs & Hamblin	A1	Other comparison
(Welcome Gospel Hall)		

Colebrook Street

Pitcher & Piano	A4	PH
(Guildhall)		
1871 Café	A3	Other café

Halifax	A2	Building Society
Smiggle	A1	Other comparison
Superdrug	A1	Other comparison
Marks & Spencer	A1/A3	Shop with café

Middle Brook Street, through to Primark, Sainsbury etc

TSB	A2	Bank
Newbury Building Soc	A2	Building Society
Boots	A1	Optician/hearing
Card Factory	A1	Other comparison
Zoe Jewellers	A1	Jeweller
Shoe Zone	A1	Vacant or to let
Entertainment Exchange	A1	Other comparison
Fone World	A1	Phone
British Heart Foundation	A1	Charity shop
Tinc	A1	Stationery
Chococo	A3	Other café
Oxfam	A1	Charity shop

Cross Keys Passage, through to Silver Hill

Maison Blanc closing	A3	Vacant or to let
Lloyds Pharmacy	A1	Chemist/pharmacy
Char	A1	Other comparison
Alfies	A4	PH
Shop to let	A1	Vacant or to let
Coral	A2	Bookmaker
(Bus Station)		
Gandhi	A3	Restaurant
Subway	A3	Other café
Palm Pan Asia	A3	Restaurant
Crown & Anchor	A4	PH
(St John House)		
Hobson's/Bulthaup	A1	Kitchens & bathrooms
Fired Earth	A1	Tiles & interiors
Diva	A3	Restaurant

The Broadway

(King Alfred statue)

Eastgate Street

Audit of shops in Winchester

JEWRY STREET

City Road		
(Consul Sun Center)		(tanning studio)
Hugo Barbers	A1	Hairdresser
Porter House	A3	Restaurant
(Theatre)		
Library café	A3	Other café
(Library)		
(Car park)		
(Venta Court)		Offices
Brasserie Blanc	A3	Restaurant
Loch Fyne	A3	Restaurant
Manpower	A2	Vacant or to let
Prezzo	A3	Restaurant
Knight Frank	A2	Estate agent
John Lewis of Hungerford	A1	Kitchens
Multiyork	A1	Furniture
(United Church)		
Old Gaolhouse	A4	PH
Carter Jonas	A2	Estate agent
Dim T	A3	Restaurant
Wilds Sports	A1	Sportswear
Strutt & Parker	A2	Estate agent
Ruby Reds	A3	Restaurant
Greens	A3	Restaurant
Mr So	A3	Restaurant
Charters	A2	Estate agent
Shop to let		(see High Street)
Upper High Street		

North Walls		
(Handelsbanken)		(office)
Fish & Chips (closed)	A5	Vacant or to let
Texas Grill burger bar	A5	Hot food
Sarah Bennett	A1	Hairdresser
Cabinet Rooms Art Café	A3	Other café
Computer Solutions	A2	IT advice/repairs
Leaders Lettings	A2	Estate agent
Exchange Square		
Josies Cakes/Patsie's Café	A3	Other café
(Anytime Fitness)		(gym)
(St Peter's Church)		
(Winchester HiFi)		(office)
(Warner & Richardson)		(office)
Wagamama	A3	Restaurant
Sakura	A3	Restaurant
No. 1 Currency	A2	Money exchange
Koh Noi Thai Tapas	A3	Restaurant
Earl of Sandwich	A1	Sandwich bar
Games Workshop	A1	Games/toys
Vaper Trails	A1	E-cigaretters etc
Barnetts Barbers	A1	Hairdresser
The Consortium	A1	Furniture
Martin & Co (lettings)	A2	Estate agent
Copyman	A1/A2	Copying/printing
(Sheridan House)		(office)
Savills	A2	Estate agent
Goadsby	A2	Estate agent
(Office entrance)		(office)
Toni & Guy	A1	Hairdresser
St George's Street		
Barclays		(see High Street)
High Street		

Hyde St

Jewry Street

Audit of shops in Winchester

SOUTHGATE STREET

Upper High Street			High Street		
Harvey Jones Kitchens		(see High Street)	Eyesite		(see High Street)
Subway	A3	Other café	Sandwich bar to let	A1	Vacant or to let
Barber Shop	A1	Hairdresser	Pearsons	A2	Estate agent
Winkworth	A2	Estate agent	Mulberry Cottages	A2	Estate agent
Dybles	A2	Estate agent	Austin & Wyatt	A2	Estate agent
St Clement Street			St Clement Street		
Offices to let			The Exchange	A4	PH
BE Chaplin	A1	Gunsmith	Jackson Stops & Staff	A2	Estate agent
Good Hair Days	A1	Hairdresser	McIntyre Design	A2	
Maries Florist	A1	Florist	Toni & Guy (No. 17)	A1	Hairdresser
Various offices			Searle & Taylor	A1	Kitchens
Hotel du Vin hotel & restnt	A3	Restaurant	Domum	A2	Estate agent
			(under construction)		
			Vintage Hound	A1	Clothing
			Penyards	A2	Estate agent
			Domum	A2	Estate agent
Various			Various offices		
Everyman		Cinema	Green Man	A4	PH

ST THOMAS STREET

(Caracoli)

High Street			St Clement Street		
Joules		(see High Street)	Reads Sewing Machines	A1	
Maximus	A1	Clothing	(Vacant/refurbishment)		Vacant or to let
Café Winchester	A3	Other café			
			St Clement Street		
			Wine Utopia	A1	Wine merchant
			Quality Shoe Repairs	A1	Cobbler
			Coffee Lab	A3	Other café

PARCHMENT STREET

North Walls		
Corner House	A4	PH
Various resi (Parchment Street Dental Practice)		
Various residential		
Pavia Lee	A1	
Pie Caramba	A3	Other café
(Royal Hotel (rear))		
(Winchester Business Centre)		(Office)
Candle Company	A1	Gifts
Paris Smith		(office)
Top Nails	A1	Nail bar
Parchment Street Jewellery	A1	Jewellery
(Gentle Dental Care)		
Clockwork Shop	A1	
Enigma Hair	A1	Hairdressing
James Jeweller	A1	Jewellery
Imomax Mobile		(see St George's St)
St George's Street		
WH Smith/PO (through to High St)		
(see High Street)		
Parchment Street		
Various resi		
(Alfred Homes)		(Office)
Parchment St Barbers/Tab Hai	A1	Hairdressing
Ballet Pointe	A1	
Asgard Tattoos/Piercings	A1	
(Arch to Stonemason's Court)		
Bell Fine Art	A1	Pictures/framing
(Arch)		
Winchester Hearing Centre	A1	
Forme	A1	Glass/jewellery
Kyoto Kitchen	A1	
Fountain House	A1	Office/resi?
Orchid	A1	Homeware
Mayan Bazaar	A1	Rugs etc
Bloomer Hair Boutique	A1	Hairdressing
Toscanaccio/Enoteca	A1	Italian food/wine
Oxfam	A1	Charity shop
Cancer Research UK	A1	Charity shop
Rawberry Café		(see St George's St)
High Street		
Bet Fred		
Forte Kitchen	A3	Other café
Antique & Fine Jewellery	A1	Jewellery
Winchester Travel Service	A1	Travel agent
Justine Jewellery	A1	Jewellery
Phase Eight		(see High Street)

Audit of shops in Winchester

UPPER BROOK STREET

Jaegar	(see St George's Street)	Robert Dyas	A1	Household goods
St George's Street (buses only)		MacDonalds		(see St George's Street)
The Brooks Centre	(entrance)	St George's Street		
Independent Holiday Shop	A1 Travel agent	(Hampshire Chronicle)		(office)
The Brooks Centre	Service area	Gerards Dry Clean	A1	Dry cleaning
Also inside Brooks Centre		Timpsons	A1	Shoe repairs/keys
Lower Ground includes:		Park Life Kids	A1	Clothing
New Look	A1 Clothing	(entrance)		
Primark	A1 Clothing	(Bar Rouge/Vodka Bar)		(bar & night club)
Winchester Fancy Dress	A1 Clothing	(Telecoms building)		
Two parking levels		KFC	A5	Takeaway
Upper Ground includes:		Dominos Pizza	A5	Takeaway
The Entertainer	A1 Toy shop	China Tom	A1	Specialist food store
HMV	A1 Music			
Argos	A1 Household/gifts			
Waterstones	A1 Books			

MIDDLE BROOK STREET & KING'S WALK

Friarsgate				
(Car park entrance off Friarsgate)		Iceland	A1	Frozen food
Vacant unit (ex Beales)	A1 Vacant or to let	(Entrance to Friarsgate Car Park)		
Waterstones	as above	Mini Molly's Den/Café	A1	Shop with café
Vacant unit	A1 Vacant or to let	Poundland	A1	Value supermarket
Vacant unit	A1 Vacant or to let			
Vacant unit	A1 Vacant or to let	Bits & Pieces	A1	
		Shuropody	A1	Chirpodist (A1 or D1 use?)
		King's Walk and antiques market >		
		Sweet Ice Cream Lounge	A3	Other café
	< Brooks Centre entrance			
Silver Hill				
St George's Street (buses only)				
Marks & Spencer	(see High Street)	Sainsbury	A1	
		TSB		(see High Street)
High Street				
(Debenhams)				
Middle Brook Street				
Sweet Ice Cream Lounge	(see above)	Shuropody		(see above)
Cloisters	A1 Charity shop	Polka Dot Piercing	A1	
Chinese Food	A1			(Antique & Crafts Market)
Elephant Records	A1			
Vacant (ex travel agency)	A1 Vacant or to let	King's Walk		
Vacant (ex Toucan Phone)	A1 Vacant or to let	Gallery Café	A3	Other café
Oriental Tailor	A1	Fab Vintage	A1	
Tanner Street				
^<< to Silver Hill				

ST GEORGE'S STREET & SILVER HILL

Jewry Street		
Barclays (rear)	(see High Street)	
Watersones (rear)		
Royal Oak	A4 PH	
St Peter Street		
LK Bennett (rear)	(see High Street)	
Nat West (rear)	(see High Street)	
Caffé Nero (rear)	(see High Street)	
WH Smith & PO (rear)		
Parchment Street		
Bet Fred	A2 Bookmaker	
Naiomi House	A1 Charity shop	
(service access)		
Toy Cupboard	A1 Toy shop	
Leightons	A1 Optician	
MacDonalds	A3/A5 Restaurant	
(< Vodafone & Robert Dyas)		
Jaegar	A1 Clothing	
Paperchase	A1 Cards/stationery	
Jo Jo Maman Bébé	A1 Clothing	
(bus stop)		
Winchester Photographic	A1 Camera shop	
Superdrug (rear)		
M&S (rear)		
Middle Brook Street		
Lloyds Pharmacy	A1 Pharmacy	
Jewry Street		
Toni & Guy	A1 Hairdresser	
Vacant unit (ex Moves & Shapers)	Vacant or to let	
Coral	A2 Bookmaker	
Shanghai Papa	A3 Restaurant	
(office entrance)		
Shop to let	Vacant or to let	
Stan James	A2 Bookmaker	
(office entrance)		
Hollywood Nails	A1	
St Peter Street		
(office entrance)		
Winchester Bed Company	A1 Furniture	
(Trowbridge Court)		
D&G Hardware	A1 Hardware	
Age UK	A1 Charity shop	
Imomax Mobile	A1 Phone repairs etc	
Parchment Street		
Rawberry	A3 Other café	
Tom's Deli	A1 Delicatessen	
Amplifon	A1 Hearing aids	
The New Bibas	A1 Hairdresser	
Apollo Nails	A1 Nail bar	
Catch Fish & Chips	A5 Takeaway	
Citizen's Advice	A2 Help and advice	
Manow Thai	A3 Restaurant	
(Hampshire Chronicle)	(office)	
Upper Brook Street		
The Brooks Centre		
Middle Brook Street		
		see above for King's Walk
Silver Hill		

Appendix 3 - summary of demographic data for comparison between districts

LABOUR MARKET DATA	Winchester	Chichester	Bath & NE	Canterbury	Salisbury	Chester West	
This is district data	District	District	Somerset	District	& Wiltshire	& Chester	Average
Population	120,700	117,000	184,900	160,000	486,100	333,900	233,767
% aged 16 to 64	61.10%	57.10%	64.50%	64.00%	60.60%	61.80%	61.52%
Population aged 16 to 64	73,800	66,800	119,200	102,400	294,800	206,400	143,900
Claimant rate (OWB)	0.50%	0.90%	1.10%	1.30%	0.90%	1.40%	1.02%
Job numbers	92,000	76,000	102,000	78,000	238,000	184,000	128,333
Jobs density	1.26	1.15	0.87	0.77	0.81	0.89	0.96
Economically active	64,100	60,200	98,400	71,700	252,300	162,000	118,117
Unemployed	2.50%	2.90%	4.10%	5.70%	3.30%	3.90%	3.73%
Residents' earnings	670.10	576.90	566.00	543.10	522.30	547.00	571
Employee jobs*	80,000	58,000	82,000	62,000	196,000	166,000	107,333
Civil service jobs	1,980	80	120	610	5,800	300	1,482
% of job numbers	2.15%	0.11%	0.12%	0.78%	2.44%	0.16%	0.96%
Business units	8,195	7,370	9,505	6,290	25,475	16,400	12,206
*Excludes self-employed, government supported trainees and HM Forces							
FLOORSPACE (BASED ON VO RECORDS SO GEOGRAPHIC AREA MAY DIFFER FROM LABOUR MARKET DATA)							
Retail premises (count)	835	1,110	1,824	1,496	946	1,451	1,277
Retail premises (sq m)	160,000	197,000	310,000	369,000	220,000	386,000	273,667
Sq m per shop	192	177	170	247	233	266	214
NB - some local authority boundaries have changed so comparisons between datasets may not be appropriate							
Colour denotes good score							
Colour denotes average							
Colour denotes poor score							