

Wokingham Retail & Leisure Study – 2022 Update

Firstplan for Wokingham Borough Council – Final Report September 2023

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Section 1

Introduction & Structure of Report

- 1.1 Firstplan have been instructed to provide Wokingham Borough Council ('WBC', 'the Council') with advice on future retail and commercial leisure needs for the Borough. The study will form an important part of the evidence base for the Council's new Local Plan Update, which will provide strategic guidance for development in Wokingham Borough over the period to 2040.
- 1.2 Specifically, the study seeks to update the relevant findings of the Council's existing retail and commercial leisure needs which were previously set out in the Western Berkshire Retail & Commercial Leisure Needs Study, prepared by GVA and published in April 2017 ('the 2017 Study'). The 2017 Study was a joint evidence base study prepared for four local planning authorities (Wokingham, Reading, Bracknell Forest and West Berkshire) and provided an assessment of future retail & commercial leisure needs across the entirety of these administrative areas, whereas this study focuses solely on the future needs of Wokingham Borough.
- 1.3 The study focuses on the quantitative 'need' for new retail floorspace in the Borough, together with an assessment of spending growth and qualitative 'need' for commercial leisure floorspace.
- 1.4 As well as capturing the future retail and commercial needs which the Council will need to plan for, this study also has regard to the significant changes which have come about since — or have been significantly heightened by — the Covid-19 pandemic. These changes have had the ability to influence the quantum of retail needs which the Council may be required to plan for. For example, the pandemic brought about a significant upturn in online shopping (which was already increasing prior to the pandemic), but has also changed how people live and work, with potential opportunities for local high streets and town centres arising from increased levels of homeworking.
- 1.5 At the local level, there have also been significant changes to the local retail offer since the 2017 Study which this study seeks to capture. A number of significant regeneration schemes have come forward in Wokingham town centre which have enhanced the retail and leisure offer, as well as introducing a new residential community into the town centre. In nearby Bracknell, the opening of the Lexicon Bracknell town centre scheme in late 2017 has resulted in a step-change in the town's retail offer, and Wokingham's proximity to Bracknell means there is scope for residents of the Borough to also benefit from these new facilities.

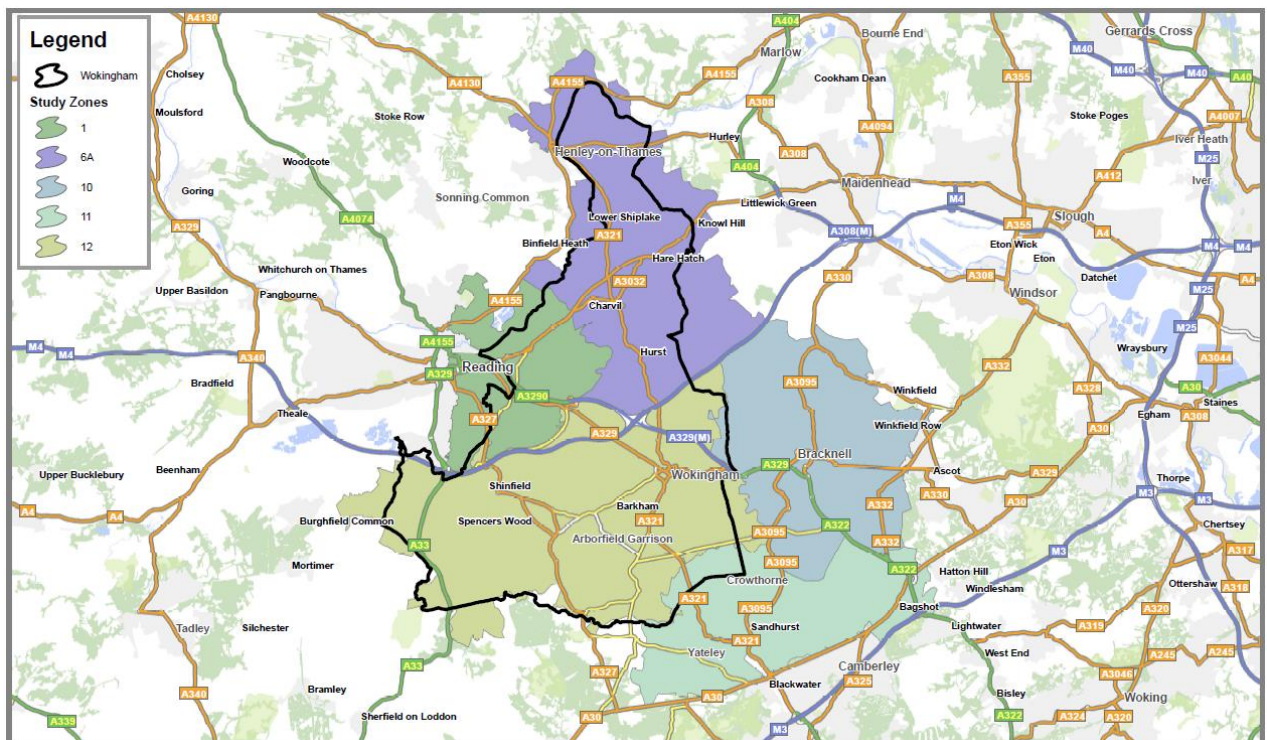
HOUSEHOLD TELEPHONE SURVEY

- 1.6 In order to accurately capture the impact which both of these developments — as well as other developments such as new foodstore openings — a new household telephone survey of shopping patterns has been undertaken in support of this study, updating the equivalent survey undertaken in support of the 2017 Study for the Wokingham area. The survey provides important empirical evidence which is used to support the outputs and recommendations of the study, including recommendations in respect of the quantitative need for new retail floorspace.
- 1.7 The household survey was developed in collaboration with WBC and undertaken by a specialist market research consultancy (NEMS Market Research) and covered the entirety of Wokingham

Borough as well as surrounding areas such as Bracknell, Yateley and Crowthorne which may look towards destinations in Wokingham Borough for their shopping and leisure needs. This is referred to as the 'survey area'.

- 1.8 The extent of the survey area is shown below in **Figure 1.1**. This shows that the survey area has been divided into five separate 'survey zones', which ensures that local shopping patterns are accurately captured. NEMS Market Research undertook approximately 100 telephone surveys in each of these five zones, with sampling undertaken to ensure a full cross-section of residents was surveyed.

Figure 1.1 Household survey area



Map source: Experian

- 1.9 The survey asked questions on residents' patterns of shopping and leisure visits and usage of town and district centres within Wokingham Borough. This covered, for example:
- Patterns of shopping for 'main' (e.g. weekly) food shopping trips;
 - Patterns of shopping for 'top up' (e.g. basket-sized) food shopping trips;
 - Patterns of shopping for comparison goods (non-food) shopping items such as clothing & footwear, homewares, electrics, DIY and sports goods;
 - Patterns of visits for commercial leisure activities such as visits to the cinema; cafes, bars & restaurants; entertainment venues and cultural / arts venues;
 - Usage of town centres in Wokingham Borough, and whether the regeneration works which have taken place in Wokingham town centre in recent years had changed residents' usage of the centre.
- 1.10 Further details of the approach to the household survey are set out in **Section 6** of this report, and a full copy of the survey questions and the survey results, form appendices to the Study.

COMMERCIAL INPUT

- 1.11 To support our advice to the Council, we have teamed up with the regeneration and property consultants PRD for our study. PRD have supplied, via their sub-consultant Ward Property Consulting, commercial advice on current market trends, sectoral and operational demand for representation in Wokingham, and have also provided a 'sense check' on the quantitative retail need forecasts which this study identifies.

STRUCTURE OF REPORT

- 1.12 Our report is structured as follows —

- **Section 2** sets out an updated summary of the national and local planning policy context within which this study has been prepared. It also summarises key changes in planning legislation which impact on town centres, such as the introduction of class E.
- **Section 3** provides a summary of key developments within and surrounding Wokingham Borough since the 2017 Study, providing further information on the key town centre schemes in Wokingham which have come forward, as well as the developments in Bracknell and other locations which influence shopping patterns of residents in Wokingham Borough such as Reading.
- **Section 4** provides a summary of the wider changes affecting retail, leisure and town centres since the 2017 Study, taking into account the growth of online shopping and the impact of the Covid-19 pandemic. It also sets out the commercial market context which the study has been prepared within, based on input from Ward Property Consultants.
- **Section 5** provides a high-level assessment of the current diversity uses and retail vacancy in the network of centres in Wokingham Borough, identifying each centre's current levels of retail and leisure diversity, 'anchor' stores and vacant units in order to provide a snapshot of each centre's current performance.
- **Section 6** sets out the key inputs into, and findings from, the household telephone survey of shopping patterns, and the extent to which these have changed since the 2017 Study as a consequence of the factors identified by the Study.
- **Section 7** sets out the updated quantitative assessment of comparison goods retail need for the Borough.
- **Section 8** sets out the updated quantitative assessment of convenience goods retail need for the Borough.
- **Section 9** sets out an updated assessment of commercial leisure needs.
- **Section 10** sets out conclusions.

- 1.13 Our report is supported by the following appendices —

- **Appendix 1** sets out quantitative retail need tabulations for comparison goods floorspace.
- **Appendix 2** sets out quantitative retail need tabulations for convenience goods floorspace.
- **Appendix 3** sets out commercial leisure expenditure tabulations.
- **Appendix 4** sets out a copy of the household survey questions.
- **Appendix 5** sets out full household survey results.

Section 2

Planning Policy Context

- 2.1 In this section we summarise the key features of national and local planning policy guidance which provides the context and framework under which this study has been prepared.

NATIONAL POLICY CONTEXT

National Planning Policy Framework (NPPF 2021)

- 2.2 The most up-to-date iteration of the National Planning Policy Framework (NPPF) was published on 20 July 2021 and sets out the Government's planning policies for England and how these should be applied (paragraph 1). The NPPF must be taken into account in preparing the development plan and is a material consideration in planning decisions (paragraph 2). At the heart of the Framework is a presumption in favour of sustainable development (paragraph 10). The NPPF is a material consideration in planning decisions.
- 2.3 The NPPF is clear that Local Plans, incorporating neighbourhood plans where relevant, are the starting point for the determination of any planning application (paragraph 12). Thus, in terms of decision-making, applications for planning permission must be determined in accordance with the development plan unless material considerations indicate otherwise (paragraph 47).
- 2.4 LPAs should ensure that the preparation and review of all policies is underpinned by relevant and up-to-date evidence. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and consider relevant market signals. (paragraph 31). Local plans and spatial development strategies are examined by an independent planning inspector to assess whether they have been prepared in accordance with legal and procedural requirements, and whether they are sound. Plans are 'sound' if they are (paragraph 35):
- a) **Positively prepared** – providing a strategy which, as a minimum, seeks to meet the area's objectively assessed needs; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;
 - b) **Justified** – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
 - c) **Effective** – deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and
 - d) **Consistent with national policy** – enabling the delivery of sustainable development in accordance with the policies in this Framework and other statements of national planning policy, where relevant.

- 2.5 The NPPF further advocates a ‘town centres first’ approach and requires planning policies to positively promote competitive town centre environments and manage the growth of centres over the plan period. In planning for town centres LPAs should (paragraph 86):
- a) define a network and hierarchy of town centres and promote their long-term vitality and viability – by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters;
 - b) define the extent of town centres and primary shopping areas, and make clear the range of uses permitted in such locations, as part of a positive strategy for the future of each centre;
 - c) retain and enhance existing markets and, where appropriate, re-introduce or create new ones;
 - d) allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over this period should not be compromised by limited site availability, so town centre boundaries should be kept under review where necessary;
 - e) where suitable and viable town centre sites are not available for main town centre uses, allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre; and
 - f) recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.
- 2.6 The NPPF requires local planning authorities to apply a sequential test to planning applications for main town centre uses which are neither in an existing centre nor in accordance with an up-to-date plan. Paragraph 87 explains that main town centre uses should be located in town centres, then in edge of centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period) should out of centre sites be considered. The NPPF also requires that when assessing applications for retail and leisure development outside town centres, which are not in accordance with an up-to-date plan, local planning authorities should require an impact assessment if the development is over a proportionate, locally set floorspace threshold (the current threshold for Wokingham Borough is 500 sq.m).

Proposed changes to the NPPF

- 2.7 Consultation has recently (January 2023) been undertaken on the Government’s proposed Levelling-up and Regeneration Bill, setting out how the Government intends to reform national planning policy over the medium to longer-term, but also proposing a number of more immediate changes to the National Planning Policy Framework (NPPF). The proposed reforms to national planning policy predominantly concern housing, namely the five-year land supply and the significance of local strategic planning in setting housing targets. Further changes proposed relate to the life-extension of existing renewable sites, notably to promote onshore wind development, and to give policy protection to agricultural land for food production. No changes are proposed at the time of preparation of this study to the NPPF’s approach in respect of the ‘town centres first’ approach or the requirement for the

application of the sequential and retail impact policy tests for developments which are outside defined 'town centre' locations.

Planning Policy Guidance (PPG) 'Town Centres & Retail' (2014 and updated)

- 2.8 In March 2014 the then Department for Communities and Local Government (DCLG) launched the online planning practice guidance, which cancelled a number of previous planning practice guidance documents, including the Practice Guidance on Need, Impact and the Sequential Approach (2009). The document is a 'live' web-based resource that is updated as necessary, and indeed most of the guidance in respect of town centres and retail was subject to a comprehensive update in 2019.
- 2.9 Although it does not constitute a statement of Government policy, it provides technical guidance on how to prepare a robust evidence base, how to monitor the vitality and viability of town centres, and how to assess the impact of proposals for main town centre uses which fall outside of town centres. The web-based resource also provides guidance on how to assess and plan to meet the needs of main town centre uses in full through production of a positive vision or strategy for town centres.
- 2.10 The Town Centres & Retail PPG identifies that the following indicators, and their changes over time, may be relevant in assessing the health of town centres, and planning for their future. The range of indicators used for assessing town centre vitality and viability was broadened following an update to this section of the PPG in 2019¹ to include factors such as opening hours, and evidence of whether there are considered to be any identifiable barriers in place which may prevent the expansion of existing businesses/ opening of new ones.
- a) diversity of uses;
 - b) proportion of vacant street level property;
 - c) commercial yields on non-domestic property;
 - d) customers' experience and behaviour;
 - e) retailer representation and intentions to change representation;
 - f) commercial rents;
 - g) pedestrian flows;
 - h) accessibility – this includes transport accessibility and accessibility for people with different impairments or health conditions, as well as older people with mobility requirements;
 - i) perception of safety and occurrence of crime;
 - j) state of town centre environmental quality;
 - k) balance between independent and multiple stores;
 - l) extent to which there is evidence of barriers to new businesses opening and existing businesses expanding; and
 - m) opening hours/availability/extent to which there is an evening and night time economy offer.

LOCAL POLICY CONTEXT

Development Plan Documents

- 2.11 At a local level, relevant parts of the Development Plan for Wokingham Borough include the Core Strategy (adopted January 2010) and the Managing Development Delivery Local Plan (adopted

¹ Paragraph 006 of PPG Town Centres & Retail (revised 22/07/19). Reference 2b-006-20190722

February 2014). In addition, there are three Neighbourhood Plans which have been ‘made’ (adopted) and form part of the Council’s Development Plan. These comprise the Shinfield Neighbourhood Plan (adopted 2017), the Arborfield and Barkham Neighbourhood Plan (adopted 2020) and Twyford Neighbourhood Plan (July 2023). Further Neighbourhood Plans are in the process of preparation.

Wokingham Core Strategy

- 2.12 The Core Strategy (2010) sets out the future vision for how Wokingham Borough will develop until March 2026. The strategy has an overarching aim to support communities across the borough by ensuring that community facilities, services and infrastructure are protected and enhanced to encourage sustainable growth.
- 2.13 To deliver and enhance overall sustainability of the environment, new development will comply with Core Policy 1 and follow the Community Strategy and Spatial Objectives within the borough. The Council’s Spatial Vision states that in order to manage growth, development will be located in towns and villages that already or are soon to have implemented facilities and services that can support new development.
- 2.14 Policy CP13 ‘Town Centres and Shopping’ sets out that the following centres are suitable in principle to accommodate town centre uses:
- Wokingham and Woodley Town Centres
 - Lower Earley District Centre
 - Shinfield Road Centre
 - Twyford Village Centre
 - Winnersh Centre
- 2.15 The policy goes on to confirm that ‘The roles of all existing and new retail centres will be protected and maintained, in addition to local shopping centres and parades that meet the day to day needs of the local community. Losses of retail from primary retail frontages will not be permitted in order to maintain vitality and viability.’
- 2.16 Policy CP13 sets out the hierarchy of centres within the borough as follows:
- **Major Town Centre:** Wokingham town centre
 - **Small Town / District Centres:** Arborfield Garrison district centre (proposed through policy CP18, see below), Lower Earley district centre, Shinfield Road district centre, Twyford village centre, Winnersh village centre and Woodley town centre;
 - **Local Centres:** Policy CP13 states that these will be ‘defined in subsequent Development Plan Documents²’
- 2.17 Wokingham is identified as a ‘major town centre’ offering a significant provision of facilities for comparison shopping. The other centres in the borough function according to their position in the town centre hierarchy. For the avoidance of doubt, our report focusses on the centres in the top two tiers of this retail hierarchy, i.e. Wokingham major town centre and the ‘small town / district centres’.

² Local Centres subsequently defined under Policy TB17 of the Managing Development Delivery Local Plan document (adopted 2014) — see para 2.19 onwards.

- 2.18 Policy CP14 'Growth and Renaissance of Wokingham Town Centre' further sets out the clear aspiration for the regeneration of Wokingham Town Centre, including strengthening its retail core, providing improved public space alongside new housing, commercial and leisure uses.
- 2.19 Policies CP18 to CP21 of the Core Strategy allocate four Strategic Development Locations (SDLs) in Wokingham Borough. These four SDLs are called Arborfield Garrison, South of the M4, North Wokingham and South Wokingham. Each of these SDLs will include new neighbourhood/district centres which will include retail facilities of an appropriate scale to support these new communities.

Managing Development Delivery Local Plan

- 2.20 Policy TB15 'Major Town, and Small Town / District Centre Development' sets out that planning permission will only be granted for proposals for main town centre uses within Wokingham town centre or small town/district centres where they demonstrate:
- That they are of a scale and form that is compatible with the retail character of the centre and its role in the hierarchy of retail centres
 - How it retains or increases the provision of Use Class A1 (Shops) in primary shopping frontages and the provision of Use Class A1 or A2 (Financial and professional services) or A3 (Restaurants and cafes) or A4 (Drinking establishments) or A5 hot food takeaways in secondary shopping frontages³
 - They contribute to the provision of day and evening/night-time uses and are compatible with other uses
 - They enhance vitality and viability.
- 2.21 **Policy TB16** 'Development for Town Centre Uses' confirms that proposals for retail uses including extensions of 500 sq.m (gross) or above outside the primary shopping areas or for all other main town centre uses outside the defined Wokingham major town centre or the small town/district centres or local centres will be required to satisfy the sequential test. Proposals for retail and leisure uses, including extensions, of 500 sq.m (gross) or above outside Wokingham major town centre or the small town/district centres or local centres will be required to satisfy the retail impact test.
- 2.22 The requirement for retail applications outside defined town centres to demonstrate compliance with the sequential and impact tests reflects that which is set out in the subsequently-adopted NPPF (2012 and subsequent updates), which also extends the requirement to demonstrate compliance with the sequential test to other 'main town centre uses'⁴ as well as retail, and requires applications for both retail and leisure development to demonstrate compliance with the impact test.

³ On 1st September 2020 the Government introduced a number of significant changes to the Use Classes Order 1987 (as amended), introducing Class E, which combines all former Use Classes of A1 (shops), A2 (financial and professional), A3 (restaurants and cafes), class B1 (offices), together with parts of class D1 (non-residential institutions) and class D2 (assembly and leisure) into a single Use Class E 'Commercial, Business and Service'. NB Use Class E does not directly correspond to the definition of 'main town centre uses', as former Use Classes A4 (drinking establishments) and A5 (hot food takeaways) instead fall within Sui Generis.

⁴ 'Main town centre uses' are defined by the NPPF (2021) as 'Retail development (including warehouse clubs and factory outlet centres); leisure, entertainment and more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).'

- 2.23 Policy TB17 'Local Centres and Neighbourhood and Village Shops' defines the network of local centres, which form part of the retail hierarchy as set out in Core Strategy Policy CP13, as shown overleaf:

Crowthorne (Pinewood)	Crowthorne Station, Dukes Ride Greenwood Road
Earley	Maiden Place Silverdale Road Shepherds Hill (also partly in Woodley)
Finchampstead North	California Crossroads
Shinfield	Basingstoke Road near the junction of Beech Hill Road, Spencers Wood School Green, Shinfield (to be extended into the Strategic Development Location) Three Mile Cross
Wargrave	Wargrave High Street
Wokingham	Ashridge Road Clifton Road/Emmbrook Road (to be extended into the Strategic Development Location) Bean Oak Road Rances Lane Woosehill Centre Woosehill Lane
Woodley	Brecon Road Coppice Road Loddon Vale Shepherds Hill (also partly in Earley)

Source: *Managing Development Delivery Local Plan 2014, Policy TB17*

Supplementary Planning Documents

Wokingham Town Centre Masterplan SPD (adopted 2010)

- 2.24 The Wokingham Town Centre Masterplan (WTCM) Supplementary Planning Document (SPD) is the guiding policy document for the Council's regeneration proposals in the town centre. It includes guidance on streets, public spaces, land use, design and sustainability. Redevelopment of Wokingham town centre is identified as a crucial element of the Core Strategy and this document builds on those policies, including national policy, to set out a clear vision for Wokingham Town Centre until 2026. The key opportunity sites are summarised in **Figure 2.1**; it should be noted that subsequent to the adoption of the SPD many of the development opportunities set out in the SPD have been come forward for redevelopment, as following sections of this report set out.

Figure 2.1 Wokingham town centre opportunity sites



Source: Wokingham Town Centre Masterplan 2010 Figure 2.1

- 2.25 The vision statement of the WTCM sets objectives for Wokingham to be a town centre which offers a mix of independent and large retail shops; exhibits a thriving day and night time economy; pedestrian and cycle friendly streets; green space; and high standards of design. A key focus is placed on design and reinstating the character of the existing town centre, as a large proportion of the east side of the centre is designated as a conservation area.

Emerging Policy – Local Plan Update

- 2.26 The existing Local Plan period for the Core Strategy and Managing Development Delivery Plan runs until 2026. The Local Plan Update (LPU) will look beyond that date and seek to guide strategic development in the Borough until at least 2040. It is likely that most policies will be replaced however, in some instances, the broad policy approach could continue. A LPU Draft Plan consultation ran from February to April 2020 and a further LPU Revised Growth Strategy consultation focussing on a new spatial strategy (largely related to a change in approach in locations for future residential growth in the Borough, as set out below) ran from November 2021 to January 2022. This study forms part of the technical evidence base underpinning the LPU.
- 2.27 During the course of preparation of the LPU there have been significant changes to the strategic approach to new development in the Borough. The February 2020 Draft Plan proposed the creation of a garden town at Grazeley in the west of the borough. This provided an opportunity to create a new community of around 15,000 homes and supporting infrastructure and significant employment floorspace across land within Wokingham Borough and West Berkshire District. However, a change in legislation resulted in the redetermination of the emergency planning arrangements around AWE

(Atomic Weapons Establishment) Burghfield in the case of an incident. The redetermination significantly extended the Detailed Emergency Planning Area (DEPZ) to include the proposed land at Grazeley (which is around 2km to the south-east of Burghfield) and resulted in objections to the garden town proposal from the Defence Nuclear Organisation and the Office for Nuclear Regulation. As a result, the strategy proposed was considered by the Council as no longer being achievable, necessitating a reconsideration of the Borough's future growth strategy.

- 2.28 The February 2020 Draft Plan also set out a series of development management policies, including an 'Economy: Jobs and Retail' chapter which set out the council's approach to retail development, including a hierarchy of centres, and the role of Wokingham town centre.

UPDATES TO PLANNING LEGISLATION

- 2.29 In this section we provide a brief review of key legislative changes which have come into force in the past three years, specifically in respect of changes to the Use Classes Order, and changes to permitted development rights for town centres.

Changes to the Use Classes Order

- 2.30 On 1st September 2020 the Government introduced a number of significant changes to the Use Classes Order 1987 (as amended), which have implications for local planning authorities in planning for their town centres. An overview of these is set out below.

Use Class E

- 2.31 The most significant change put forward in the September 2020 legislation was the introduction of a new Use Class E. The change combines all former Use Classes of A1 (shops), A2 (financial and professional), A3 (restaurants and cafes), class B1 (offices), together with parts of class D1 (non-residential institutions) and class D2 (assembly and leisure) into a single Use Class E 'Commercial, Business and Service'. The extent of operations covered under Use Class E are shown in **Figure 2.2**.

Figure 2.2 Use Class E

In 11 parts, Class E more broadly covers uses previously defined in the revoked Classes A1/2/3, B1, D1(a-b) and 'indoor sport' from D2(e):

- **E(a)** Display or retail sale of goods, other than hot food
- **E(b)** Sale of food and drink for consumption (mostly) on the premises
- **E(c)** Provision of:
 - **E(c)(i)** Financial services,
 - **E(c)(ii)** Professional services (other than health or medical services), or
 - **E(c)(iii)** Other appropriate services in a commercial, business or service locality
- **E(d)** Indoor sport, recreation or fitness (not involving motorised vehicles or firearms or use as a swimming pool or skating rink,)
- **E(e)** Provision of medical or health services (except the use of premises attached to the residence of the consultant or practitioner)
- **E(f)** Creche, day nursery or day centre (not including a residential use)
- **E(g)** Uses which can be carried out in a residential area without detriment to its amenity:
 - **E(g)(i)** Offices to carry out any operational or administrative functions,
 - **E(g)(ii)** Research and development of products or processes
 - **E(g)(iii)** Industrial processes

Source: Planning Portal

- 2.32 As Figure 2.2 shows, Use Class E extends beyond traditional commercial activities to also include medical and health services and creche/nursery facilities. It also incorporates a wide range of leisure uses ('indoor sport, recreation or fitness') and business uses, with part (g) of Class E effectively replacing Class B1(a) to (c).
- 2.33 It is important to note that Use Class E does not directly correspond to the definition of 'main town centre uses' as defined by the NPPF. Of particular note is that former Use Classes A4 (drinking establishments) and A5 (hot food takeaways), which are considered by the NPPF as 'main town centre uses', are not included within Use Class E and instead fall within Sui Generis.
- 2.34 The introduction of Use Class E thus provides greater flexibility, allowing seamless change between any of the different components (a) to (g) within Use Class E without the need for planning permission, as movement from one primary use to another would not constitute 'development'. It also allows different types of Class E use to be accommodated within a single unit without requiring planning permission; meaning that, for example, a retail unit or a yoga studio can introduce a customer café without a requirement for planning permission for change of use.
- 2.35 Furthermore, Use Class E is not specifically related to town centres, but covers any site currently in operation in one or more of the above uses; in other words, an out of centre supermarket, retail warehouse unit or restaurant would also be considered as a Class E use and would be afforded the same level of flexibility in changing between different components of the use class, unless planning conditions are in place to restrict the range of goods which can be sold.

Use Class F

- 2.36 A series of more protected 'community uses' were moved into a new Class F 'Local Community and Learning' use class. Class F.1 includes schools, galleries, museums, halls, libraries and places of worship. Class F.2 includes 'essential isolated shops', as well as community halls, outdoor sports facilities and swimming pools/skating rinks.

Sui Generis Uses

- 2.37 The former Use Class A4 (drinking establishments) and A5 (hot food takeaway) have been removed and are now considered 'Sui Generis' uses, as will cinemas, concert, dance, and bingo halls which fell within the former D2 use class. This means that changes to and from these uses will be subject to full local consideration through the planning application process.

Permitted Development Rights

- 2.38 Following consultation in December 2020, the Government confirmed on 31st March 2021 that a new permitted development (PD) right to allow the change of use in England from any use, or mix of uses, from the Commercial, Business and Service use class (Class E) to residential use (Class C3) will be introduced under Class MA of the Town and Country Planning (General Permitted Development etc.) (England) Order 2021.
- 2.39 The new PD rights subsequently came into effect on 1st August 2021 and allow unused commercial buildings to be granted permission for residential use via a fast-track prior approval process. Councils will only be able to assess prior approval applications on specific considerations including flooding, noise from commercial premises and adequate light to habitable rooms. Other site-specific issues that

Councils can take into consideration include: the impact of the loss of a health service and in conservation areas the impact of the loss of a ground floor Class E use. The PD rights will apply in Conservation Area but not on other protected land designated as Article 2(3) such as Listed Buildings, National Parks, or Areas of Outstanding Natural Beauty.

- 2.40 The PD rights include a 'vacancy requirement' that will ensure the building changing use has been vacant for three months before the date of the application to protect successful businesses in existing use. The building must also have been in a commercial, business, or service use for at least two continuous years previously. A size limit of 1,500 square metres of floorspace also applies, to avoid the loss of larger units such as anchor/ department stores.
- 2.41 The PD rights apply to all uses within Class E. As set out above, Class E covers a range of uses including retail, restaurants, professional services, offices, gyms, surgeries, nurseries, and a host of other high street uses. This could greatly expand the range of premises granted a right to convert to residential, as compared with the existing limited office to residential PD rights.

Section 3

Changes in Retail & Commercial Leisure Provision in the Wokingham Catchment

- 3.1 In this section we provide an overview of key developments which have taken place in the Borough's network of centres subsequent to the 2017 Study. From our research it would appear that significant changes both in terms of town centre regeneration schemes and also key changes in the retail / commercial leisure offer have been predominantly restricted to Wokingham town centre and there has been relatively little in the way of significant changes to the retail / commercial leisure offer in the Borough's remaining centres. Consequently, our analysis focusses on the changes which have come forward in Wokingham town centre on a number of the key opportunity sites identified in the previous section.
- 3.2 We also provide an overview of the planning applications which have come forward in the Strategic Development Locations in the Borough, as identified in the existing Core Strategy (2010); a number of which include proposals for retail/leisure uses to serve the new residential communities.
- 3.3 Following on from this, we review key developments in the retail and commercial leisure offer which have come forward in the surrounding network of centres which the 2017 Study identified compete with Wokingham for 'market share', which principally are Reading and, to a lesser extent, Bracknell town centres. The updated household survey, the findings of which are discussed in full in Section 6 of this report, confirms that this remains the case, although development of the Lexicon Bracknell scheme has increased Bracknell's attractiveness as a shopping destination for residents of Wokingham Borough relative to the position at the time of the 2017 Study and consequently, we pay careful consideration to the proposals which have come forward in Bracknell town centre.

CENTRES IN WOKINGHAM BOROUGH

Wokingham Town Centre

- 3.4 The regeneration of Wokingham Town Centre has been moving forward over recent years and a number of significant developments have been completed since the 2017 Study, enhancing the retail and leisure offer and overall quality of the environment of the town centre. This includes the Wokingham Market Place improvements, incorporating public realm improvements and alterations to traffic flows to create a more pedestrian oriented environment. Peach Place has also recently been redeveloped to provide a new public square, including cafes, bars, and retail units. The redevelopment of Elms Fields is also nearing completion, which incorporates a new Aldi foodstore, Premier Inn hotel, Everyman cinema, and a mixture of national multiple and independent units.
- 3.5 As we identified in the policy analysis section (Section 2), the Council adopted the Wokingham Town Centre Masterplan SPD in 2010 which set the framework for these developments to come forward. The following section therefore revisits these key developments that have been approved in accordance with the Masterplan and provides an update on the progress of each site.

Peach Street

- 3.6 Located at the junction of Broad Street, Peach Street and Denmark Street, the Peach Street site occupies a prime position in the town centre. The key aim for this area was to improve the retail performance of the site and the town centre, by providing modern retail units.
- 3.7 Planning permission was granted for part redevelopment and part retention and refurbishment of existing buildings to provide a mixed use development for town centre uses and a new public square, plus 26 dwellings, as a catalyst for the regeneration of Wokingham Town Centre in December 2014⁵. The development includes a total of 7,814 sqm of retail floorspace (a net increase of 1,912 sqm) and the removal of the existing Rose Street car park to create a new public square and access to site; together with 56 private car parking spaces.
- 3.8 The development has now been built out and trading and is known as Peach Place. From our visit to the centre, it was identified that the development is now predominantly let, and has succeeded in attracting a number of new retailers to Wokingham. Further discussion is set out as part of our high-level assessment of Wokingham town centre in **Section 5** of this report.



Peach Place. Photo credit: Wokingham Borough Council / Stewart Turkington

Elms Field and The Paddocks

- 3.9 Elms Field and The Paddocks, when combined, make up the single largest opportunity site within the town centre. The historic and recreational value of this area is noted in the Masterplan, with a key emphasis placed upon the retention of green space.

⁵ Planning application ref F/2014/2637

- 3.10 Planning permission was approved in April 2016⁶ for a mixed use development for town centre uses, a cinema, hotel; 126 residential units, re-configured town park, new and re-configured public car parking and partial closure of Elms Road and provision of a new road to link Wellington Road and Shute End, as a key component of the regeneration of Wokingham Town Centre. The development comprises 4,279 sqm of retail floorspace, a 1,160 sqm cinema occupied by Everyman Cinema, a 1,631sqm foodstore occupied by Aldi, and various smaller retail units occupied by Starbucks, Peacock House Interiors and Fiona Barry Boutique.



Elms Field. Photo credit: Wokingham Borough Council / Stewart Turkington

Carnival Pool

- 3.11 Another identified development site consisted of the existing Carnival Pool / Harpers fitness complex. The key aim for the site as identified by the Masterplan was to provide a mixed used development that includes cafes, offices and a hotel. Outline planning permission was granted in August 2015 for a mixed use leisure-led development at the Carnival Pool and adjoining land, including leisure, employment, residential and complimentary retail, and the construction of a new multi-storey car park and new public spaces.
- 3.12 A subsequent full planning application was approved in February 2018⁷ relating to the demolition of all existing buildings on site and the construction of a leisure centre, library, restaurant, commercial unit for non-residential institution or assembly and leisure use, 55 dwellings, access and car parking. The development is nearing completion, with the residential units due to be completed in 2023. The wider scheme includes 4,865 sqm of leisure floor space forming the new Wokingham Leisure Centre, in addition to 448 sqm of restaurant floor space.

⁶ Planning application ref 153125

⁷ Planning application ref 172012

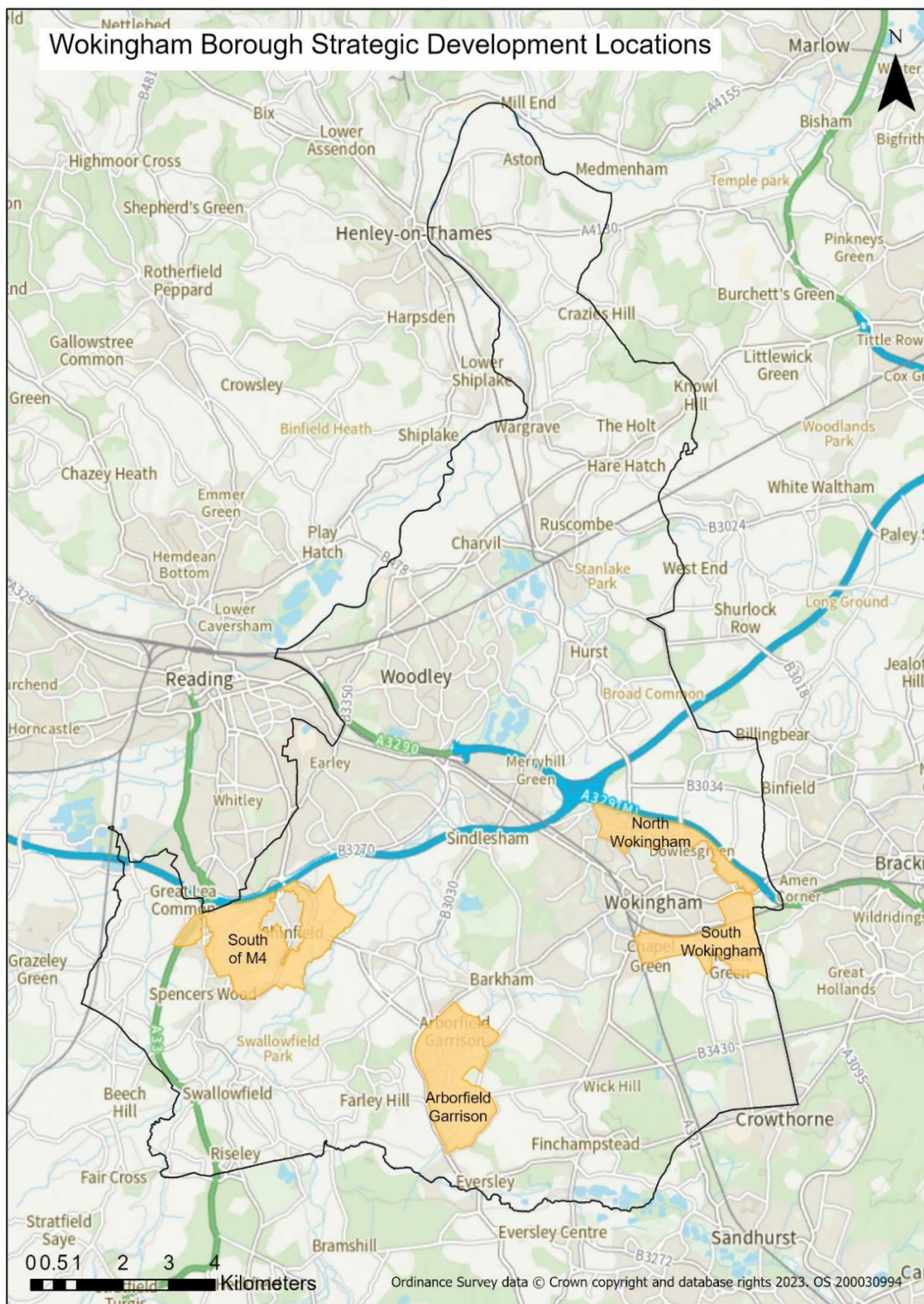


Carnival Pool. Photo credit: Wokingham Borough Council / Stewart Turkington

Strategic Development Locations

- 3.13 As set out in Section 3 of this report, Wokingham Borough Council identified several Strategic Development Locations ('SDLs') through the existing Core Strategy (adopted 2010). The SDLs are accommodating the need for strategic growth identified in the existing development plan and will be supported by local scale commercial, leisure and community uses to support the delivery of sustainable development. A plan of the location of the SDLs is set out at **Figure 3.1** (overleaf).

Figure 3.1 Strategic Development Locations in Wokingham Borough



Source: Wokingham Borough Council

Aborfield Garrison SDL

- 3.14 Arborfield Garrison SDL is situated to the southwest of the Wokingham urban area and is set to provide 3,500 homes, retail facilities, two primary schools, a secondary school together with children's centre and youth facilities. Outline planning permission was granted in April 2015⁸ for a phased redevelopment including up to 2,000 new dwellings; a district centre comprising a foodstore up to 4,000 sqm and up to 3,500 sqm of retail, commercial, and community/leisure floor space; up to 1,500 sqm community/leisure floor space; and a neighbourhood centre to provide up to 300 sqm retail floor space with parking/servicing area. For the southern area, a separate outline permission⁹ was granted for up to 1,500 new dwellings, up to 12,000 sqm of employment floor space, a Neighbourhood Centre with up to 1,900 sqm of non-residential floor space, a new primary school and new sports pitches and associated pavilion building.
- 3.15 A reserved matters application is under consideration for part of the main district centre, including the community centre and 950 sq.m of commercial (use class E) floorspace, and a reserved matters application for a new Sainsbury's store is due mid-2023.
- 3.16 In regard to the proposed neighbourhood centre which is expected to come forward in the northern part of the site, a reserved matters application was approved in April 2019¹⁰ for the 'construction of 111 dwellings and mixed retail/leisure/community floorspace, with access from Biggs Lane. The commercial floorspace has been constructed and is currently being used as a sales and marketing suite by the developer. The units are currently being marketed to prospective tenants for the consented uses.

North Wokingham SDL

- 3.17 North Wokingham SDL is set to provide 1,500 homes, appropriate retail facilities and employment towards the west of Twyford Road. Outline planning permission was granted in April 2015 for a phased development of approximately 760 dwellings, including 60 units of assisted living homes / older person accommodation, a local centre (including retail), a primary school, community facilities and associated areas of open space.
- 3.18 The North Wokingham local centre is located within the Matthewsgreen area and comprises retail use on ground floor with residential above, primary school and community facilities. The development is anchored by a Co-op foodstore, which opened in February 2022 and occupies most of the retail floorspace at 386 sqm. The two other units are still to be tenanted at 70 sqm and 62 sqm, respectively. The local centre element received planning permission through a reserved matters application approved in December 2020.

South Wokingham SDL

- 3.19 South Wokingham SDL is an allocated mix use development set to provide 2,500 dwellings, appropriate retail facilities and two primary schools. The first phase of the strategic development, known as Montague Park, is understood to essentially be complete, having first gained consent in August 2010¹¹ via outline planning permission for a development providing:

⁸ Planning application ref 140977

⁹ Planning application ref 140764

¹⁰ Planning application ref 190737

¹¹ Planning application ref. O/2010/1712 as varied by VAR/2015/0342

- Up to 650 dwellings;
- First stage of southern distributor road with new vehicular access junction to London Road, secondary access to London Road and two additional cul-de-sac accesses serving residential properties fronting London Road;
- A local neighbourhood centre.

3.20 Reserved matters approval comprising details of the neighbourhood centre incorporating retail and community use on ground floor, public parking, a public square, neighbourhood equipped area for play and 115 dwellings with associated internal access roads and footways, parking and landscaping was granted in April 2017¹². In line with the outline planning permission, the reserved matters incorporated 627 sqm of retail floorspace on the ground-floor; a single unit of 377 sqm plus a further 240 sqm flexibly designed to allow amalgamation or sub-division of the space to form smaller units as necessary. The ground floor unit is occupied by Co-op as a foodstore.

South of the M4 / Shinfield SDL

3.21 The South of the M4 SDL is an allocated mixed-use development for around 2,500 new homes, including a local centre. Several planning permissions have been granted, including for a local centre, incorporating a 2,500 sqm food store (intended to be occupied by Lidl) and other retail uses. The Lidl store has planning permission but has not yet commenced trading and accordingly is treated as a 'commitment' for the purposes of our retail needs assessment later in this report.

RECENT DEVELOPMENTS IN COMPETING CENTRES

3.22 In the summary at the outset of this section, we identified that the principal competing locations for comparison goods spend for Wokingham town centre were Reading town centre and Bracknell town centre. Accordingly in the remainder of this section we summarise the retail and commercial leisure offer in each of these competing locations and, where relevant, planned developments which could potentially impact on the future 'market share' they attract from residents in the survey area we define in **Section 6** (and previous summarised in the introduction in **Section 1**). This is an important consideration as planned future developments may have the potential to alter the 'market share' these centres derive from residents in Wokingham Borough, and in turn it may be necessary to adjust future forecasts for the level of retail and leisure spend which is retained in the Borough.

Reading

3.23 Reading is located approximately 11km (7 miles) from Wokingham and is described as a 'Regional Centre' in the Reading Borough Council Local Plan (2019). It is one of the most significant locations for comparison goods shopping across the South East, and the household survey undertaken in support of the 2017 Study provided confirmation that its retail catchment and comparison goods retail turnover are both significant.

3.24 Reading town centre has two main shopping centres — The Oracle and Broad Street Mall. Units which anchor Broad Street Mall include Wilko, TK Maxx, and Poundland, while the considerably larger Oracle Shopping Centre has a higher quality retail offer and is anchored by House of Fraser, Next (which replaced Debenhams) and a particularly strong mid/upmarket fashion-led comparison goods offer. The Oracle also provides a good range of mid-market cafes and 'family dining' restaurants

¹² Planning application ref 163264

including Franco Manca, The Real Greek, Pizza Express, Nando's, Zizzi and Caffè Nero. Harris Arcade comprises a range of independent shops across 21 units. Other major retailers present in the town centre include Marks and Spencer, John Lewis and Primark which are located on the pedestrianised Broad Street and West Street.

Planned Development

- 3.25 A desktop review of proposed development in Reading has identified that many of the sites currently occupied by retail warehouses / retail parks are currently the subject of development activity, in most cases with the owners of the retail parks seeking to densify and broaden the range of uses on the sites, and introducing residential and commercial office floorspace, whilst also retaining an element of retail / main town centre uses floorspace.
- 3.26 This is in part likely to be driven by the fact that Reading has historically been well-provided for in terms of facilities of this nature, and the contraction which has taken place within the retail sector in recent years can be expected to have reduced the demand for tenants to take space in the units. It is also likely to be driven by the fact that many of the facilities which are the subject of redevelopment proposals sit within close proximity to both Reading town centre and the town's rail station, ensuring they are well-placed to accommodate higher densities of development and also capture demand from commuters.
- 3.27 The household survey undertaken as part of this study indicates that there is some evidence of residents in Wokingham Borough using these facilities which are the subject of these development proposals for comparison goods shopping, but the 'market share' which the facilities capture is, on the whole, relatively limited (e.g. Brunel Retail Park's 'market share' from any of the survey zones is 1.89%). Residents in Wokingham Borough typically look towards the facilities at Reading Gate Retail Park to the south of the town at Whitley to a greater extent than the retail warehouse facilities which are more centrally located. We are not aware of any current development proposals at this location.
- 3.28 Accordingly, if the below development proposals come forward, we would not expect them to have a significant influence over shopping patterns of the majority of residents in Wokingham Borough — although we would caveat that this would ultimately be subject to the nature of the floorspace which comes forward and tenants attracted. Any changes in shopping patterns as a result of development proposals would be expected to be captured by future iterations of the household telephone survey which was undertaken in support of this study.
- 3.29 We are aware of the following development proposals coming forward in Reading:
- Planning permission was granted in October 2018¹³ at **Forbury Retail Park** on the site comprising the former Toys R Us and Homebase retail warehouses (on the south side of Kenavon Drive) for a major mixed-use redevelopment including residential and flexible commercial/retail/community uses. The maximum approved flexible floorspace within the development amounts to 1,478.5 sq. m GEA. Development of the site is being led by Berkley and L&Q and construction of the new site, known as Huntley Wharf, is nearing completion. The new development appears to be orientated to provide local retail and leisure amenities e.g. a convenience store, gym and nursery.

Further plans have recently emerged for residential-led development at the Forbury Retail Park site, with a public exhibition recently by investment company abrdn, who own the retail park, to

¹³ Reading Borough Council planning application ref 170509

redevelop the site for a residential-led, mixed use development known as Kings Meadow View. If the proposals proceed, the redevelopment will include up to 900 new dwellings, together with approximately 2,500 sq.m of ground floor retail / commercial space, which it is understood could potentially be used as a foodstore.

- At **Brunel Retail Park**, planning permission was granted in July 2021¹⁴ for the redevelopment of the site to include the demolition of the existing retail uses on the site and the erection of two new buildings to provide warehousing/industrial uses (Class E(g)(iii), B2, B8). The redevelopment of the site will, if implemented, result in a significant reduction of out of centre retail floorspace on this site. In the event that only one of the buildings proposed was to come forward (subject to market demand), planning permission was concurrently granted for the retention and consolidation of the remainder of the retail park¹⁵. As a minimum, the total retail floorspace on site will reduce by 4,641 square metres, or by 14,775 square metres if both buildings are delivered.

Brunel Retail Park sits on the southern side of the Reading urban area and in relatively close proximity to the residential areas of Earley and Lower Earley which fall within Wokingham Borough; there may be some scope for future shopping patterns of residents of these areas to be influenced by the potential loss of this facility. The retail park does appear however to have a relatively limited tenant mix and a number of vacant units and, as noted above, does not appear to currently be a major retail draw from residents in the survey area in its own right.

- To the north of the proposed Station Hill development (see below), on the opposite side of Reading Station, further proposals are also coming forward for the redevelopment of existing retail warehouse floorspace. A planning application¹⁶ was submitted in February 2020 (and later revised in October 2021) for the redevelopment of **Vastern Court** on Caversham Road for a major mixed-use development comprising up to 1,000 new residential units; between 2,000 sq.m and 7,000 sq.m of flexible retail, leisure and community units; and up to 24,500 sq.m office uses. The site forms part of a site allocation in the Reading Local Plan (Policy CR11e – North of Station) and would involve the redevelopment of a large-format existing retail park occupied by Aldi, The Range, Majestic Wine, One Below discount store and a standalone TGI Fridays restaurant. The proposals are currently subject to an appeal on the grounds of non-determination, although Reading Borough Council have indicated that if they were able to take the application forward for determination, they would be minded to refuse permission for a total of 12 reasons. The appeal remains undetermined at the time of preparation of this Study.

3.30 Elsewhere in Reading, but not on an existing retail park site, outline planning permission was granted at **Station Hill** in January 2015¹⁷ for the redevelopment of the site to provide residential and commercial development, including up to 1,300 new dwellings, 8,800 sq.m of “lifestyle-led” retail, leisure and amenity space, and almost 60,000 sq.m of office space, together with two acres of new public realm space. The development will come forward in three phases: phase 1 comprising build to rent apartments; phase 2 the office and public realm; and phase 3 further office and build to rent residential floorspace. Construction of the first two phases is currently underway¹⁸.

Bracknell

¹⁴ Reading Borough Council planning application ref 201853

¹⁵ Reading Borough Council planning application ref 201842

¹⁶ Reading Borough Council planning application ref 200328

¹⁷ Reading Borough Council planning application ref 130426

¹⁸ Source: <https://www.stationhill.co.uk/info/> (accessed April 2023)

- 3.31 Bracknell is situated approximately 5km (3 miles) east of Wokingham town centre and is described in the Bracknell Forest Local Plan (2002) as a 'Major Town Centre', with Bracknell town centre identified in the Core Strategy (2008) as the Borough's main retail centre. The new Bracknell Forest Local Plan, currently subject to examination in public, similarly refers to Bracknell Town Centre as the main centre for retail, leisure, civic and cultural activities.
- 3.32 Since the publication of the 2017 Study, development has continued at significant pace with a major programme of town centre regeneration works which were first granted planning permission in 2010; these were underway at the time of the 2017 Study although the town centre was, at that time, very much in a transition phase with some existing retail areas cleared for development. Key phases of the development, including virtually all of an expanded and enhanced retail offer, have now been completed and are operational. The new development is known as Lexicon Bracknell and offers a major reconfiguration of much of the town centre. Prior to the opening of the Lexicon, there had been little development in Bracknell Town Centre since the 1980s, when Princess Square opened.
- 3.33 The redevelopment of large parts of Bracknell town centre to create the Lexicon has resulted in substantial improvements in the overall shopping and leisure experience and has also introduced an improved evening economy to the centre. There has also been a significant increase in the amount of residential accommodation in the town centre as a result of the redevelopment and conversion of lower quality office buildings. These developments have been supported by improvements to the public realm and transport infrastructure including the enhancement of footpaths, cycleways and car parks together with major highway improvements to roads such as Millennium Way.
- 3.34 To date, phases 1 and 2 of the Bracknell town centre regeneration have been completed as follows:
- Phase 1 was completed in 2011 with the opening of the Waitrose store on Bond Way, which has now been integrated into the wider town centre offer and forms part of the Primary Shopping Area (as proposed by the Council's emerging Local Plan).
 - Phase 2 was completed in September 2017 when the Lexicon opened. The Lexicon now forms the core retail offer in Bracknell town centre.
- 3.35 Phase 3 is ongoing and includes work to redevelop the area around the old Bentalls store, through a scheme known as 'The Deck' which is expected to predominantly comprise of commercial leisure uses.
- 3.36 The Lexicon opened in 2017 and represents a £240 million pound regeneration scheme which has delivered 580,000 sq. ft. of retail and leisure space, anchored by a 12-screen 4DX cinema, and two department stores at 80,000 sq. ft. each occupied by Fenwick and Marks and Spencer. The development has attracted a number of new operators to Bracknell, in particular through a strengthened clothing & fashion offer; in addition to M&S the development has attracted retailers such as H&M, Superdry and Next to the town centre, together with a small number of more premium retailers such as Hobbs and Phase Eight. Other new operators attracted to the centre include Pret, Gail's Bakery and Flying Tiger Copenhagen. The Lexicon also features a range of national restaurant operators such as TGI Fridays, Nando's, Zizzi, Wagamama and Gourmet Burger Kitchen. Within the older / existing part of the town centre, other key retailers within the centre include Primark, TK Maxx, Boots, River Island and Office; these units occupy space in the older parts of the centre but can be expected to remain important attractors of footfall.
- 3.37 The Bracknell Town Centre 2032 Vision sets out that the opening of the Lexicon has doubled Bracknell's shopper population and significantly boosted the town's attractiveness to shoppers,

retaining more of the local retail spend that had previously been lost to nearby towns, such as Reading and Wokingham.

- 3.38 Also forming part of Bracknell town centre is The Peel Centre, a retail warehouse park hosting a range of operators including: New Look, Poundland, Halfords, The Range, Home Bargains, Currys, Pets at Home, Tapi Carpets and Floors and Sports Direct. The Peel Centre is also anchored by a Morrisons supermarket.

Planned Development in Bracknell

- 3.39 Planning permission was originally granted in April 2017 (and subsequently amended in 2019, 2020 and 2022) for the redevelopment of the former Bentalls Department Store and McDonald's to form new retail (3,207 sq. m) and assembly leisure uses (2,148 sq. m), known as 'The Deck'. Redevelopment of The Deck will help Bracknell to complete its town centre retail and leisure offering, improve connectivity from Princess Square to the rest of the town centre, safeguard the town centre and provide additional jobs whilst improving the Western Town Centre Gateway. Works commenced in April 2020 and the development is forecast for completion in 2023. The development includes a new Cineworld cinema which has already commenced operations.
- 3.40 In the Council's emerging Local Plan, the Peel Centre is proposed to be removed from the town centre boundary, reflecting its role and function as a retail warehouse park facility, and the emerging Local Plan promotes the mixed-use redevelopment of the site for a residential-led development to also include a replacement supermarket. The extent to which this would result in a net loss of the remaining retail floorspace on the site is unknown at this stage.

Section 4

Market Context

- 4.1 In this section we set out a review of the context within which the findings of this study are being prepared. We firstly set out an overview of the wider economic trends which are influencing how customers are spending, and where they are spending, including the impact which the Covid-19 pandemic had on shopping patterns. We then set out the findings of commercial market analysis specific to Wokingham Borough, which has been undertaken by Ward Property Consultants & PRD, who have acted as sub-consultants on this study, providing an important local dimension to the wider national economic trends which we have identified.
- 4.2 It should be noted from the outset that the analysis set out in this section is a 'snapshot' of the economic and market conditions which are prevalent at the time of preparation of this study. Retail and town centres can rapidly evolve, whilst economic circumstances at the time of preparation of this study are in a fluctuating position, with high levels of inflation and associated cost of living concerns likely to impact on consumer confidence in the short to medium term, in turn impacting on footfall and spend in town centres.
- 4.3 Alongside Ward Property Consultants' own market insight on national and local commercial market trends, in our analysis we have also had regard to published data from organisations such as ONS, Springboard and Experian, whose Retail Planner Briefing Notes provide insight on consumer spending forecasts over the short, medium and long term. We also draw on the findings of the household telephone survey which has been undertaken in support of this study, which asked questions on patterns of online shopping usage across the Borough (and wider study area), and the extent to which these have altered as a consequence of the Covid-19 pandemic.
- 4.4 The most recent Retail Planner Briefing Note ('RPBN') published by Experian was Retail Planner Briefing Note 20 published in February 2023, which is referred to as 'RP20' in the analysis below and in the remainder of this report.

ECONOMIC CONSIDERATIONS

- 4.5 As identified above, Experian's Retail Planner Briefing Note provides an overview of the economic considerations which need to be taken into account when looking at how growth in spending on convenience (food) and comparison (non-food) goods may be impacted. RP20 paints a cautionary tale, noting that the UK continues to face 'significant headwinds' in the form of increasing inflation, high energy costs and supply chain disruption; price growth in the UK is higher than in most G7 countries; and UK GDP is 0.8% lower than pre-pandemic levels.
- 4.6 Experian forecast that there will be a return to growth, but that this will lack momentum, 'hampered by stubborn inflation, tight fiscal policy and heightened uncertainty'. It adds that 'consumer sentiment is already at a low ebb and the squeeze in household incomes is set to continue'. It is against this backdrop which the study is being prepared; however economic circumstances can change and evolve quickly and indeed Experian note that 'all forecasts will be subject to greater than usual uncertainty and volatility'. For this reason, it is recommended that the findings of this

study are subject to an update within the next five years as the medium to long-term economic picture hopefully becomes somewhat clearer.

4.7 The UK's decision to leave the European Union has not, to date, resulted in any discernible impacts on the vitality and viability of town centres. However, this picture could be beginning to change. The current cost of living crisis, which can partly be attributed to Brexit but is also currently a global issue, is however delivering stubbornly high levels of inflation, meaning in turn that people's money does not stretch as far. The impact this could have on town centre vitality and viability will need to be carefully monitored and is very much a fluid and changing situation. Potential implications could include:

- Reduced discretionary spending, particularly on higher-end or more selective comparison goods purchases, such as 'big ticket' electronic items, clothing & footwear (particularly more premium brands), holidays and so on.
- Reduced spend in the commercial leisure food & beverage sector (already in a fragile position as a consequence of Covid-19) as people choose to dine at home / cut back on discretionary leisure spending.
- Increased demand for value / discount brands and products as people try to offset costs of food inflation by 'trading down'.

Figure 4.1 ONS CPIH annual inflation rates in UK, November 2012 – November 2022



Source: ONS Consumer Price Inflation¹⁹

SECTORAL CHANGES SINCE THE 2017 STUDY

4.8 The retail and leisure sectors are dynamic and fast-moving, and heavily influenced by external economic factors, particularly prevailing economic conditions which can cause consumers to limit spending and developers and retailers to be more cautious in taking space. There have been a number of significant changes in the sector since the 2017 Study which seek to briefly summarise

¹⁹ <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/november2022>

below. The impact of Covid-19 on shopping patterns is also clearly a significant consideration and is considered by way of separate analysis later in this section.

- 4.9 In the convenience sector, the main trend has been the continued rise in popularity of the discount retail sector, headed by Aldi and Lidl. The success of these stores has increased significantly over the course of the last decade, with their popularity initially having been boosted during the 2008 financial crisis, but has become particularly amplified in recent years as both companies step up store expansion programmes and claim greater levels of 'market share' at a time when much of the population is becoming increasingly cost-conscious and switching to the use of these stores for at least an element of their shopping.
- 4.10 Significantly, Aldi has recently overtaken Morrisons to be the UK's fourth largest supermarket in terms of market share, a significant moment given it has broken the long-standing 'big four' dominance of Tesco, Asda, Sainsbury's and Morrisons. Lidl and Aldi combined now have over 16% of the market share in the grocery sector. Their expansion plans show no signs of abating and it is likely that further demand for facilities of this nature will arise in the Borough in the short to medium term. In addition to securing additional sites for new stores, both companies are also in some cases seeking to enlarge or redevelop existing facilities to provide larger sales area to accommodate the additional numbers of customers which their stores now attract. A new store for Aldi has recently been confirmed at the former Toys R Us unit at Reading Gateway, which may influence convenience goods shopping patterns for residents in the northern parts of Wokingham Borough, particularly around the Shinfield and Lower Earley areas²⁰.
- 4.11 Elsewhere within the sector, the traditional 'big four' retailers are not expanding their physical store estates to any significant extent, although do continue to open new stores where opportunities present themselves, for example aligned to residential urban extensions with new district centres, or major city centre regeneration schemes. Newer stores tend to be smaller in scale than those which were being constructed up until the late 2000s.
- 4.12 For the most part however, these retailers are focussing on improving the efficiency and offer of their existing stores, introducing enhanced in-store food/dining options (for example, Sainsbury's is continuing to roll out in-store Starbucks concessions, and a number of Greggs outlets have opened inside Tesco stores), and/or expanding their non-food offer; for example Waitrose have introduced a limited range of John Lewis products into a number of their stores, including the Wokingham town centre store. Stores have also sought to increase facilities for online delivery and click & collect, in response to increased demand for this during and after the Covid-19 pandemic.
- 4.13 In terms of comparison goods shopping, the changes affecting the 'high street' have arguably been more pronounced in the past five years than at any time previously. The loss of BHS department stores from town centres at the end of 2016 has been followed by the closure of Debenhams stores, following the company entering administration in both April 2019 and April 2020 and undergoing a number of rounds of store closures between 2018 and the closure of the final round of 118 stores in May 2021. The Arcadia Group, which owned long-established high street retailers such as Topshop, Topman, Dorothy Perkins, Evans and Burton, entered administration in November, with the brands sold to online-only operators such as ASOS and Boohoo Group. This meant that Arcadia's entire portfolio of high street stores were closed.

²⁰ This store falls within the administrative area of Reading Borough Council and therefore is not treated as a commitment for the purposes of our quantitative retail needs modelling.

- 4.14 Other retailers such as House of Fraser and, to a lesser extent John Lewis, have also reduced their physical store estate. Marks & Spencer are continuing with a programme to reprofile their store estate, which has in some cases meant moving out of older units in town and city centres where their stores are less able to trade profitably. In some cases the store has replaced this representation with an out-of-town offer, usually focusing primarily on food sales.
- 4.15 Whilst many comparison goods retailers have been downsizing their store portfolios for a number of years, as online shopping has meant there is less of a need for an extensive network of physical retail stores, the closure/downsizing of the operators mentioned in the paragraph above has arguably had the most 'visible' impact on affected towns and city centres, as the units occupied are large-format retail spaces, often anchoring a shopping centre or high street, and therefore their vacancy can often be highly prominent. The challenge for town centres is, owing to the changes in shopping patterns and continued uptake of online shopping, means in many cases there is a lack of demand from operators wishing to take some or all of the space, and therefore the units are in some locations — even in high profile locations such as London's Oxford Street — difficult to let.
- 4.16 In such instances, landlords and/or shopping centre owners are increasingly looking to ways to diversify the offer in order to let the space, including subdividing the unit into a parcel of smaller units; introducing additional food & beverage, leisure or complementary facilities; or in some cases converting upper levels to offices or even residential uses. The 2017 Study highlighted (paras 4.11 to 4.13) the changing role and function of the town centre away from one being purely based on retail to one which is much more multi-dimensional and including more leisure opportunities and community spaces; it is clear that this transformation has continued to take place since the 2017 Study and indeed, in the case of some larger centres, has arguably taken on a greater degree of urgency.

ONLINE SHOPPING & 'SPECIAL FORMS OF TRADING'

- 4.17 'Special Forms of Trading' is a term used to describe all shopping which does not take place within physical retail outlets. It can therefore include spend at markets and other specialist shopping destinations, but the majority of 'Special Forms of Trading' (henceforth, SFT) is accounted for by online shopping. Guidance on how much of total available spend is forecast to be accounted for by SFT is published annually by Experian in their Retail Planner Briefing Notes.

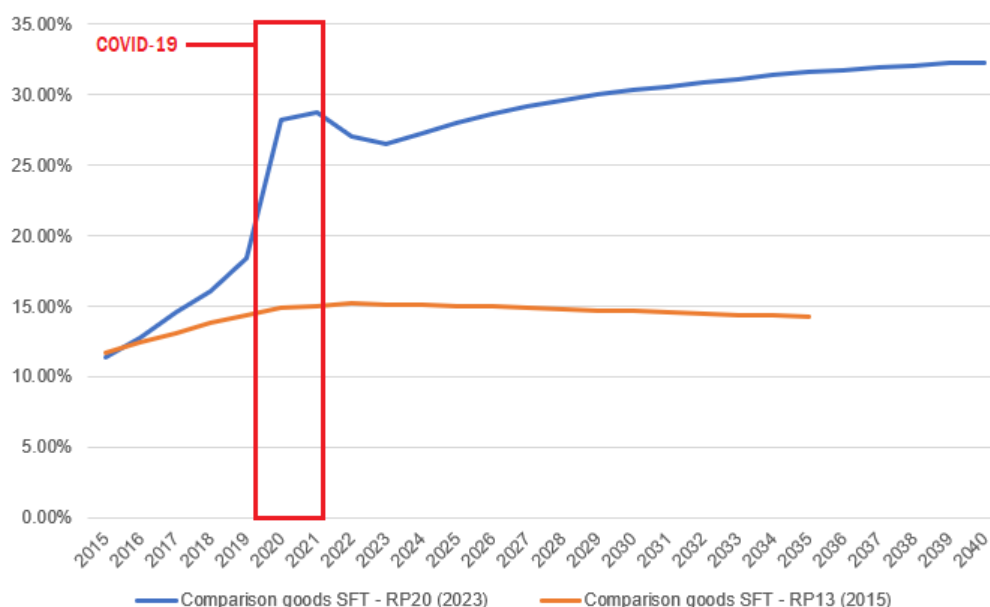
Comparison Goods Shopping

- 4.18 The 2017 Study forecast that SFT accounted for 12.4% of total available comparison goods spend in 2017, and that this would increase to 14.3% of total available comparison goods spend by the end of the study period for the 2017 Study, which was 2036. These forecasts were derived from Experian Retail Planner Briefing Note 13, which was the most up to date guidance at the time of preparation of the 2017 Study.
- 4.19 It has been widely reported that the Covid-19 pandemic accelerated the influence of online shopping over the shopping patterns of consumers in the UK, significantly amplifying the rates of online shopping which were already taking place, particularly in respect of comparison goods shopping. Such a trend is not surprising given the enforced lockdowns during the first year of the

pandemic presented only limited opportunities for physical retail shopping, particularly for non-essential comparison goods shopping such as clothing, footwear and homewares.

- 4.20 The most recent guidance published by Experian (RP20, February 2023) has regard to this, plus the extent to which patterns of online shopping have ‘settled down’ after the changes in shopping patterns which the pandemic necessitated. RP20 identifies that SFT currently (2023) accounts for 26.5% of total available comparison goods spend as a UK average and forecast that UK average this will increase to 30.3% by 2030, 31.6% by 2035 and 32.3% by 2040. In other words, therefore, SFT’s claim on total available comparison goods spending is forecast to be at least double the amount it was in the 2017 Study, for the entire duration of the study period, as shown visually in **Figure 4.2**. This has important implications for levels of quantitative retail need which will need to be planned for.
- 4.21 The current UK average comparison goods SFT of 26.5% is a decline from the peak of 28.7% recorded during 2021, the second year which Covid-19 impacted on shopping patterns. This therefore indicates that some consumers have shifted their spending back to physical retail stores following stores reopening. However, in 2019, the final full year before the pandemic, comparison goods SFT was considerably lower, at 18.4%, and therefore crucially, much of the additional spend which transferred online during the pandemic has not returned to being spent in physical retail stores.
- 4.22 Evidence from the household telephone survey undertaken in support of this study indicates that levels of SFT for comparison goods within the survey area are on average higher than the UK average identified in RP20, and in some parts of the survey area account for over one-third of total comparison goods spending. This is discussed further in **Section 7** of this report.

Figure 4.2 SFT as a % of total available comparison goods spend – RP13 vs RP20

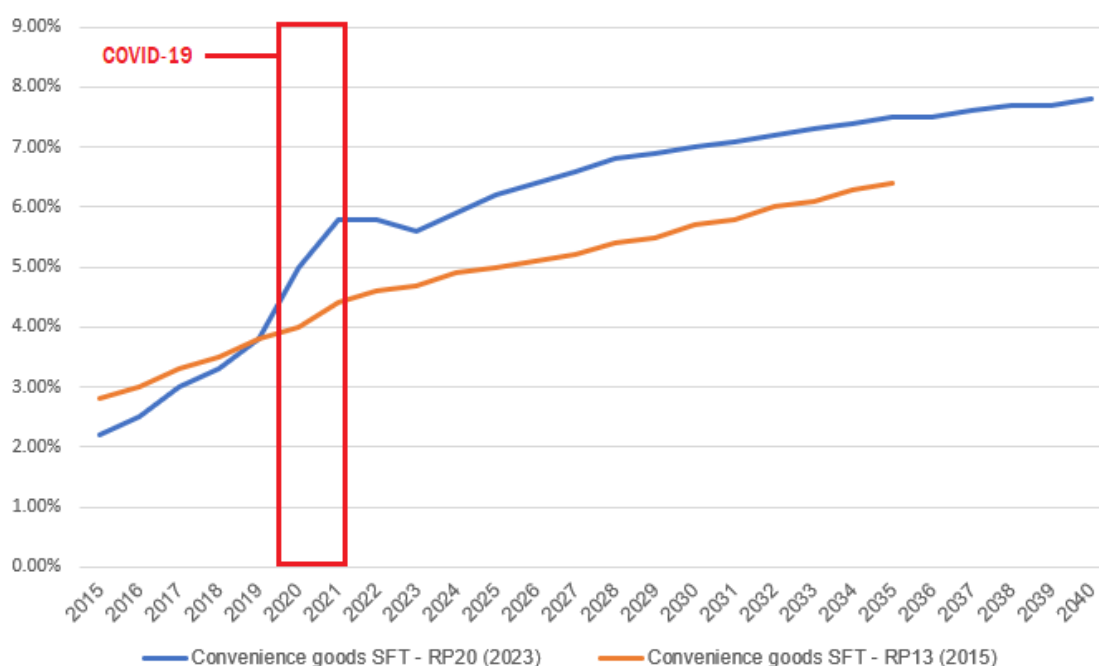


Source: Experian Retail Planner Briefing Note 20 (2023) and Experian Retail Planner Briefing Note 13 (2015), the forecasts of which were used in the 2017 Study. Note – RP 13 did not SFT provide forecasts beyond 2036.

Convenience Goods

- 4.23 In respect of convenience goods shopping, there has also been an uptake in the amount of spend which is directed towards SFT. However, the sector continues to account for a significantly lower SFT claim than the comparison goods sector, with the majority of spend continuing to be accounted for by purchases in physical stores. At the time of the 2017 Study, Experian identified that 2.8% of total available convenience goods spend was accounted for by SFT (at the 2015 base year of that study), and this would increase to 6.4% by 2036.
- 4.24 The most recent guidance from Experian (RP20) identifies that convenience goods currently accounts for 5.6% of total convenience goods spend, and this will increase to 7.8% by 2040. The gap between the forecasts provided by Experian in the 2017 Study (RP 13) compared to those set out in RP20 is significantly less pronounced than is the case with comparison goods SFT discussed above (see **Figure 4.3**). Overall, it is forecast that convenience goods SFT will continue to account for a significantly lower 'claim' on spending than comparison goods. Even during the pandemic-affected year of 2021, only 6.3% of convenience goods spend was spent through SFT, indicating the majority of convenience goods spend continued to take place through physical retail stores.

Figure 4.3 SFT as a % of total available convenience goods spend – RP13 vs RP20



Source: Experian Retail Planner Briefing Note 20 (2023) and Experian Retail Planner Briefing Note 13 (2015), the forecasts of which were used in the 2017 Study. Note – RP 13 did not SFT provide forecasts beyond 2036.

- 4.25 The household survey results show convenience shopping SFT rates to be approximately 2.5 times higher than the current UK average, as an average across the survey area. Further discussion of this point is provided at **Section 8** of this report.
- 4.26 The SFT rates forecast by Experian are, for both comparison and convenience goods, an important consideration as the higher the proportion of spend which is diverted to SFT/online shopping, the lower the residual spend which is available to support new physical 'bricks and mortar' floorspace, although it is important to caveat that such forecasts need to carefully be considered 'in the round' alongside updated population projections, information on shopping patterns and so on.

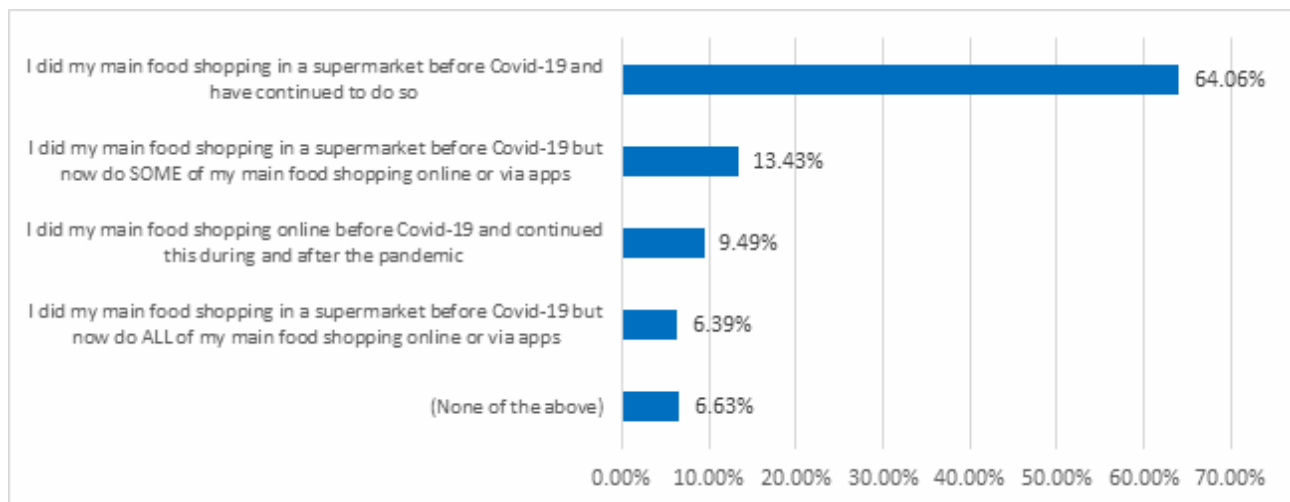
THE IMPACT OF COVID-19 ON SHOPPING PATTERNS

- 4.27 The analysis set out above confirms that SFT/online shopping take-up is significantly higher than the 2017 Study, and whilst rates of online shopping take-up were increasing prior to the pandemic, the enforced closure of many physical retail stores throughout periods of 2020-21 did help drive a further shift online.
- 4.28 The household survey undertaken in support of this Study asked respondents the extent to which their shopping patterns had altered as a result of the Covid-19 pandemic, for main/weekly food shopping, top- up/basket shopping, and shopping for clothing & footwear (which historically has been one of the main footfall drivers in town centres in terms of comparison/non-food shopping).

Convenience Shopping

- 4.29 For main/weekly food shopping, the survey findings show that the majority of residents continue to visit local supermarkets. Almost two-thirds (64.06%) of respondents stated that they undertook their main food shopping in a supermarket prior to Covid-19 and have continued to do so. 13.43% stated that they have now switched to undertaking some (but not all) of their main food shopping online, whilst just 6.39% stated that they undertook their main food shop in a supermarket prior to Covid-19 but have now entirely switched to online shopping.

Figure 4.4 Changes in main food shopping patterns, pre & post- Covid-19

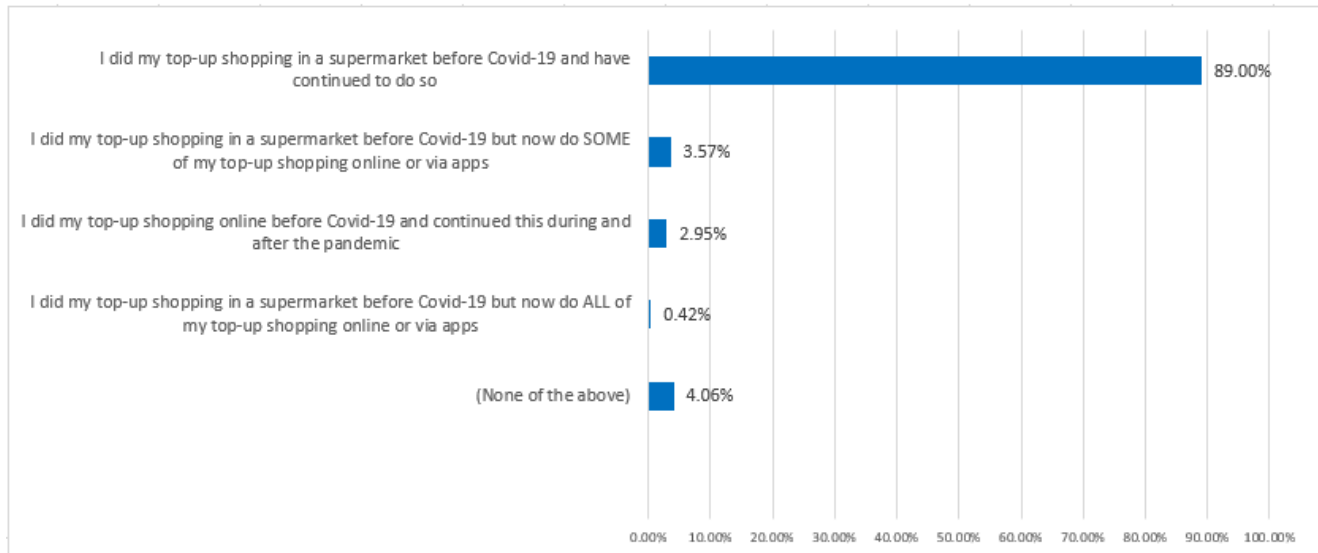


Source: household survey results

- 4.30 For those survey respondents who did their last food shop online, the most popular online shopping destination was Tesco (34.94% of respondents), followed by Sainsbury's (19.70%), Ocado (17.31%), Asda (16.36%) and Waitrose (6.49%).
- 4.31 For top-up/basket shopping, there was less indication of any significant changes to shopping patterns relative to pre-Covid levels. This is perhaps to be expected given that top-up shopping is often more impulsive and/or aligned with other trips, and/or a commute. However, the rise of the rapid delivery sector, where groceries can be ordered and delivered through apps such as

Deliveroo and Getir, does offer the opportunity for top-up shopping patterns to be altered. The household survey results indicate that 89.00% of respondents undertook their top-up shopping in a supermarket before the pandemic and have continued to do so, whilst 3.57% of respondents now do an element of their top-up shopping online but continue to also visit physical stores. Only 0.42% of respondents have undertaken a full shift to doing all of their top-up shopping online.

Figure 4.5 Changes in top up food shopping patterns, pre & post- Covid-19

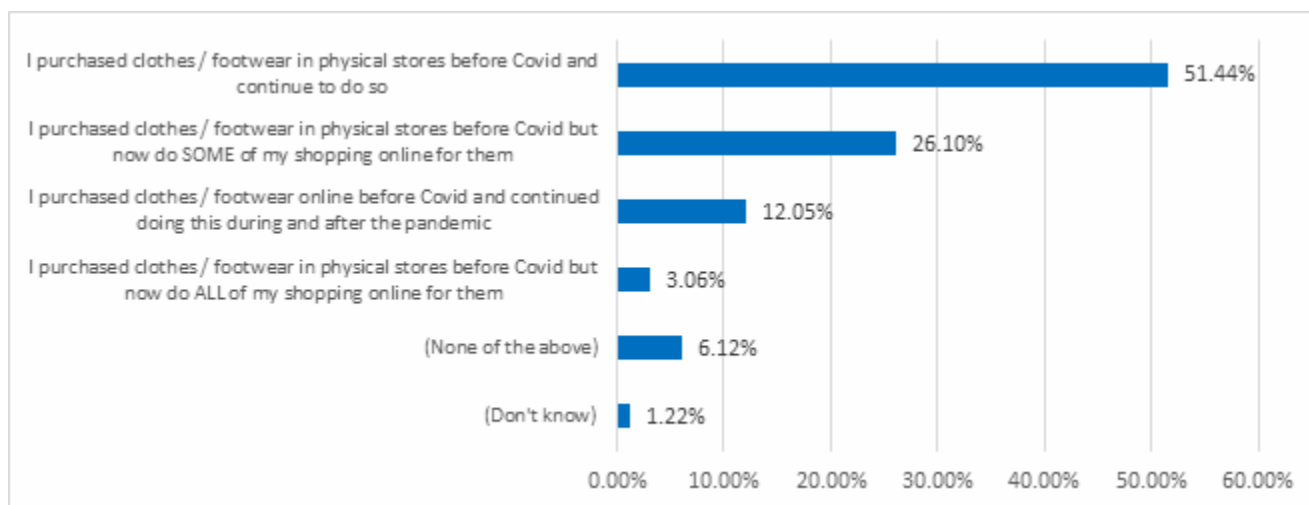


Source: household survey results

Comparison Shopping (Clothing & Footwear)

- 4.32 For clothing & footwear, the survey results indicate that 51.44% of respondents continue to only shop in physical retail outlets for goods of this nature. However, 26.10% of respondents stated that whereas pre- Covid they only shopped in physical retail outlets for these products, they now do some (but not all) of their shopping online. Only 3.06% of respondents stated that they had entirely switched from physical to online retail for clothing/footwear purchases. These trends affirm the widely reported increase in online spending which has taken place since the pandemic (as summarised above) but shows that for the majority of respondents there is still a preference to visit physical retail outlets for at least some of their clothing and footwear purchases.

Figure 4.6 Changes in clothing & footwear shopping patterns, pre & post- Covid-19



Source: household survey results

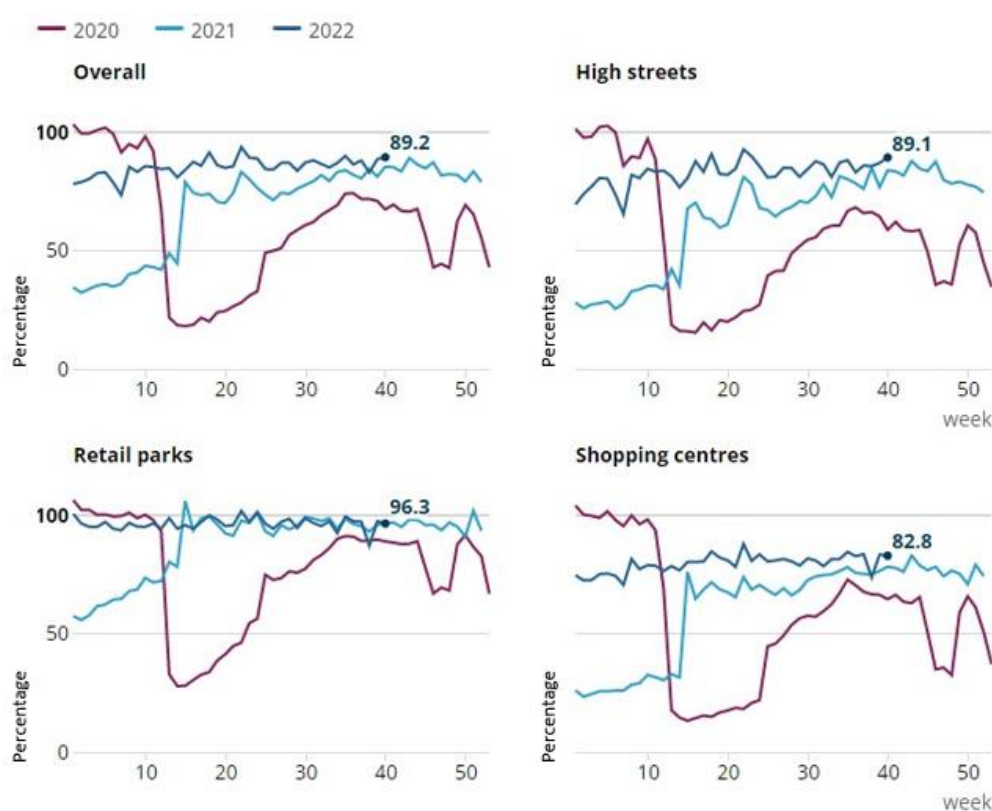
Broader Trends

- 4.33 More broadly, the main beneficiaries of the pandemic in respect of shopping patterns have been local town centres and locations such as market towns, district and local centres, as — aligned with an increased usage of online shopping channels (as discussed above) — people reduced travelling to ‘high order’ centres for shopping and directed their spend towards more local shopping facilities. For example, at the outset of the pandemic in spring 2020, district centres saw a decline in footfall of only 34.5%, compared to 75.9% for city centres. This was due to residents not travelling into city centres for work and/or shopping, but instead working from home — and therefore centres more local to their place of residence benefited from increased footfall as a result.
- 4.34 There has, of course, been a degree of rebalancing of the shifts to home working seen at the outset of the pandemic and many office-based companies now seek to offer a ‘hybrid’ model for employees. Nevertheless, this continues to offer scope for town, district and local centres close to an employees’ place of residence to benefit from additional footfall and spend relative to the case prior to the pandemic. Local town centres will potentially need to cater for the needs of significantly larger daytime catchment populations than was the case previously, if increasing numbers of people work from home, even for only some of the week. Town centres which are able to provide a comprehensive range of day-to-day shopping and local services — possibly alongside workspace / co-working facilities where local residents are able to work away from home or undertake meetings — are likely to continue to retain positive levels of vitality and viability in the medium to long term, therefore.
- 4.35 Centres such as Wokingham have been well placed to capitalise on this, with a generally affluent population, a proportion of which are likely to be able to work in sectors which can support an element of remote working, such as information and communication (15.0% of workforce in Wokingham Borough based on the 2021 Census), financial and insurance (3.9%) and professional, scientific and technical activities (9.2%).

Town Centre Usage and Footfall

- 4.36 As the Covid-19 pandemic has abated, indications are that people have been willing to return to town centres for shopping and leisure as restrictions have eased, and that levels of online shopping seen during the pandemic have stabilised (though remain higher than pre-pandemic levels; we discuss this further below).
- 4.37 Clearly, the long-term impacts of Covid-19 on shopping patterns will take time to fully evolve and become apparent, but initial evidence appears to point towards that, in terms of usage of town centres, there is a strong element of returns to 'old habits', although footfall across all types of retail destinations is yet to fully return to pre-pandemic levels. Data on footfall provided to the Office of National Statistics (ONS) by consumer activity consultancy Springboard indicates that footfall in early October 2022 was, overall 89% of the level of the equivalent week in 2019. High Streets were at 89% of 2019 levels, whilst retail parks were at 96% of 2019 levels (**Figure 4.7**).
- 4.38 The biggest change in footfall has been in shopping centres (i.e purpose-built shopping centres rather than town centres in general) where footfall was, at October 2022, only 83% of the level of that of the equivalent week in 2019. This may be because in many shopping centres key retail 'anchor' units remain empty following the closure of stores such as Debenhams. Wokingham Borough does not have any shopping centres of this nature and therefore has been somewhat protected from some of the wider closures in the retail sector in recent years.

Figure 4.7 Volume of daily retail footfall, percentage compared with the equivalent week of 2019, 1 January 2020 to 9 October 2022, UK



Source: Springboard

COMMERCIAL PROPERTY MARKET ANALYSIS

- 4.39 As noted previously, this study has also benefited from commercial input from Ward Property Consultants, who were instructed to provide additional commentary on current retail and leisure property market trends, and types and levels of operator demand for Wokingham Borough. We set out a summary of their advice in the remainder of this section of the report.

General commercial market commentary

- 4.40 Out of any sector, retail and leisure endured an especially difficult pandemic, with multiple lockdowns leading to a major boost to online competition which in turn led to the permanent closure of many shops and restaurant businesses UK wide. A recovery is/was under way, with the lifting of pandemic restrictions boosting both footfall and sales over the past year, which in turn, had led to a revival in leasing. Increased voids due to business failures ensured that rental values had dropped in the majority of locations whilst a drop in online sales was also experienced as people headed back to the high street. The pandemic has however changed the way many people shop and has had a fundamental effect on shopper preferences which are unlikely to be reversed.
- 4.41 Despite the troubles experienced by many in the hospitality industry during the lockdown, it is largely the leisure sector who have been looking to expand. Many of the well known names including Greggs, Leon, Pret a Manger and Wasabi have all been looking to expand their portfolios whilst some lesser known names such as Chipotle, Wingstop (Fried Chicken) and Blank Street Coffee have been embarking on aggressive acquisition programmes. The pandemic boosted the use of apps such as Deliveroo, Just Eat, Uber Eats etc and some of these food outlets were able to generate a huge boost to their turnover during this period.
- 4.42 “Discounters” also continue to be acquisitive. Such retailers include the likes of Home Bargains, B&M and Dunelm. The discount operators, which include such retailers as Home Bargains, B&M and Dunelm are predominantly focusing on out of town retail parks which provide the larger footprints they require along with the benefit of plentiful free, on site car parking for their customers. The “sweet spot” for all of these parties is c. 20,000 sq ft.
- 4.43 Supermarkets also remain acquisitive. The discount food market led by Aldi and Lidl remain keen to find new sites whilst other retailers such as M&S, ASDA and Morrisons are also busy. Stores of c. 20,000 sq ft are the sweet spot for occupiers such as Aldi, Lidl and M&S. Their focus again is on out of town stores with demised car parking.
- 4.44 The gym market is also extremely acquisitive at the moment with chains such as The Gym Group or Pure Gym very active with smaller franchise’s seeking smaller space. This can be in town or out of town but they do have specific floor to ceiling height requirements, need to open 24 hours a day, and ideally like to have car parking close by. It therefore lends itself well to out of town units however in town properties are still sought if they can offer the above. Smaller gyms such as Anytime Fitness can take smaller sites from c. 5,000 sq ft upwards.
- 4.45 Rental pressure has been experienced in the out of town retail market as such sites are now being targeted by developers keen to change the use of these parks into residential or industrial sites.

Such action has led to DIY stores such as B&Q losing sites and they are now having to consider taking smaller stores in town or on the edge of town in order to maintain a physical presence in some locations. Other DIY chains such as Leyland paints are also acquisitive

- 4.46 Other sectors continue to grow with drive thru's becoming increasingly in demand, not only from the traditional brands of McDonalds, Burger King and KFC but also the coffee market such as Costa, Starbucks and Leon.
- 4.47 Other sub-sectors of the retail and leisure market which have historically been major drivers of taking new floor space are noticeably absent from acquisitions at the current time. The major fashion brands, have, on the whole, been downsizing their portfolios, with the exception of flagship acquisitions in major London locations or regional cities. Similarly, the furniture market is largely stagnant with acquisitions on hold.

Market demand assessment for Wokingham town centre

- 4.48 Wokingham's attraction for retail/leisure operators has historically suffered due its proximity to its larger neighbours Reading and Bracknell, both of which offer more diverse retail/leisure offers. As we have previously identified, Bracknell's retail and leisure offer was given a major boost when the "Lexicon" shopping centre opened in 2017. It was to be boosted even further when a new £20m leisure scheme, The Deck, was due to open this year. Delays to the construction of the scheme due to the pandemic has put back the delivery date and it is currently suggested that the scheme may be ready in 2024 if work commences in October 2022. This new development, comprising c. 50,000 sq ft, would create another 14 retail/leisure units.
- 4.49 Wokingham countered that with the opening of the Peach Place and Elms Field developments in 2019/2020 which brought modern floor space into the heart of the town centre and included new facilities such as the Everyman Theatre, Aldi supermarket and Premier Inn Hotel. Units in Elms Field still remain empty however. The costs of fitting out brand new, shell developments is unfortunately extremely high, especially for restaurants who have to install kitchens, air conditioning, as well as top quality fit outs. Such costs can be prohibitive especially following the pandemic and the current state of the market with the energy crisis, spiralling building and wage costs and inflation is not helping.
- 4.50 One benefit to towns such as Wokingham that the pandemic brought was the normalisation of home working, and the increased spend such a change in working habits has had. More retail spend is now occurring in smaller towns where its population may usually commute to a larger town to work. Instead, home working has had a positive impact on sales and brands such as Sweaty Betty and Pret a Manger have recently commenced trading or are are currently under offer on sites in the town in order to try and benefit from this more localised shopping trend.
- 4.51 Published requirements for the town from traditional high street operators are still quite slim however with the following occupiers having published requirements for Wokingham in 2022. As can be seen, such requirements tend to be on the smaller side.

Table 4.1 Summary of active operator requirements for Wokingham town centre

Occupier	Requirement Size (Unit Sq Ft)
Between The Lines (Gifts)	1,250 sq ft
Wildwood (Restaurant)	4,000 sq ft
Vinegar Hill (Gifts/Home/Fashion)	1,500 sq ft
Savers	3,000 sq ft
Ole & Steen (Café)	2,000 sq ft
Temptation (Gifts)	1,000 sq ft

Source: Ward Property Consultants analysis, 2022

- 4.52 There are requirements from other sectors for the town such as co-working offices, nurseries, retirement living and care homes but these (with the exception of the co-working office space), would all be for edge of town or residential locations as opposed to being in the heart of the town centre.
- 4.53 As touched on previously, the main issue for operators considering opening in Wokingham is the proximity of the bigger markets of Reading and Bracknell on its door step. This may improve if home working does become the established norm, and operators realise they need a larger store portfolio in order to service its customers, however it is anticipated most will still believe they can service its Wokingham customers from either Reading or Bracknell.
- 4.54 There are very few voids in the prime parts of Wokingham, certainly when compared to the majority of towns and cities across the UK, demonstrating that the town has held up well during the turmoil caused by the pandemic. That said, that the former M&S store on Peach Street remains available some five years after M&S vacated, perhaps demonstrating the lack of demand for a unit of this size in the town centre at the current time. It is understood to be under Council ownership.

Section 5

Assessment of Designated Town Centres in Wokingham Borough

- 5.1 In this section, we provide a brief overview of the role and function, diversity of uses and current levels of vacancy in the network of higher-order centres in Wokingham Borough. Our assessment focuses on the 'major town centre' (as defined in the Wokingham Core Strategy) of Wokingham, the 'town centre' of Woodley, the 'district centres' of Lower Earley and Shinfield Road and the 'village centres' of Twyford and Winnersh²¹. We have sought to make reference to published Experian data on centre diversity where this is available (Experian Goad's 'Category Reports'), however as this information is only available for Wokingham and Woodley town centres, for the smaller centres in the Borough our assessment is principally based on qualitative observations undertaken through site visits²² and desktop research.

PERFORMANCE ASSESSMENT OF WOKINGHAM (MAJOR TOWN CENTRE)

- 5.2 Wokingham is the highest-order and largest retail centre in Wokingham borough and, as set out in the Wokingham Core Strategy, its primary role is to serve the convenience needs of its catchment and to reduce leakage of comparison expenditure to other centres. The town centre contains several national multiple retailers and restaurants including Waitrose, Oliver Bonas, Mountain Warehouse, Boots, Superdrug, Costa Coffee, Cote, Gail's bakery, Nando's and Zizzi, and generally provides a strong independent retail, café and restaurant offering, with a number of smaller boutique stores, cafes and restaurants, particularly along Broad Street and to the rear of the recent Peach Place development. The retail offering is predominantly focussed on the Market Place, with the primary shopping area extending to the east along Peach Street, to the south onto Denmark Street and to the north-west along Broad Street. The Waitrose store is situated within the northernmost extent of the primary shopping area and acts as the anchor retailer for the town centre and is likely to support linked trips to other town centre businesses.

Diversity of Uses

- 5.3 The most recent assessment of the diversity of uses of Wokingham town centre is the Experian Goad survey of the town centre, which was undertaken in March 2022 and therefore represents an up-to-date assessment of the current mix of retail and services uses in the town centre.
- 5.4 A summary of the diversity of uses in the town centre is shown in Table 5.1. It shows that the town centre contains 193 commercial outlets, with retail (comparison and convenience) accounting for 70 of these, approximately 36% of the total. Of the 70 units in retail use, 56 of these (29%) are in use for comparison goods retail, approximately 2 percentage points above the UK average, and reflecting the fact that Wokingham is the Borough's main town centre which can be expected to

²¹ For the avoidance of doubt, the analysis in this section does not constitute a full town centre 'health check' for each of the listed centres but is intended to provide a broad overview of each centre's function, diversity of uses and current levels of retail vacancy to assist in providing both context to the study and inform the Council's Draft Local Plan preparation. A full list of indicators which can be used for town centres and high streets is set out at Paragraph ref 006 of the PPG 'Town Centres and Retail'.

²² Site visits were undertaken to all centres in Borough listed in paragraph 5.1 in November 2022.

serve a reasonably extensive catchment. Table 5.1 also shows that there are 14 units across the town centre in convenience retail use, accounting for 7.25% of the total which is approximately 2 percentage points below the UK average. However, in floorspace terms the convenience role of the centre is significant, with the Waitrose store at the northern end of the centre and new Aldi store at the southern end of the centre both significant attractors which fulfil the role of ‘anchor’ stores.



- 5.5 Table 5.1 shows that the joint most common type of use in the town (alongside comparison goods) is leisure services, which accounts for 56 units in the town centre – this category includes cafes, bars, restaurants, cinemas, pubs, gyms and hotels for example. Representation in this category is 3.77 percentage points above the UK average. The town centre also has a proportionate number of retail services (which includes services such as dry cleaners, opticians, health & beauty and travel agents) and financial services (which includes banks, building societies, legal services and property services), with 53 outlets in total within these categories.

- 5.6 Overall, we would consider the diversity of uses in the centre to be healthy, and crucially the analysis demonstrates that the centre benefits from a broad mixture of uses. This is an important asset for the centre in the context of wider patterns of changing consumer behaviours and means the centre is able to offer a better level of resilience to wider market and economic changes.

Table 5.1 Diversity of uses in Wokingham town centre (as of March 2022)

Goods category	Number of outlets	% of total	UK average %	Difference to UK average %
Comparison	56	29.02	26.91	+2.11
Convenience	14	7.25	9.28	-2.03
Retail service	31	16.06	15.74	+0.32
Other retail	0	0	0.07	-0.07
Leisure services	56	29.02	25.25	+3.77
Financial and business services	22	11.4	8.79	+2.61
Vacant outlets	14	7.25	13.82	-6.57
TOTAL	193	100%	100%	100%

Source: Experian Goad. Note Experian Goad boundary may differ from policy boundary. Figures may not add due to rounding.

Retailer Representation

- 5.7 Wokingham town centre is anchored by a Waitrose store situated to the northern extent of the primary shopping area, and an Aldi at the southern extent, which form the retail ‘anchors’ that play an important role in attracting footfall to the centre and supporting linked shopping trips with other retailers. Other key national retailers present in the centre include those which would typically be expected to be found in an affluent market town centre, e.g. Waterstones, Mountain Warehouse, Oliver Bonas, Gail’s bakery and Sweaty Betty on Peach Street, forming part of the Peach Place development. National restaurant operators within Wokingham also include Pizza Express, Cote and Zizzi along Broad Street, with Giggling Squid in The Plaza and Nando’s on Market Place. The attraction of Everyman to the Elms Field development has introduced a cinema use into the town centre which can be expected to have strengthened its evening economy.
- 5.8 The convenience offer of the centre is more limited, but there are a range of smaller-format convenience stores which cater towards meeting day to day shopping needs of local residents and workers. This includes, for example, a McColls convenience store on Peach Street, a Co-operative Food at Market Place and BB Wines, an off-licence and Phil’s Good Food, an organic food shop, both situated on Broad Street. There is also a broad range of specialist / independent convenience retailers. These stores are not ‘destinations’ in their own right but support the successful wider role and function of the town centre.

Balance Between Independent & Multiple Stores

- 5.9 The Experian Goad survey of Wokingham town centre (March 2022) identified that 64 out of 193 units in the town centre are occupied by multiple retailers, equivalent to 33% of all units. The presence of national multiple retailers in a centre is important as they act as ‘anchor’ stores and footfall attractors. However, Experian’s analysis also shows the centre to be supported by a

substantial independent retail sector, which assists with diversifying the offer of the town centre and enhancing its uniqueness. Wokingham therefore provides a good balance in this respect.

- 5.10 Independent retailers are located across the town centre, sometimes interspersed between multiple retailers, but typically located away from the 'prime pitch' of Market Place and at the further extents of Broad Street, Peach Street and Denmark Street. There is a notable concentration of independent retailers within the rear section of Peach Place, focussed around a pedestrianised courtyard. This provides a healthy balance to the predominantly national multiple retailers facing on to Peach Street at the front of the development.

Vacant Street Level Property

- 5.11 The Experian Goad Diversity of Uses at Table 5.1 shows that, at the time of the most recent Experian Goad survey, the vacancy rate in Wokingham was 7.25%, almost half the current UK average of 13.82%. The former Halifax and adjacent former New Look units are both currently vacant and were observed to be undergoing alterations at the time of our visit to the centre in November 2022.
- 5.12 Whilst not currently vacant, the former Marks & Spencer unit on Peach Street remains an under-used site in the town centre. Aside from the supermarkets we understand it to be amongst the largest footprint units in the town centre, but it is currently in use as a charity shop. Such uses do themselves help to contribute to a diverse town centre, but the unit clearly appears in need of investment (although structurally appears to remain sound) and the attraction of a higher profile retailer or other use may assist in strengthening the wider vitality of this part of the town centre.
- 5.13 Overall however the relatively low vacancy rate across the centre as a whole is a positive reflection of the overall vitality and viability of the town centre, which appears to have remained largely resilient to the challenges faced by town centres as a result of the pandemic and has unquestionably been boosted by the investment in the opportunity sites.

PERFORMANCE ASSESSMENT OF WOODLEY TOWN CENTRE

- 5.14 Woodley sits beneath Wokingham 'major town centre' in the retail hierarchy for Wokingham borough and is designated as a 'small town centre'. The Core Strategy defines the role of Woodley as being to serve the convenience needs of its catchment together with some limited comparison goods. Woodley hosts a good range of national multiple retailers for a centre of its size, including Boots, Superdrug, The Works, Peacocks and Robert Dyas, supported by a mix of independent retailers and a number of charity shops. The purpose-built centre is based on a wide, central shopping parade, which provides an attractive area of public realm with seating, play spaces and a stage for events which appear to occur regularly.
- 5.15 Woodley is anchored by a small but well-used Waitrose store at the southern end of the centre, and a more recent development containing a Lidl, doctors' surgery and residential units, both with dedicated car parking. There is also a strong restaurant, takeaway and café offering within the town centre, including Cozze Italian restaurant, Papa Johns and Domino's pizza, Fireaway Pizza, Greggs, Costa Coffee and La De Kitchen. Bosco Lounge, which forms part of the national 'Lounges' chain, trades until 11pm and provides a positive addition to the centre's offer and will support the vibrancy of Woodley outside retail trading hours.



Diversity of Uses

- 5.16 The most recent assessment of the diversity of uses of Woodley town centre is the Experian Goad survey of the town centre, which was undertaken in March 2022 and therefore represents an up-to-date assessment of the current mix of retail and services uses in the town centre.
- 5.17 A summary of the diversity of uses in the town centre is shown in **Table 5.2**. It shows that the town centre contains 62 commercial outlets, with retail (comparison and convenience) accounting for 28 of these, approximately 44% of the total. Of the 28 units in retail use, 21 of these (33.87%) are in use for comparison goods retail, 6.96 percentage points above the current UK average. This shows that, notwithstanding Woodley's defined role and function as a convenience-focussed destination in the Core Strategy, its comparison goods offer is also strong, although as is discussed below, it is considered that the two foodstores in the town centre nevertheless act as the 'anchor' retailers to the centre. Convenience goods representation is also above average in the centre.
- 5.18 **Table 5.2** also shows that leisure services account for 14 units in the town centre – this category includes cafes, bars, restaurants, cinemas, pubs, gyms and hotels. Representation in this category is 2.67 percentage points below the UK average. The proportion of financial and business services is 2.34 percentage points below UK average. These shortfalls are possibly to be expected in the context of the role and function of the centre, which is a smaller town centre primarily serving a local residential catchment. The provision of additional café/food & beverage uses in the centre would assist with enhancing linked trips and extending visitors' dwell time within the centre.

Table 5.2 Diversity of uses in Woodley town centre (as of March 2022)

Goods category	Number of outlets	% of total	UK average %	Difference to UK average %
Comparison	21	33.87	26.91	+6.96
Convenience	7	11.29	9.28	+2.01
Retail service	11	17.74	15.74	+2.00
Other retail	0	0	0.07	-0.07
Leisure services	14	22.58	25.25	-2.67
Financial and business services	4	6.45	8.79	-2.34
Vacant outlets	5	8.06	13.82	-5.76
TOTAL	62	100%	100%	100%

Source: Experian Goad. Note Experian Goad boundary may differ from policy boundary. Figures may not add due to rounding.

Retailer Representation

- 5.19 National retailer representation can be considered good in the context of the role and function of the centre as a small town centre. The longstanding anchor to the centre is the small Waitrose store at the southern end of the centre, with the more recently constructed Lidl also acting as a key attractor of footfall. Both stores were noted to be busy at the time of our visit, and the household survey results (see discussion in **Section 8**) suggest the stores are trading well.
- 5.20 In terms of other key national retailers present in the centre include Boots, Superdrug, The Works, Peacocks and Robert Dyas. Aside from the foodstores the convenience offer of the centre is limited but needs of local residents and workers are met by an Iceland foodstore, a McColl's newsagent and Woodley News. There are also two banks, NatWest and Lloyds Bank located within the centre, making it the only centre within the borough aside from Wokingham town, to still contain banks.

Balance Between Independent & Multiple Stores

- 5.21 The Experian Goad survey of Woodley town centre (March 2022) identified that 26 out of 62 units in the town centre are occupied by multiple retailers, equivalent to 42% of all units. The presence of national multiple retailers in a centre is important as they act as 'anchor' stores and footfall attractors. However, Experian's analysis also shows the centre to be supported by a healthy independent retail sector, which helps to diversify the offer of the centre and enhance its uniqueness. Independent retailers are located across the town centre and there is no defined pattern to the location of specific retailers.

Vacant Street Level Property

- 5.22 The Experian Goad Diversity of Uses at Table 5.2 shows that, at the time of the most recent Experian Goad survey, the vacancy rate in Woodley was 8.06%, below the UK average of 13.82%, and equivalent to five units in total. From our visits to the centre, it would appear that this vacancy rate has reduced in recent months and the former Hays Travel outlet was observed as being the only vacant unit within the main retail precinct at the time of our visit in November 2022. The vacancy rate in the centre does not therefore present cause for concern.

PERFORMANCE ASSESSMENT OF WINNERSH VILLAGE CENTRE

- 5.23 Winnersh is designated as a 'village centre' and is anchored by a large Sainsbury's supermarket at the eastern end of the centre, which extends westbound along Reading Road. Sainsbury's is somewhat detached from the rest of the centre, as it is separated by the crossroads junction of Reading Road, King Street Lane, and Robin Hood Lane. Within the Sainsbury's store there is a Habitat, Argos, Timpson, Starbucks, a pharmacy and a learning centre, which is a typical composition / mix for larger-format Sainsbury's branches. On the opposite side of Reading Road to Sainsbury's there is an Italian deli and a dentist.
- 5.24 Further to the west along Reading Road, the remaining retail offering is set around three separate retail parades, which include three takeaway units, a Subway sandwich shop, a curtain/blinds shop, electronic cigarette retailer, barbers, hairdresser, beauty salon, computer shop and estate agents.
- 5.25 Although footfall was low and there was no particular evidence of linked trips between the Sainsbury's store and the rest of the centre, no vacant units were observed on the site visit in November 2022. As such, it is likely that the centre mostly relies on passing trade and a localised catchment but is nonetheless a healthy centre based on its role and function in the retail hierarchy.

PERFORMANCE ASSESSMENT OF TWYFORD VILLAGE CENTRE

- 5.26 Twyford is also designated as a 'village centre' and is anchored by a Waitrose supermarket on the north-eastern edge of the centre, which provides 2 hours of free car parking for customers. The remainder of the centre is based around the busy intersection of High Street, Church Street, London Road and Wargrave Road. Despite its relatively modest size, the village is one of the most accessible locations in the Borough, supported by as a consequence of the recent introduction of Elizabeth Line services serving the railway station a short distance to the south of the village centre.



- 5.27 There is a reasonably good mix of independent and multiple retailers of both convenience and comparison goods for the size of the centre, as well as a strong retail service offering. Alongside Waitrose, the convenience offer includes a Tesco Express and Nisa Local with Post Office on

London Road, whilst further uses within the centre include a couple of pharmacies, charity shops, six separate estate/letting agents, Costa, and a small concentration of home furniture/design stores and several takeaways and restaurants. A further separate small concentration of retail outlets exists along Station Road including a bike repair shop and an independent coffee shop, and the townscape in this part of the centre can be considered particularly attractive.

- 5.28 Overall, Twyford represents a healthy centre with a reasonable level of footfall, no vacant units, and a generally attractive architectural environment. However, the busy nature of the roads and high levels of vehicular traffic compromise the overall environmental quality and there is limited scope for al fresco eating & drinking and the establishment of areas of public realm to increase its attractiveness.

PERFORMANCE ASSESSMENT OF LOWER EARLEY DISTRICT CENTRE

- 5.29 Lower Earley is designated as a 'district centre' and is a purpose-built shopping precinct anchored by a large supermarket (Asda) and attached shopping parade containing a mixture of community facilities, offices and smaller retail units containing a Greggs, Boots Pharmacy and Post Office. The community uses include a library, youth centre, doctors' surgery and learning centre. There are also a couple of newsagents in this part of the centre which conclude the retail provision. The design and layout is typical of that of many district centres / large supermarkets which were built to serve new suburban housing estates in the 1980s and 1990s.
- 5.30 In terms of vacancies there is a vacant former pub, which is currently boarded up and detracts from the overall appearance and environmental quality of the centre. There is also a vacant former Halifax bank, with the closest branch now being Broad Street in Reading town centre, following the closure of the Wokingham branch in July 2022. Following this closure, the centre no longer has any bank.
- 5.31 There is a second element to the district centre which is physically separated from the Asda store by a busy road, roundabout and petrol station, which cumulatively act as a pedestrian barrier between the two elements. The second, western element contains a food-led offering, with an M&S Foodhall and Iceland foodstore, together with Costa, KFC, Toby Carvery and McDonalds. This part of the centre was very busy, with the car park at capacity and most visitors appearing to arrive by car.



- 5.32 Overall, the centre is considered to be healthy, with a good provision of convenience and service led retail serving the surrounding suburban residential catchment. The eastern element of the centre would benefit from diversification, with the opportunity existing for new operators within the former pub and bank units, or potentially a more comprehensive remodelling of this part of the centre as medium to long term aspiration. The centre as a whole feels very car-dominated and as noted above pedestrian movement between the two parts of the centre does not feel particularly legible.

PERFORMANCE ASSESSMENT OF SHINFIELD ROAD DISTRICT CENTRE

- 5.33 Shinfield Road is a linear centre along the busy Shinfield Road, which is designated as a 'district centre' and is located mostly in Reading Borough. The main concentration of activity and pedestrian footfall within the centre was the Whiteknights Retail Centre, a purpose-built parade of four retail units with a Tesco Express, Greggs, Specsavers and Sue Ryder charity shop. These units are served by a small car park, which was at capacity at the time of the site visit in November 2022. On the opposite side of this is a Sainsbury's Local, which also benefits from a small, dedicated customer car park.
- 5.34 The centre is predominantly convenience and retail service-led, with a Pizza Hut delivery unit, pharmacy, two hairdressers, dentist, petrol station with convenience store and Ladbrokes betting shop. The southern half of the centre is predominantly occupied by takeaways, and it is considered that there is something of an over-proliferation of these units in the centre which compromises its overall diversity.
- 5.35 Notwithstanding this, the centre is generally healthy, and the convenience/comparison goods split is consistent with that of a linear district centre based along a major road into a large town centre. There were no vacant units observed during the site visit and footfall was moderate overall.

- 6.4 The overall survey area is split into five individual zones, to enable localised patterns of shopping to be accurately captured across different parts of the survey area. One hundred telephone surveys were undertaken in each of the five zones (500 in total) by a market research consultant, NEMS Market Research. Respondents were contacted across a variety of days of the week and at different times, and respondents' key demographics (e.g. age bracket and gender) were recorded in order to ensure a robust sample of the local population was captured. All respondents surveyed were asked to confirm they were the principal shopper in the household.
- 6.5 The subdivision of the survey area into zones is as shown in **Table 6.1**, and also reflected in the different-shaded areas on Figure 6.1 on the previous page. Patterns of shopping do not reflect local authority administrative boundaries, and therefore the survey area extends into neighbouring local authority areas, particularly in respect of zones 10 and 11 to the east and south of the Borough.
- 6.5 The 2017 Study identified that there was evidence of some – albeit fairly limited – evidence of residents in the Bracknell area choosing to visit facilities in Wokingham Borough for their shopping needs. Whilst this in itself warrants the inclusion of Bracknell within the overall survey area, its inclusion also enables the extent to which the opening of the Lexicon Bracknell development has influenced the proportion of residents who travel to Wokingham for their shopping needs to be fully understood.

Table 6.1 Summary of survey zones

Zone number	Zone name	Key centres
1	Reading East	Lower Earley, Woodley, Shinfield Road
6A	Twyford	Twyford
10	Bracknell	Bracknell*
11	Sandhurst	Sandhurst*, Crowthorne*, Yateley*
12	Wokingham town & rural south-west	Wokingham, Winnersh

**denotes centre not in Wokingham Borough*

- 6.6 The numbering and extent of the survey zone boundaries has been kept consistent with those in the 2017 Study to as great an extent as practicably possible. There is no change to the survey zone boundaries (which are defined by combinations of postcode sectors) of zones 1, 10 or 11 from the those used in the 2017 Study, however, there have been some refinements to the boundaries of zones 6 and 12 to reflect the single authority-specific nature of this study. Please refer to **Table 6.2** for a summary of how the zones have been formed and changes which have been applied relative to the 2017 Study.

Table 6.2 Summary of zone definition and changes relative to 2017 Study

Zone	Postcode sectors	Changes from 2017 Study survey zone boundary
1 / Reading East	RG1 3 / RG1 4 / RG1 5 RG2 7 / RG2 8 RG4 5 / RG4 6 RG5 3 / RG5 4 RG6 1 / RG6 3 / RG6 4 / RG6 5 / RG6 6 / RG6 7	No changes
6A / Twyford	RG9 2 / RG9 3 RG10 0 / RG10 8 / RG10 9	Zone 6 of 2017 Study reduced to remove parts of the zone which fall outside Wokingham Borough, and which have their own shopping catchments – e.g. Maidenhead, Marlow. Zone renumbered Zone 6A.
Zone 10 / Bracknell	RG12 0 / RG12 1 / RG12 2 / RG12 7 / RG12 8 / RG12 9 RG42 1 – 7 inclusive SL5 8	No changes
Zone 11 / Sandhurst	GU15 4 GU17 0 GU19 5 GU46 6 / GU46 7 GU47 0 / GU47 8 / GU47 9 RG45 6 / RG45 7	No changes
Zone 12 / Wokingham town & rural south-west	RG2 9 RG7 1 RG40 1 – 5 inclusive RG41 1 – 5 inclusive	Zone 12 extended to cover those parts of 2017 Study Zone 15 which fall within Wokingham Borough, which is the predominantly rural area to the south-west of the Borough.

6.7 As set out previously in Section 1, the household telephone survey results identify the shopping patterns of residents in the survey, for comparison (non-food) goods and convenience (food) goods, as well as patterns of commercial leisure visits. For comparison goods, questions were asked about shopping patterns for the following types of goods:

- Clothing & footwear;
- Furniture, carpets or soft household furnishings;
- DIY or decorating goods;
- Electrical items e.g. televisions, washing machines & computers;
- Health, beauty & chemist items;
- Recreational goods e.g. sports equipment, bicycles, musical instruments & toys;
- Other non-food items, e.g. books, CDs, vinyl, DVDs, Blu-Ray, jewellery, china & glass items.

- 6.8 A 'composite' set of shopping patterns was then produced, weighted by the average distribution of expenditure on each of these good's categories across the survey area, as identified by Experian. It is this 'composite' analysis which forms the basis of the analysis in this section and have in turn been used to inform the quantitative forecasts of comparison goods need which are set out in the following section.
- 6.9 For convenience goods, questions were asked on patterns of visits for 'main' food shopping (i.e. weekly/ bulk food shopping trips), 'top up' food shopping (basket/small but frequent purchases) and 'small shops' (visiting specialist local retailers). Again, a 'composite' version of these three sets of results was prepared and used as the basis of the discussion in this section of the report and subsequent quantitative analysis.
- 6.10 The format of the survey largely follows that used for the 2017 Study in terms of structure and the range of questions asked. In addition to the questions on shopping patterns, questions were also asked in respect of whether respondents' shopping patterns had changed as a consequence of the Covid-19 pandemic, their likes and dislikes of the centres which they visited in Wokingham Borough, and their familiarity with the regeneration projects which have taken place in Wokingham town centre. The findings of these questions have been discussed separately in preceding sections of this report.
- 6.11 The survey results are discussed in full in the following sections of the report.

Section 7

Comparison Goods Shopping Patterns and Identification of Need

- 7.1 In this section we introduce the key inputs which form the basis of our assessment of the ‘need’ for new comparison goods retail floorspace in the Borough, updating those identified in the 2017 Study. We then go on to forecast the quantum of comparison goods floorspace which the Council should seek to plan for over the new Local Plan period. An equivalent assessment for convenience goods floorspace is undertaken in the following section.
- 7.2 The calculation of ‘need’ is a technical exercise which is derived from considering three key factors: where residents of the survey area are currently undertaking their shopping; how much population growth is expected to come forward in the survey area; and how much spending on convenience and comparison goods will increase, having regard to economic forecasts and other factors such as online shopping. We introduce these inputs in full below. The findings of this section should be considered alongside the retail capacity tabulations for comparison goods floorspace at **Appendix 1**.
- 7.3 The retail capacity forecasts set out in this section cover the whole of the Council’s new Local Plan Update period to 2040. However, in common with the advice from the 2017 Study, it is advised that figures beyond the next ten years are only considered indicative and should be subject to further review and updating during the course of the Plan period. This is because both economic circumstances and retail trends can change rapidly therefore longer-term forecasts of expenditure growth are more difficult to predict.

CALCULATION OF QUANTITATIVE NEED

- 7.4 The ‘need’ for new floorspace is calculated through a conventional and widely accepted step-by-step methodology, consistent with best practice, which draws upon the findings of the household telephone survey of shopping patterns (as previously discussed) to model the current flows of expenditure (i.e spending in £m) to each retail destination within the survey area, and those competing centres in the surrounding area. The ‘need’ figures presented relate to those for the Wokingham Borough area only – i.e. they do not include the need for floorspace generated by other centres which fall within the household survey area.
- 7.5 The first stage in this exercise is establishing the ‘baseline’ position, which is developed as follows:
- **Step 1:** Calculate the total population (Step 1a) and amount of convenience and comparison goods expenditure (Step 1b) which is available within the postcode sectors comprising the main centres’ catchment areas (the ‘survey area’);
 - **Step 2:** Allocate the available expenditure to the convenience and comparison goods shopping destinations visited by residents within these postcode sectors, as defined by the household telephone survey of shopping patterns;

- **Step 3:** Compare the total expenditure attracted to each shopping destination with the current retail floorspace to assess 'sales densities' (i.e. turnover per sq.m) in each shopping destination.

7.6 The above methodology is applicable to both the comparison goods and convenience goods needs assessments set out in this section and the following section respectively.

Step 1 — Population and Expenditure Growth

Survey Area Definition

7.7 The rationale on how the survey area has been defined has been set out previously in this report. It seeks to capture the extent of the shopper and leisure catchment of centres in Wokingham Borough, whilst also ensuring that the geographical extent of the Borough is captured in full. As previously identified, the overall survey area extends to five zones covering Reading East (zone 1), Twyford (zone 6a), Bracknell (zone 10), Sandhurst / Crowthorne (zone 11) and Wokingham town & rural south- west (zone 12). Details of the postcode sectors which have been combined to make each of these five survey zones are shown in **Table 6.2** (previous section).

Calculation of Total Population (Step 1a)

7.8 For the purposes of our needs assessment, we have utilised population forecasts provided by Experian. These are bespoke forecasts for each of the five survey zones and are past trends-based population forecasts, and it is important to caveat that they are not 'policy forward', so may not fully reflect any planned levels of growth which may result in a level of population growth over and above that which has historically come forward.

7.9 Experian's population projections are produced using a 'demographic component model' which is based on a combination of Experian current age and gender estimates, and Government population projections by age/ gender bands at the Local Authority District level. The 'demographic component model' uses Experian 2021 mid-year age and gender estimates as a base, and projects these forward on a year-by-year basis over the desired period (in the case of this study, up to 2040). The Experian model takes into account the following yearly components of population change in their projections, with the resulting rates of population change sense checked against Government/ONS population projections:

- Birth rate (applicable in the 0-4 age band);
- Ageing (population received from preceding age band);
- Ageing (population lost to succeeding age band);
- Net migration (by age band)
- Death rate (by age band)

7.10 Using GIS modelling, Experian are then able to apply these projections to a bespoke geographic area — in this case to mirror the boundaries of the household survey zones which combine to make up the survey area.

7.11 Experian's population estimates and projections for the survey area are shown in Table CM2 (Appendix 1). They show that the current (2022) population estimate for the survey area is 410,141

persons. This is expected to increase to 424,850 persons by 2031 (+14,709 persons), and 434,561 persons by 2040 (+24,420 persons).

Available Expenditure in the Survey Area (Step 1b)

- 7.12 Experian identify a 'per capita' spend (spend per head) on comparison goods for each of the five survey zones. These per capita figures are shown in Table CM3 of Appendix 1. This shows that per capita spend on comparison goods ranges from £4,025 per person in zone 1 (Reading East) to £5,430 per person in zone 6 (Twyford) in 2022. The average per capita comparison spend is £4,635. To put this into context, the UK average spend per head on comparison goods (as of 2020) was £3,777. The per capita comparison goods spend in each of the five survey zones sits above this figure — quite significantly so in some cases — indicating the relative affluence of the survey area.
- 7.13 Per capita spend does not typically remain static, and Experian produce guidance in their 'Retail Planner Briefing Note' releases on the extent to which per capita spend on goods categories may change over time. The most recent guidance in this respect is set out in Experian Retail Planner Briefing Note 20 ('RP20'), published in February 2023. This forecasts that for comparison goods, per capita spend will decrease in the next two years (reflecting the wider constraints on growth and cost of living crisis as previous sections of this report have identified) by -0.4% (2022-23) and -1.6% (2023-24), with modest growth of +0.3% between 2024-25 before a return to higher levels of growth (+2.5% per annum) between 2025 and 2029. The levels of expenditure growth forecast are lower than have been forecast by Experian in previous recent iterations of the Retail Planner Briefing Note, reflecting the more subdued economic performance of the country over the past twelve months.
- 7.14 It is necessary to make an adjustment to the Experian per capita spend figures to allow for non-store methods of shopping, known as 'Special Forms of Trading' (SFT) to be removed from the retail capacity forecasts. This is because the forecasts only seek to provide of the amount of physical 'bricks and mortar' floorspace which the Council needs to plan for, and therefore spending directed towards to other forms of shopping — principally online shopping — needs to be removed.
- 7.15 This exercise is undertaken in **Table CM4 of Appendix 1**. The proportion of total spend which has been deducted is derived from the household survey results and is then adjusted for future years in line with rates of UK average SFT growth based on forecasts set out in RP20. The deductions applied are summarised for ease of reference in **Table 7.1**.
- 7.16 The household survey results indicate that online comparison goods shopping rates in the survey area are significantly higher than the UK average, accounting for 32.5% of all comparison goods spend in 2022, compared to a current (2022) UK average of 27.0%. By applying Experian's UK average SFT growth rates to this figure of 32.5%, it means that by the end of the study period at 2040, SFT could account for up to 37.8% of total comparison goods spend.

Table 7.1 Comparison goods SFT deductions

	2022	2026	2031	2036	2040
UK average – RP20 (Feb 2023)	27.0%	28.6%	30.6%	31.7%	32.3%
Change from previous interval period	-	+1.6%	+2.0%	+1.1%	+0.6%
Survey area average with Experian RP20 applied	32.5%	34.1%	36.1%	37.2%	37.8%

Source: Experian Retail Planner Briefing Note 20 ('RP20') & household survey results

- 7.17 By applying the population forecasts to the per capita expenditure (with the adjustments for SFT applied), we can establish the total amount of spending which is currently available to residents of the survey area, and how much this is expected to increase over the course of the study period to 2040. This exercise is set out in **Table CM5 of Appendix 1** and shows that total comparison goods spending in the survey area is currently (2022) £1,231.45m. This is expected to increase to £1,390.83m in 2031 (+£159.39m) and, indicatively, to £1,806.77m in 2040 (+£575.33m).

Shopping Patterns in the Survey Area (Step 2)

- 7.18 The household telephone survey results allow us to see the proportion of total available spend which is retained within the survey area (known as its 'retention rate'), and the proportion which is spend in locations further afield (often referred to as 'leakage'). This indicator is a good reflection of both the strength of the retail offer of town centres and other retail destinations in a survey area, and also can be expected to take into account other factors such as accessibility and quality of experience for users of the centres.
- 7.19 The total comparison goods market share which each comparison goods shopping destination draws from the survey area is shown in the final column of **Table CM7b of Appendix 1**. It shows that 52.35% of available comparison goods spend is retained in the survey area, with the rest spent at locations outside the survey area, in locations such as Reading for example.
- 7.20 In terms of overall comparison goods market share from the survey area, **Table 7.2** summarises the most popular locations for comparison goods shopping for residents in the survey area, covering locations both within and outside the survey area boundaries in order to build up an overall picture of comparison goods shopping patterns. It shows that:
- Reading town centre is the most popular destination for comparison goods spending for residents in the survey area, drawing £210.3m of comparison goods spend, equivalent to 17.0% of all comparison goods spend available to residents of the survey area. A further £173.52m of comparison goods spend is directed towards retail parks and out-of-centre retail in Reading (14.0% of total comparison goods spend). The proximity of much of the survey area to Reading and its easy access by both road and public transport, and Reading's status as a

'higher order' shopping centre (one of the largest in the south east) means that these shopping patterns can broadly be expected. Reading also has an extensive retail warehouse / out of town offer, including an IKEA store at Calcot.

- Bracknell town centre is the second-most popular destination, drawing £206.48m of comparison goods spend, equivalent to 16.7% of total available comparison goods spend. Bracknell therefore only sits fractionally behind Reading town centre in terms of its comparison goods draw from the survey area, suggesting that the opening of the Lexicon development has had a significant influence over shopping patterns of residents in the catchment area.
- Wokingham town centre plays a more limited role in comparison goods shopping relative to Bracknell for residents in the survey area, although given the recent significant enhancements which have been made to the comparison goods shopping offer in Bracknell town centre such a statistic can be expected. Nevertheless, Wokingham town centre draws £97.02m of comparison goods spend from the survey area and sits behind only Reading (including retail parks) and Bracknell in terms of its popularity as a comparison goods shopping destination.
- Aside from Wokingham town centre, the only other policy-defined centre in Wokingham Borough which significantly features in comparison goods shopping patterns in the survey area is Woodley town centre, which has a comparison goods turnover of £38.87m, equivalent to 3.1% of total comparison goods spend. Our assessment has identified that Woodley is currently performing its role and function as a small town centre well, and this performance in the household survey results can be considered a reflection of its relatively strong comparison goods offer relative to the size of the centre.
- Camberley and Farnborough both sit a short distance to the south of the survey area and are particularly accessible for residents in zone 11 (Sandhurst), where there are no large town centres within the zone itself.

Table 7.2 Most popular destinations for comparison goods shopping in survey area

Rank	Centre / retail destination	Within survey area?	Within Wokingham Borough?	Total comparison goods spend from survey area (£m) 2022	Overall comparison goods market share from survey area (%) 2022
1	Reading – town centre			210.30	17.0
2	Bracknell – town centre	✓		206.48	16.7
3	Reading – retail parks & IKEA*			173.32	14.0
4	Wokingham – town centre	✓	✓	97.02	7.9
5	Bracknell – Peel Centre	✓		65.49	5.3
6	Camberley – all**			54.52	4.4

7	Meadows Centre, Sandhurst	✓		41.23	3.1
8	Woodley – town centre	✓	✓	38.87	3.2
9	Farnborough – all**			34.33	2.8
10	Reading – Forbury Retail Park	✓		29.70	2.4

Source: Table CM7a, Appendix 1. Note – (*) retail parks in Reading which fall outside Wokingham Borough – see separate entry for Forbury Retail Park. (**) ‘all’ denotes a combined turnover figure for town centre, retail parks and comparison goods floorspace within foodstores in these locations.

- 7.21 The above analysis shows the comparison goods shopping patterns for the survey areas as a whole, however it is also worth considering shopping patterns at the zonal level, to provide an indication of the extent to which residents are retaining comparison goods spend locally or travelling further afield. **Table 7.3** therefore sets out the most popular comparison goods shopping destinations for the three survey zones which cover Wokingham Borough – zone 1 (Reading East), zone 6a (Twyford) and zone 12 (Wokingham Town & Rural South West). The full distribution of comparison goods market shares at the zonal level is set out in full at **Table CM6 of Appendix 1**.

Table 7.3 Most popular destinations for comparison goods shopping by survey zone

Rank	Zone 1 – Reading East	Zone 6A – Twyford	Zone 12 – Wokingham Town & Rural South West
1	Reading – retail warehousing (all)* (33.16%)	Reading – town centre (25.60%)	Wokingham town centre (26.14%)
2	Reading – town centre (29.69%)	Henley-on-Thames (15.94%)	Reading - town centre (22.01%)
3	Woodley town centre (9.80%)	Reading – retail warehousing (all)* (8.56%)	Reading – retail warehousing (all) (13.77%)
4	Forbury Retail Park, Reading (4.40%)	Twyford (8.11%)	Bracknell – town centre (13.21%)
5	Lower Earley district centre (4.39%)	High Wycombe (all) (6.05%)	Bracknell – Peel Centre (4.25%)

Source: Table CM6, Appendix 1.

- 7.22 Table 7.3 shows that:

- Residents in zone 1 look primarily towards destinations in Reading for their comparison goods shopping, which is to be expected given this zone covers the eastern and southern parts of the Reading urban area. Woodley town centre achieves 9.8% of the comparison goods market share from this zone.
- Residents in zone 6a also largely look towards Reading although the proximity of Henley and High Wycombe particularly to residents in the northern parts of the zone means both of these centres also capture comparison goods market share.

- Wokingham town centre captures just over 25% of the comparison goods market share from its 'local' zone, zone 12. However, there is particularly strong competition for comparison goods market share for residents in this zone – Reading accounts for 35.78% of all comparison goods market share if the town centre and retail parks' market share is added together, and Bracknell accounts for 17.46% of comparison goods' market share if the town centre and Peel Centre are added together.
- Wokingham town centre does not feature as a prominent comparison goods shopping destination for the other parts of the Borough outside zone 12, which benefit from closer proximity to both Reading and Bracknell than Wokingham town centre.
- Woodley, Lower Earley and Twyford do not capture any significant comparison goods market share from beyond their respective 'local' zones, and even from their local zones only draw a relatively limited amount of comparison goods market share. However, in our view this is not considered a particular matter of concern and more a reflection of the fact that the centres are both limited in size, and also have a relatively limited comparison goods function compared to larger / 'higher order' centres.

Changes in Comparison Goods Shopping Patterns Since the 2017 Study

- 7.23 As previously identified, we have sought to retain consistency in the boundaries of the survey zones to as great a degree as possible, to enable changes in comparison goods shopping patterns as a consequence of the developments in Bracknell and Wokingham town centres to be fully understood. In **Table 7.4**, we summarise the comparison goods market shares captured by both of these locations from each survey zone (with the exception of zone 6a) from the 2017 Study, and from the updated household telephone survey undertaken in support of this study. We also provide comparative analysis of the market share of Reading town centre between the two studies.
- 7.24 The inclusion of Reading, Bracknell and Wokingham town centres in the analysis at Table 7.4 reflects the fact that these are the three largest policy-defined town centres within and surrounding the study area, but as the analysis in Tables 7.2 and 7.3 has shown, there are other destinations which also play a significant role in comparison goods shopping patterns for residents in the survey area, particularly retail warehousing in Reading and, to a more limited extent, Bracknell.

Table 7.4 Changes in comparison goods market share, 2017-22

	Comparison goods market share from zone	Zone 1 Reading East	Zone 10 Bracknell	Zone 11 Sandhurst	Zone 12 Wokingham town*
Wokingham town centre	2017 (%)	1.0%	0.9%	1.2%	20.8%
	2022 (%)	0.9%	1.7%	2.8%	26.0%
	Change (%)	-0.1%	+0.8%	+1.6%	+5.2%
Bracknell town centre	2017 (%)	0.5%	34.9%	1.2%	1.5%
	2022 (%)	3.6%	45.3%	11.1%	13.2%
	Change (%)	+3.1%	+10.4%	+9.9%	+11.7%
Reading town centre	2017 (%)	62.9%	24.6%	10.6%	47.7%
	2022 (%)	29.7%	2.7%	4.0%	22.8%
	Change (%)	-21.9%	-6.6%	-24.9%	-33.2%

Source: 2022 figures from Table CM6, Appendix 1. 2017 figures from Table 4, Appendix I to 2017 Study. *Note that there have been adjustments to the boundaries of zone 12 relative to those used in the 2017 Study, however these are not considered to be so significant so as to prevent direct comparisons between the two sets of data. However, we have not included comparative analysis between zone 6 (2017 Study) and zone 6a (2022 Study) as this adjustment represented a more significant change in the boundary of the zones which would render direct comparison of data ineffective.

- 7.25 The analysis in **Table 7.4** shows that Wokingham town centre has increased its comparison goods market share since the 2017 Study from three of the four survey zones for which direct comparisons are possible²³. Most significantly, the town centre now captures over one-quarter (26.0%) of comparison goods market share from its 'local' zone, zone 12, an increase from 20.8% at the time of the 2017 Study. This suggests that the improvements which have come forward to the town centre retail offer in recent years have contributed to an uplift in the market share of the town centre, possibly alongside wider observed trends such as some shoppers' desire to shop locally, or greater amounts of home working. Overall, however the increase in market share of the town centre can be considered positive particularly when considering the relatively small nature of the town centre and the strength of the surrounding retail offer.
- 7.26 Table 7.4 also clearly shows the effect which the improvements to Bracknell's comparison goods offer have had on shopping patterns in the survey area. Bracknell town centre has increased its market share from its 'local' zone (zone 10) by 10.4 percentage points but has also increased its market share significantly from both zone 11 (Sandhurst) and zone 12 (Wokingham town). At the time of the 2017 Study only 1.5% of residents in zone 12 used Bracknell for comparison goods shopping; that figure has now increased to 13.2%. However, as Wokingham town centre's own market share has also increased in this period, it is positive to observe that the enhancements to the retail offer in Bracknell do not appear to have come at the expense of Wokingham town centre's own market share. It is however clear from this analysis that Bracknell and Wokingham town centre

²³ Please see footnote to Table 7.4 in respect of zone 6a

are competing for spend with the same pool of residents, and this may be an important consideration for the Council in deciding on the future strategy for Wokingham town centre.

- 7.27 It would appear that the combined effect of the enhancements to the retail offers in Bracknell and Wokingham is to reduce the market share which Reading town centre attracts from the survey area, with particularly significant decreases in the market share of Reading town centre observed from both zone 10 (- 21.9%) and zone 12 (-24.9%).
- 7.28 There is also a significant decrease from residents in zone 1 (Reading East) using Reading town centre, despite residents in this zone being much closer to Reading than either Wokingham or Bracknell, neither of which draw a significant comparison goods market share from this zone. It would appear that much of the market share attracted to Reading town centre has shifted to Reading's retail park / retail warehouse facilities, which now account for a total of 37.6% of market share from residents in zone 1, up from 20.6% in 2017. The opening of the IKEA store at Calcot, Reading²⁴ has contributed to this increase in market share, drawing a 4.6% market share from residents in zone 1, as well as 1.8% market share from zone 6a, and 4.1% market share from zone 12.
- 7.29 It is also noted that Woodley town centre has increased its comparison goods market share from residents in zone 1 from 6.4% in the 2017 Study to 9.8%, again possibly a reflection of more residents choosing to shop locally (we have noted previously that Woodley has what can be considered to be a strong comparison goods offer for the size and role of the centre). This means a greater proportion of local spend is being captured by shops in Woodley town centre, which in turn can be expected to improve the overall vitality of the centre.

Assessment of Trading Performance (Step 3)

- 7.30 We have assessed the trading performance of comparison goods floorspace in Wokingham town centre and that of the remaining higher-order town and district centres (Woodley, Lower Earley, Twyford, Winnersh and Shinfield Road centres) through the application of shopping patterns, as identified by the household survey, to the overall amount of comparison goods floorspace within each centre. This exercise enables an understanding to be gained on whether a centre is trading in line with expectations for its role and function in the retail hierarchy, or whether it may be 'under-trading' or 'over-trading'.
- 7.31 Comparison goods floorspace across the Wokingham urban area is trading at £9,101 per sq.m in 2022. This is an aggregate trading performance, based on the turnover of the town centre and retail warehousing in the Wokingham urban area¹⁸. However, as 85% of comparison goods spending in the Wokingham urban area is generated by the town centre, it is reasonable to assume that this sales density is for the most part being driven by the performance of comparison goods retailers in Wokingham town centre. Comparison goods floorspace across the remaining district/town centres in Wokingham Borough is trading at £10,729 per sq.m in 2022.
- 7.32 A breakdown of the estimated comparison goods sales density of each policy-defined town centre is shown in **Table 7.5**. A note of caution is applied that, for some of the smaller centres, there is no Experian Goad floorspace data available and therefore the total amount of comparison goods

²⁴ This store opened in July 2016, after the household telephone survey of shopping patterns in support of the 2017 Study was undertaken.

floorspace stated is an approximation. Table 7.5 shows that Wokingham town centre and Woodley town centre both have comparison goods sales densities in excess of £10,000 per sq.m, which can be considered to be a strong trading performance in both cases and suggests that both centres are effectively capturing spend from their respective local catchments.

- 7.33 In both cases, the sales densities are an improvement on the equivalent figures captured by the 2017 Study. In respect of Wokingham town centre, the 2017 Study commented (para 10.7) that whilst Wokingham town centre's trading performance (£7,153 per sq.m at the time of the 2017 Study²⁵) was considered adequate, it was 'some way below the performance of other town centres in the four authority areas, and an aspiration of the Council should be to support an improvement in this trading performance'. On the back of the improvements to the town centre retail offer which have come forward, and the resultant increase in 'market share' attracted to the centre, the sales density performance of the town centre comparison goods floorspace has benefited from a considerable uplift. Woodley's town centre sales density has also improved from that identified in the 2017 Study, where it was already considered to be relatively strong.
- 7.34 Elsewhere in the Borough, there is greater fluctuation in sales densities, although in the case of Winnersh and Lower Earley the figures are largely driven by the comparison goods turnover of the foodstores which anchor the district centres (Sainsbury's and Asda respectively). Larger format foodstores such as these typically have broad range of complementary non-food ranges such as homewares, clothing, and small electronics, as well as often concessions such as Argos. The Sainsbury's store at Winnersh includes an Argos store which is likely to contribute to the particularly strong sales density performance observed here.

Table 7.5 Comparison goods sales density performance of town & district centres

	Comparison goods turnover from survey area (£m)	Estimated comparison goods floorspace (sq.m)	Sales density / turnover per sq.m (£)
Wokingham town centre	95.80	9,131	10,491
Woodley town centre	38.77	3,250	11,930
Lower Earley district centre	16.61	2,651	6,266
Winnersh district centre*	23.11	1,511	15,288
Shinfield Road district centre*	0.30	500	603^
Twyford village centre*	7.58	962	7,879

Source: Table CM7a (turnover figures); Table CM8 (floorspace figures), Appendix 1. Note; *for these centres, comparison goods floorspace figures are estimates. ^Sales density for Shinfield Road is identified as being low on account of limited amount of comparison goods floorspace in the centre and associated limited reporting of usage of this centre in the household survey results.

²⁵ Caution should be taken in making direct comparisons with sales densities between the 2017 Study and this update, as each study was prepared with a difference price base. Nevertheless, the overall upward performance is clearly apparent.

Other Inputs into the Quantitative Need Assessment

Sales Efficiency

7.35 It is also necessary to factor in changes in respect of 'sales efficiencies'; this is the ability of retailers to increase their productivity and absorb higher than inflation increases in their costs, such as rents, rates and service charges, by increasing their average sales densities. Sales efficiency rates are provided by Experian in RP20²⁶ and for comparison goods floorspace the following rates have been applied:

- 2022-23: +3.4%
- 2023-24: -0.1%
- 2024-25: -0.4%
- 2025-29: +2.0% per annum
- 2029-40: +2.8% per annum

Floorspace Data

7.36 The comparison goods floorspace data which we incorporate into our modelling has been drawn from a range of data sources, including Experian Goad, commercial property websites and the Council's own planning application records. Our floorspace assumptions for foodstores make allowance for a proportion of the sales area of the foodstore to be used for the sale of comparison goods (in supermarkets, this may include books, stationery, home entertainment, small electrical items, and so on).

Commitments

7.37 In calculating retail floorspace capacity, it is necessary to deduct 'commitments' for new comparison goods floorspace — this is comparison goods floorspace which has been permitted but was not trading at the time of the household telephone survey undertaken in support of this study. These commitments will thus act as a 'claim' on the future amount of comparison goods floorspace which needs to be planned for.

7.38 We have reviewed commitments data provided by WBC and identify in **Table 7.6** the commitments which are deducted from the growth in comparison goods expenditure capacity (as set out in **Table CM9 of Appendix 1**). These are principally accounted by committed floorspace associated with the urban extensions coming forward at South Wokingham and Arborfield Garrison, each of which includes neighbourhood and, in the case of Arborfield Garrison, district centre floorspace to support the sustainable shopping needs of new residential communities.

7.39 Table 7.6 shows that there is a total estimated 2,141 sq.m net 'committed' comparison goods floorspace in the Borough, which could achieve a potential turnover of £7.8m in 2026, increasing to £11.3m by 2040.

²⁶ Source: RP20, Figure 4b

Table 7.6 Planning commitments included in comparison goods quantitative assessment

	Estimated net area	Estimated turnover 2026 (£m)	Estimated turnover 2031 (£m)	Estimated turnover 2036 (£m)	Estimated turnover 2040 (£m)
Wokingham urban area					
South Wokingham, Montague Park	250	0.4	0.4	0.5	0.6
South Wokingham, south of railway line	330	0.5	0.6	0.7	0.8
Sub-total	232	0.9	1.0	1.2	1.3
Rest of the Borough					
Arborfield, main district centre	980	3.9	4.4	5.0	5.6
Arborfield, southern neighbourhood centre	200	0.8	0.9	1.0	1.2
Dobbies, Shinfield	729	2.2	2.5	2.8	3.1
Sub-total	1,909	6.9	7.7	8.9	9.9
Total	2,141	7.8	8.8	10.1	11.3

Source: Table CM9, Appendix 1

IDENTIFICATION OF COMPARISON GOODS CAPACITY

- 7.40 Having undertaken the assessment of shopping patterns and trading performance, we set out the quantum of comparison goods floorspace which the Council should seek to plan for over the period to 2040, summarised in **Table 7.7**.
- 7.41 We have set out separate comparison goods capacity forecasts for Wokingham town (see **Table CM10a of Appendix 1** for detailed tabulations) and the remainder of the Borough (see **Table CM10b of Appendix 1** for detailed tabulations). We have assumed that new comparison goods floorspace will trade at a base sales density of £7,000 per sq.m for Wokingham town, and £6,000 per sq.m for the remainder of the Borough, with these sales densities improving efficiency over the course of the Plan period. We consider these to represent appropriate sales densities to use having regard to the current trading performance of comparison goods floorspace in the Borough and typical levels of spend per head on comparison goods in the Borough identified by Experian.
- 7.42 It is reiterated that capacity forecasts become increasing open to margins of error over time and should be refreshed over the Plan period, and on this basis forecasts beyond 2031 (as the closest interval period to the ten-year timeframe) should be considered indicative. The comparison goods floorspace need figures identified in Table 7.7 are cumulative.
- 7.43 The comparison goods floorspace need figures identified in Table 7.7 are based on a 'constant market share' approach, assuming that current patterns of comparison goods shopping (as

identified by the household telephone survey) will remain unchanged over the course of the Plan period to 2040. We are, at the time of preparation of this study, not aware of any major development proposals within or surrounding the survey area which would indicate that these shopping patterns will materially change, although clearly that may change in the future.

Table 7.7 Total estimated comparison goods floorspace capacity for Wokingham Borough

	2026 (sq.m net)	2031 (sq.m net)	2036** (sq.m net)	2040** (sq.m net)
Wokingham urban area	-700	-700	-600	-400
Other town / district / village centres in Wokingham Borough	-1,700	-1,700	-1,700	-1,600
TOTAL	-2,400	-2,400	-2,300	-2,000

Source: Table CM10a and Table CM10b, Appendix 1. **Note – Figures for 2036 and 2040 should be considered indicative only and subject to future review. Figures are cumulative.

- 7.44 Table 7.7 shows that there is no capacity to support additional comparison goods floorspace either in Wokingham town or the remainder of the Borough over the period to 2040, with an identified oversupply of floorspace of -2,400 sq.m net at 2026, reducing to indicatively -2,000 sq.m by 2040, when including the 'commitments' set out at Table 7.6. This absence of quantitative need can be attributed to the fact that much of the expenditure growth on comparison goods coming forward will continue to be directed outside of the Borough, e.g. to Reading and Bracknell; and also the fact that overall levels of expenditure growth to support new physical retail floorspace are constrained by the high proportion of spend which is diverted towards online shopping / 'Special Forms of Trading'
- 7.45 However, the lack of comparison goods capacity should not mean that the council imposes a moratorium on new comparison goods floorspace in the Borough, particularly in instances where proposals are of an appropriate scale and have potential to enhance the vitality and viability of the network of centres in the Borough. Applications should be considered on their merits and, where appropriate, compliance with the sequential and retail impact policy tests. The above forecasts should also be subject to regular updating throughout the new Local Plan period.

Section 8

Convenience Goods Shopping Patterns and Identification of Need

- 8.1 In this section we set out the quantitative need for convenience goods retail floorspace in the Borough, again updating the equivalent figures for Wokingham Borough in the 2017 Study. The approach to the calculation of convenience goods need largely reflects that used to calculate comparison goods need, as set out in the previous section, and therefore we do not seek to repeat the methodology in detail. The analysis set out in this section should be read alongside the retail capacity tabulations for convenience goods at **Appendix 2**. In common with the comparison goods forecasts in the previous section, it is advised that longer-term forecasts (i.e. those beyond the next ten years) are considered indicative and should be subject to further review and update during the Plan period.

Survey Area Definition and Population Growth (Step 1a)

- 8.2 Please refer to the explanation in Section 7 of this report in respect of these matters.

Available Expenditure in the Survey Area (Step 1b)

- 8.3 Experian identify a 'per capita' spend (spend per head) on convenience goods for each of the five survey zones, which are shown in Table CV3 of Appendix 2. This shows that per capita spend on comparison goods ranges from £2,940 in zone 1 (Reading East) to £3,538 in zone 6a (Twyford) in 2022. The average per capita comparison spend across the survey area is £3,168. To put this into context, the UK average spend per head on comparison goods (as of 2020) was £2,731, therefore on average convenience goods spend across the survey area sits above the UK average.
- 8.4 Experian advise that per capita spend on convenience goods will increase over the study period, although expenditure growth on convenience goods is significantly more limited than for comparison goods, with Experian forecasting a decline in per capita spending on convenience goods until 2025 before a modest annual increase in per capita spend of 0.1% per annum between 2025 and 2029, and 0.2% per annum between 2029 and 2040. It is reiterated that longer term growth rates beyond 2031 are considered indicative.
- 8.5 As with comparison goods shopping, it is necessary to make an adjustment to the baseline Experian figures to allow for SFT to be removed from the retail capacity forecast. This exercise is set out at **Table CV4 of Appendix 2**. The proportion of total spend which has been deducted is derived from the household survey results and is then adjusted for future years in line with rates of UK average SFT growth based on forecasts set out in RP20, as summarised in **Table 8.1**.
- 8.6 Online shopping for convenience goods has historically had lower levels of take-up than for comparison goods shopping, but the evidence from the household survey is that it now accounts for an average of 13.9% of total convenience goods spend across the survey area, with a peak of 18.2% in zone 1. This survey area average of 13.2% is approximately 2.5x higher than the current UK average of 5.8% (as identified by RP20), indicating that online shopping for convenience goods

acts as a greater claim on total spend across the survey area than across the UK as a whole. If Experian's UK average SFT growth rates are applied to the current survey area figure of 13.2%, it means that by the end of the study period at 2040, SFT could account for up to 15.9% of total convenience goods spend. Therefore, whilst growth in convenience goods SFT is clearly more muted than for comparison goods spending as discussed in the previous section, it will still account for a noteworthy 'claim' on overall spending throughout the Plan period.

Table 8.1 Convenience goods SFT deductions

	2022	2026	2031	2036	2040
UK average – RP20 (2023)	5.8%	6.4%	7.1%	7.5%	7.8%
Change	-	+0.6%	+0.7%	+0.4%	+0.3%
Survey area average with Experian SFT rates applied	13.9%	14.5%	15.2%	15.6%	15.9%

Source: Experian Retail Planner Briefing Note 20 ('RP20') & household survey results

- 8.7 By applying the population forecasts to the per capita expenditure (with the adjustments for SFT applied), we can establish the total amount of spending which is currently available to residents of the survey area, and how much this is expected to increase over the course of the study period to 2040. This exercise is set out in **Table CV5 (Appendix 2)** and shows that total convenience goods spending in the survey area is currently (2022) £1,090.58m. This will decrease slightly to £1,017.36m in 2031 (-£73.22m) before increasing (indicatively) to £1,050.64m in 2040. Because levels of expenditure growth in the survey area is currently forecast to be limited, the increase in SFT over the study period means that will, overall, be marginally less convenience goods spend available at the end of the study period (2040) than currently is the case.

SHOPPING PATTERNS IN THE SURVEY AREA (STEP 2)

- 8.8 Convenience goods shopping is a more localised activity – a type of shopping where residents are more likely to use the facilities close to their home, rather than actively seek to travel a longer distance to visit a particular store. Consequently, it means that catchments typically retain a greater proportion of convenience goods market share than for comparison goods.
- 8.9 The total convenience goods market share which each convenience goods shopping destination draws from the survey area is shown in the final column of **Table CV7a of Appendix 2**. Reflecting the discussion set out above, it shows that for the survey area as a whole, 85.29% of available convenience goods spend is retained in the survey area, with the rest spent at locations outside the survey area. The figures set out in Table CV7a exclude online shopping, which has been accounted for separately as set out above.
- 8.10 Of the 14.71% of convenience goods market share which is attracted by stores/centres outside the survey area, Table CV7a shows that this is captured by locations a short distance outside the survey area boundary – e.g. Tesco Extra at Napier Road, Reading; Morrisons and Aldi at Basingstoke Road, Reading; Tesco in Henley; and Sainsbury's in Camberley. Therefore, this

'leakage' of market share is nevertheless for the most part taking place in a sustainable manner and does not in itself present a cause for concern.

- 8.11 Unlike for comparison goods shopping, there is relatively little merit in looking at aggregate shopping patterns across the survey as a whole, as each of the individual survey zones contains its own network of foodstores which residents will utilise for food shopping. Therefore, we focus our analysis on the shopping patterns of the individual survey zones which fall within Wokingham Borough. This exercise is set out in **Table 8.2**.

Table 8.2 Most popular destinations for convenience goods shopping by survey zone

Rank	Zone 1 Reading East	Zone 6A Twyford	Zone 12 Wokingham town and Rural South West
1	Asda, Lower Earley district centre (17.12%)^	Waitrose, Twyford village centre^ (35.05%)	Tesco, Wokingham (28.74%)
2	Sainsbury's, Winnersh (13.98%)^	Aldi, Earley (10.34%)	Aldi, Wokingham (18.30%)^
3	Waitrose, Woodley town centre (9.56%)^	Tesco, Henley (8.10%)*	Waitrose, Wokingham (12.22%)^
4	Aldi, Earley (9.17%)	Waitrose, Henley (6.28%)^*	Sainsbury's, Winnersh (11.09%)^
5	Lidl, Woodley town centre (7.56%)^	Tesco Extra, Napier Road, Reading (4.17%)*	Morrisons, Woosehill, Wokingham (5.07%)

^denotes store within a defined town centre. *denotes store outside survey area.

Source: Table CV7a, Appendix 2.

- 8.12 Table 8.2 shows that:

- Convenience shopping patterns in zones 1 and 12 are highly sustainable. In zone 1, four of the five most popular destinations for convenience shopping are located within the zone itself, meaning that residents are not required to travel long distances to undertake their convenience goods shopping. Four of the five most popular convenience shopping destinations are located within policy-defined town centres, and our study has previously identified the 'anchor' role these facilities play to the defined centres of Lower Earley, Woodley and Winnersh.
- In zone 12, all of the most popular destinations for convenience goods shopping for residents in the Wokingham zone are located in Wokingham itself, again indicating that there is a good level of established provision for local residents and that the town can therefore be considered sustainable in this respect.
- The most popular destination for convenience goods shopping for residents in zone 12 is the Tesco store to the south of Wokingham town centre, which accounts for nearly 30% of the convenience goods market share of residents in zone 12. The influence of the new Aldi store in Wokingham town centre, which has opened in the Elms Field development, is also highly apparent, and this store now comfortably attracts the second-highest convenience goods market share for residents in zone 12.
- In zone 6a, patterns of convenience goods shopping are more dispersed owing to the more rural nature of the area meaning that many residents travel outside of the zone for their

convenience goods shopping. As the only large foodstore within the survey zone, the Waitrose store in Twyford village centre enjoys a relatively dominant position over shopping patterns, capturing 35% of the market share. Elsewhere, residents look to facilities in Earley (to the west) or Henley (to the north) and indeed the nature of the boundaries of the zone means that facilities in these locations may be more readily accessible to residents than those in Twyford.

- 8.13 Overall, we consider that on the zonal basis the market shares do not point to any particular shortcomings in provision across the three zones of the survey area which fall within Wokingham Borough and residents are generally able to meet their convenience goods shopping needs at the local level.

ASSESSMENT OF TRADING PERFORMANCE (STEP 3)

- 8.14 **Table CV8 of Appendix 2** sets out an overview of trading performance of convenience goods floorspace across the Borough, to establish whether this floorspace can be considered to be trading in line with 'benchmark' levels (i.e. company averages for national operators), or whether stores are 'overtrading' (performing at above average levels) or 'under trading' (performing at below average levels). This exercise is only undertaken for the named foodstores in the Borough rather than for local/independent specialist retailers, where there are considerably wider fluctuations in sales density. On average across, these 'main' foodstores are trading with an aggregate convenience goods sales density (turnover per sq.m) of £12,880 per sq.m for main foodstores in the Wokingham urban area, and £13,081 per sq.m for main foodstores in the remainder of the Borough. These represent high sales densities, suggesting that foodstore convenience goods floorspace in the Borough is trading strongly.
- 8.15 Table CV8 of Appendix 2 also sets out an analysis of the trading performance of the individual foodstores in the Borough, set out for each of the three survey zones of the overall survey area which fall into Wokingham Borough. The final column of Table CV8 shows the difference between the 'benchmark' trading performance (which is calculated by applying the net convenience goods sales area of the store, to the company average turnover per sq.m for convenience goods sales), and the 'actual' turnover, which is derived from the household survey results as set out in Table CV7a of Appendix 2 (for 2022).

Trading Performance of Stores in Zone 1

- 8.16 For zone 1 (Reading East), the final column of Table CV8 of Appendix 2 shows that foodstores in Woodley town centre are trading at above benchmark levels, with the Waitrose store trading at £13.8m above average and the Lidl store at £19.1m above average; the latter can be considered a reflection of the significant growth in the popularity of the 'discount' retailers in recent years. The strong performance of these two foodstores is likely to make a positive contribution to the overall vitality and viability of the town centre. The Asda store in Lower Earley district centre is trading above average (+£23.5m), but this is tempered by the M&S Foodhall under-trading by £4.1m. However, from reviewing the survey results it is noted that a second M&S Foodhall nearby (Shepherds Hill, Woodley/Earley) is identified as trading exceptionally strongly, so it is possible that some survey respondents may have confused the two locations.

Trading Performance of Stores in Zone 6a

- 8.17 For zone 6a (Twyford), it can be seen that both the Waitrose and Tesco Express stores in Twyford village centre are trading at below average levels, by approximately -£6.8m and -£2.1m respectively.

Trading performance of stores in zone 12

- 8.18 For zone 12 (Wokingham Town & Rural SW), foodstores in Wokingham town centre are trading strongly. The town centre Waitrose and Co-op are both trading moderately above average, but the new Aldi store at Elms Field appears to be trading especially strongly. The survey results indicate that this store has a convenience goods turnover of £51.86m, which is approximately £44.7m above benchmark. As there are no other Aldi stores in the nearby area which respondents which may have got confused with, this does appear to be a genuine trading performance and again one which shows the popularity which the discount retail sector has achieved in recent years. However, from our experience elsewhere, this level of overtrading is highly unusual, notwithstanding the above considerations, and it is considered there may be an element of 'overreporting' of the usage of this store through the survey results.
- 8.19 The Sainsbury's store in Winnersh is also trading particularly strongly, approximately £53.7m above company benchmark levels, and the Tesco store at Finchampstead Road in Wokingham is trading approximately £57.6m above company average. In respect of the latter, we have identified above that this store accounts for almost 30% of all 'main' food shopping trips from residents in zone 12, and this dominant trading position is reflected in the store's trading performance. The Sainsbury's store at Winnersh is well positioned to capture trade from both residents on the north side of Wokingham and eastern edge of the Reading urban area, which may go some way to explaining its strong performance.
- 8.20 The only foodstore in zone 12 which appears to be under trading is the Morrisons store at Woosehill in Wokingham which is identified as trading approximately £1.6m below benchmark levels.

Other Inputs into the Quantitative Need Assessment

Sales efficiency

- 8.21 The following sales efficiency rates have been applied for the convenience goods capacity forecasts, based on forecasts set out in RP20²⁷:
- 2022-23: -7.7%
 - 2023-24: +3.4%
 - 2024-25: +2.8%
 - 2025-29: +0.1% per annum
 - 2020-40: No growth
- 8.22 The convenience goods floorspace data which we incorporate into our modelling has been drawn from a range of data sources, including IGD, Experian Goad, commercial property websites and

²⁷ Source: RP20, Figure 4a

the Council's own planning application records. Our floorspace assumptions for foodstores make allowance for a proportion of the sales area of the foodstore to be used for the sale of comparison goods (in supermarkets, this may include books, stationery, home entertainment, small electrical items, and so on).

Commitments

- 8.23 **Table CV9 of Appendix 2** sets out details of the 'commitments' we have factored into our quantitative convenience goods assessment. These act as 'claims' on the amount of future retail capacity which is available to the study area. The commitments are also summarised in **Table 8.3**. From this, it can be seen that we estimate there to be approximately 5,090 sq.m of committed convenience goods floorspace in the Borough, which we anticipate could achieve a turnover of £48.9m by 2026, increasing indicatively to £49.0m by 2040. This represents a relatively high quantum of committed floorspace and is mostly accounted for by a new foodstore which is expected to come forward at the new district centre at Arborfield Garrison. There is also an extant commitment for a new Lidl foodstore at Shinfield.

Table 8.3 Planning commitments included in convenience goods quantitative assessment

	Estimated net area	Estimated turnover 2026 (£m)	Estimated turnover 2031 (£m)	Estimated turnover 2036 (£m)	Estimated turnover 2040 (£m)
Wokingham urban area					
South Wokingham, Montague Park	100	0.6	0.6	0.6	0.6
South Wokingham, south of railway line	132	0.8	0.8	0.8	0.8
Sub-total	232	1.4	1.4	1.4	1.4
Rest of the Borough					
Lidl, Shinfield	1,305	11.4	11.4	11.4	11.4
Arborfield, district centre (foodstore)	2,240	28.6	28.7	28.7	28.7
Arborfield, district centre (other floorspace)	980	5.9	5.9	5.9	5.9
Arborfield, southern neighbourhood centre	200	1.2	1.2	1.2	1.2
Dobbies, Shinfield	133	0.4	0.4	0.4	0.4
Sub-total	4,858	47.5	47.6	47.6	47.6
Total	5,090	48.9	49.0	49.0	49.0

Source: Table CV9, Appendix 1

IDENTIFICATION OF CONVENIENCE GOODS CAPACITY

- 8.24 **Table 8.4** sets out the quantum of convenience goods floorspace which the Council should seek to plan for over the course of its new Plan period to 2040. We have assumed that new convenience goods floorspace will trade at £13,000 per sq.m, with this sales density improving over the course of the Plan period in line with the rates shown at paragraph 8.21.
- 8.25 As with the comparison goods capacity forecasts, we advise that forecasts become increasing open to margins of error over time and should be refreshed over the Plan period, and on this basis forecasts beyond 2031 should be considered indicative. The forecasts are again based on a 'constant market share' approach. It should be noted that the figures in Table 8.4 are cumulative; for example, between 2026 and 2031 the level of quantitative need for convenience goods floorspace increases by a total of +700 sq.m across the Borough as a whole (i.e. 15,900 sq.m net minus 15,200 sq.m net).

Table 8.4 Total estimated convenience goods floorspace capacity for Wokingham Borough

	2026 (sq.m net)	2031 (sq.m net)	2036** (sq.m net)	2040** (sq.m net)
Wokingham Town & Rural South West (Zone 12)	12,000	12,400	12,900	13,200
Rest of Borough (zones 1/6a)	3,200	3,500	3,800	4,000
TOTAL	15,200	15,900	16,700	17,200

Source: Table CV10a and Table CV10b, Appendix 2. **Note – Figures for 2036 and 2040 should be considered indicative only and subject to future review. Figures are cumulative.

- 8.26 Table 8.4 shows that there is a positive requirement for additional convenience goods floorspace in the Borough over the Plan period, with an identified requirement of 15,900 sq.m net at 2031, increasing indicatively to 17,200 sq.m net by 2040. This positive requirement is largely being driven by the strong trading performance of the existing network of foodstores in the Borough, a number of which are trading at significantly above 'benchmark' levels and are therefore considered to be heavily 'overtrading'. It is worth noting that this overtrading is also, in part, driven by the above average per capita spend on convenience goods across the survey area, and this is something which discussed further below.
- 8.27 We would however advise that this 'overtrading' is not necessarily a concern, unless it is resulting in qualitative compromises to the performance of the floorspace, e.g. excess queuing for car parks, shelves needing to be constantly replenished during trading hours and so on. Indeed, in the case of convenience goods floorspace within defined town centres, a strong-performing foodstore will likely be resulting in higher levels of linked trips spending with other retailers and operators in the town centre, supporting its overall vitality and viability. The identified quantitative needs therefore need to be considered in the whole alongside these wider qualitative considerations.

SCENARIO TESTING

- 8.28 As noted above, the capacity assessment has identified what can be considered high levels of quantitative convenience goods 'need' arising over the Plan period, which is in large part driven by the strong trading performance of the existing network of foodstores in the Borough. However, by assessing the trading performances of the foodstores against UK average sales densities, there is no allowance for the fact that the Borough, as a whole, benefits from a high level of affluence meaning that even a foodstore trading at average levels in the Borough would likely be trading at above-average levels for that store when compared to the UK as a whole. In other words, the default position for foodstores in the Borough, even not having regard to the household survey-derived trading performance, is that when compared to UK averages, foodstores in the Borough would be likely to 'overtrade'.
- 8.29 From analysis of Experian per capita data for the survey area, we estimate average per capita spend to be approximately 6.7% above the UK average for the survey area. Having regard to this, in Tables CV8x, CV9x and CV10a/b/cx of Appendix 2, we have undertaken a 'scenario test' exercise whereby we have applied a 6.7% uplift to the operator average sales densities and identified the capacity for additional convenience goods need arising as a consequence of this adjustment. The adjustment to the operator averages in turn means that the differences in trading performance of individual foodstores relative to the base position is, in the case of foodstores which are overtrading, less pronounced. For foodstores which are under trading, applying a higher operator average will, however, exacerbate this under trading performance.
- 8.30 The additional analysis is structured as follows:
- Table CV8x shows the adjustment to operator averages, with the adjustments identified by the red text.
 - Table CV9x shows the commitments set out at Table 8.3 above, with adjusted turnovers to reflect the adjusted sales density.
 - Table CV10ax shows the adjusted summary of quantitative convenience goods 'need' for Wokingham Town & Rural South West (zone 12); it can be seen that the overall 'need' reduces from 12,400 sq.m net at 2031 (as identified under Table CV10a) to 11,000 sq.m net at 2031.
 - Table CV10bx shows the adjusted summary of quantitative convenience goods 'need' for the remainder of the Borough, i.e zone 1 and zone 6a. It can be seen that the overall 'need' reduces from 3,500 sq.m net at 2031 (as identified under Table CV10b) to 2,400 sq.m net at 2031.
 - Table CV10cx combines the findings of Table CV10ax and Table CV10bx to show a total adjusted convenience goods 'need' for the Borough of 13,400 sq.m at 2031, increasingly indicatively to 14,700 sq.m net by 2040.
- 8.31 There remains, under the alternative scenario, a significant quantitative need for additional convenience goods provision which the Council will need to plan for, albeit slightly tempered relative to the baseline position. Our comments set out at paragraph 8.27 are also applicable to the findings of this scenario test, i.e. that overtrading may not be an issue of concern in all circumstances, and in fact may deliver positive benefits to the overall vitality of the centre in question. The identified convenience goods capacity forecasts should therefore be considered 'in

the round' but do overall point to a need to plan for additional large-format foodstore provision in the Borough over the course of the Plan period.

- 8.32 We have presented the adjusted 'need' figures alongside the baseline position in **Table 8.5**, thus providing the Council with a floorspace range within which to Plan for in their new Local Plan. As with previous capacity forecasts, it is advised that the figures in Table 8.4 are cumulative.

Table 8.5 Total estimated convenience goods floorspace capacity for Wokingham Borough (including 'scenario test' adjustment)

	2026 (sq.m net)	2031 (sq.m net)	2036** (sq.m net)	2040** (sq.m net)
Wokingham Town & Rural South West (Zone 12)	Between 10,700 and 12,000	Between 11,000 and 12,400	<i>Between 11,400 and 12,900</i>	<i>Between 11,800 and 13,200</i>
Rest of Borough (zones 1/6a)	Between 2,100 and 3,200	Between 2,400 and 3,500	<i>Between 2,700 and 3,800</i>	<i>Between 2,900 and 4,000</i>
TOTAL	Between 12,800 and 15,200	Between 13,400 and 15,900	<i>Between 14,100 and 16,700</i>	<i>Between 14,700 and 17,200</i>

Source: Tables CV10a/b/c and CV10ax/bx/cx Appendix 2. **Note – Figures for 2036 and 2040 should be considered indicative only and subject to future review.

- 8.33 As a final point, it is noted that identification of 'need' for new floorspace does not override the requirements of national and development plan policy. Therefore, any applications which promote new convenience goods floorspace which are not within a policy-defined centre will still need to demonstrate compliance with the sequential and impact retail policy 'tests'.

Section 9

Commercial Leisure Assessment

- 9.1 Recent years have seen commercial leisure uses take increasing prominence in supporting the overall vitality and viability of town centres — this trend was identified in the 2017 Study and can be considered to remain the case, possibly even having increased in significance further as certain types of shopping continue to shift towards online channels. Due to the apparent reduction in the amount of spending directed towards physical ‘bricks and mortar’ high-street shopping, leisure uses can often therefore now represent a significant proportion of a town centre’s overall turnover.
- 9.2 This section of the report presents an overview of the current provision of leisure uses through the study area, including patterns of visits to restaurant, café, cinema, entertainment venues and cultural facilities, and identifies any qualitative ‘gaps’ in the provision of these facilities.

LEISURE VISIT PATTERNS

- 9.3 The findings of the household survey identified that:
- Visiting restaurants is the most popular leisure activity, undertaken by 77% of participants to the household survey. The second most popular leisure activity is going to cafes (64%), followed by going to pubs / clubs (54%) and going to the cinema (52%).
 - 30% of participants stated they visit health and fitness clubs (i.e. gyms, leisure centres and swimming pools). 28% of participants stated that they visit various entertainments venues such as ten-pin bowling, ice skating and bingo halls, whilst 15% go to children’s soft play venues.
 - 10% of survey participants stated they did not partake in any of the leisure activities listed above.

Visits to Restaurants

- 9.4 Visiting restaurants is the most popular leisure activity undertaken by 77% of participants to the household survey. Analysis of the survey results indicates that:
- Wokingham town centre was identified as the most popular location for visiting evening restaurants, accounting for 24% of all visits in the survey area as a whole, ahead of Bracknell town centre (18%) and Reading town centre (17%). We consider this to be a strong performance for Wokingham and suggests its dining offer is a key attractor which should be supported and promoted. Wokingham town centre also attracts a share of over 68% from its local zone (zone 12) – as well as noteworthy proportion of zone 11 (17%), zone 1 (12%), zone 10 (11%) and zone 6a (8%).
 - This confirms Wokingham town centre as the principal ‘evening economy’ destination of the centres in the Borough as well as showing the centre attracts trade from surrounding zones, some of which may be less well-provided for in this respect. Wokingham town centre includes a wide number of national retailers including Cote Brasserie and Pizza Express, in addition to

a number of independent restaurants. Overall, the market share performance identified by Wokingham can be considered to be encouraging.

- Bracknell town centre was the second most visited location from across the study area (18% of visits). Bracknell town centre attracts a market share of over 67% from its local zone. Bracknell's restaurant offer has, in common with its retail offer, been strengthened by the opening of the Lexicon development, which has introduced a number of new national restaurant operators to the town centre alongside a new cinema. Further food & beverage floorspace is expected to come forward once the final phase of the Lexicon development comes forward as part of a scheme called 'The Deck'. This may further strengthen Bracknell's attractiveness as a leisure destination across the survey area moving forwards.
- Reading town centre accounts for 45% of its local zone (zone 1), followed by zone 12 (11%) and zone 6A (11%).

Visits to Cafes

- 9.5 Going to daytime cafés was also identified as a popular leisure activity, with 64% of respondents stated they undertake this activity. Across the survey area as a whole, Wokingham town centre was the most popular location for visiting cafés, accounting for 25% of all visits, ahead of Woodley (15%) and Bracknell (14%). Wokingham town centre is well-provided for in terms of cafes / coffee shops, with a good mixture of national and independent operators. Aligned with the strong performance of Wokingham as a destination for restaurants, it confirms that the food & beverage sector plays an important role in supporting the overall vitality and viability of the town centre. The strength of the offer is confirmed by the fact that Wokingham captures 76% of the market share from its local zone (zone 12) in terms of visits to these facilities.
- 9.6 In the other survey zones which fall within Wokingham Borough, in zone 1 48% of respondents visit Woodley town centre for cafes, ahead of 20% for Reading town centre and 8% for Wokingham town centre. Given the relatively limited number of facilities of this nature in Woodley town centre this can be considered, in our view, a relatively good performance.
- 9.7 In zone 6A meanwhile, 22% of respondents visit Twyford for cafes, followed by Henley (21%) and Wokingham (17%). The market share which Wokingham town centre attracts from this zone is particularly of note given that the household survey indicates that Wokingham town centre has limited influence as a destination for retail spending from residents in this zone.

Visits to Pubs/Bars

- 9.8 Visiting pubs / bars was the third most popular leisure activity with 53% of residents that participated in the survey stating that they participate in this activity. Wokingham town centre was identified as the most popular location for people to go to a pub or bar (24% of visits from the survey area as a whole) whilst also accounting for 67% from its local zone. Whilst Reading town centre still accounts for the largest proportion of visits from residents in zone 1 (33%), Woodley town centre also accounts for 27% of visits from residents in this zone. Zone 6A also has a more balanced number of visits between different centre locations, with Henley-On-Thames town centre accounting for 26% of visits, followed closely by Twyford village centre (22%).

Visits to Cinemas

- 9.9 Going to the cinema is cited as being the fourth most popular leisure activity for participants of the household telephone survey, with 52% of respondents stating that they attended a cinema. The Showcase Cinema de Lux located in Winnersh Triangle is by some margin the most popular cinema in the survey area, with 42% of respondents stating that they visit this facility when they go to the cinema. The Showcase Cinema de Lux also has a strong market share in both its local zone (zone 12) (42%) and notably accounts for greater proportions of surrounding zones, accounting for 81% of respondents in zone 1 and 59% of respondents in zone 6A.
- 9.10 The location of the Showcase cinema at Winnersh is on an island site at the junction of the A3290, A329(M) and Reading Road, at an intersection known as Loddon Bridge, and is largely only accessible by car, with limited public transport options in terms of buses and rail services from Winnersh Triangle station, and no defined town centres within the immediate vicinity. This does therefore mean that there is unfortunately very limited scope for any town centres to benefit from 'linked trips' associated with the significant market share/spend being captured locally by this facility.
- 9.11 The comparatively lower representation within its local zone may be the consequence of the Everyman Cinema located in Wokingham town centre, as 31% of respondents from the zone visit this cinema most often. Everyman opened in 2019 and promotes a more premium / 'boutique' cinema experience. The location of the Everyman development as part of the new Elms Field development in Wokingham town centre provides options for visitors to undertake linked trips with other bar/restaurant uses in the town centre, with a number located nearby on Denmark Street although surprisingly no uses of this nature within the Elms Field development itself. Overall however the attraction of Everyman to the town centre can be considered to have strengthened the town centre evening economy.



Everyman cinema, Wokingham town centre. Image provided by Wokingham Borough Council / Stuart Turkington

Visits to Theatres, Museums and Art Galleries

- 9.12 Visiting theatres, museums or art galleries was recorded as the fifth most popular leisure activity of participants of the household telephone survey, with 41% of respondents stating that they took part in at least one of these cultural activities.
- 9.13 The location most visited for going to the theatre, museum or art gallery was London's West End (46%), a reflection of both the extensive, world-class offer which central London can boast in respect of this type of facility, and also the ease of access to central London which much of the survey area benefits.
- 9.14 No other locations attract a significant market share, but some local market share is captured by the South Hill Park Arts Centre in Bracknell (7% from survey area), the Hexagon in Reading (5%) and the Theatre Royal in Windsor (6% market share from survey area). Wokingham Theatre accounts for 8% of the residents situated in zone 10 in addition to 6% of its local zone. Aside from the Theatre, Wokingham town centre only accounts for 1% for total visits and 7% within its local zone and reflects the fact that the town centre does not have any significant arts or cultural offer of note.
- 9.15 Within zone 1, central London accounts for 50% of respondents, followed by the Hexagon Theatre in Reading (14% of respondents). It appears that the high market share for Hexagon Theatre is that the venue is a multiple purpose theatre and arts venue that is used for pantomimes, orchestras and exhibitions. In regard to zone 6a, central London accounts for 60% of respondents, followed by Henley-On-Thames Town Centre (7%) and the Mill at Sonning (7%). The Mill is both a theatre and restaurant, with the dual functionality of the venue possibly explaining its relatively high market share.

Visits to Children's Soft Play Centres

- 9.16 Visiting children's soft play centres is the eighth most popular leisure activity of participants of the household telephone survey, with 15% of respondents stating that they partake in this activity. Wokingham town centre was the most popular destination for children's play centres with 18% of the total number of respondents frequenting the area, additionally accounting for 40% within its local zone. The relatively high representation may be the result of Pirates Landing indoor playground located in the new Elms Field development in the town centre.

Visits to Entertainment Venues

- 9.17 Attending entertainment venues (which includes bowling, laser quest, escape rooms, mini/indoor golf and similar facilities) was the seventh most popular leisure activity for participants of the household telephone survey, with 28% of respondents stating that they partake in the activity. It is clear that bowling that is the most frequented entertainment venue with 23% of the respondents visiting Hollywood Bowl in Bracknell, which accounted for a substantial share of each zone, including 33 % of zone 1, 29% of zone 10 and 7% of zone 12. In addition, Superbowl in Wokingham which accounted for 18% of total visits across the survey area as well as 41% of respondents in

zone 12. As the Superbowl is located within the boundary of Wokingham Town Centre (within the Carnival Pool development), is it reasonably well-located to the wider retail/commercial offer of the town centre and adjacent to the multi storey car park, offering scope for linked trips to be undertaken.

- 9.18 Bracknell town centre accounts for 10% of the overall survey area market share. Bracknell's entertainment offer includes a Hollywood Bowl alongside the Odeon cinema at the Peel Centre, and an Escape Rooms to the rear of the Lexicon.

Health & Fitness Facilities

- 9.19 The household survey results highlighted that 30% of participants use health and fitness clubs (i.e. gyms, leisure centres, swimming pools, tennis courts etc.). Table 1 shows the most popular gyms and leisure centres found in within each zone found within the boundary of Wokingham Borough and indicates that local residents are using a mixture of public and private facilities. In zone 1, Wokingham Leisure Centre accounts for almost one-quarter of all health & fitness visits, whilst in the Wokingham zone itself (zone 12), the most popular location in terms of market share is the Nuffield facility in Wokingham town centre.
- 9.20 In zone 6a, nearly one-quarter of the market share is accounted for by Castle Royle, a members-only golf, health and country club which is located in the countryside to the north-east of Twyford and Wargrave.

Table 9.1 Most popular locations for health & fitness visits by zone

Rank	Zone 1 Reading East	Zone 6A Twyford	Zone 12 Wokingham town & Rural South West
1	Wokingham Leisure Centre (Carnival Pool) (24.15%)	Castle Royle (22.28%)	Nuffield Health, Wokingham (11.63%)
2	South Reading Leisure (17.74%)	Bulmershe Leisure Centre (9.40%)	Ryeish Green Sports Hub (7.26%)
3	Oakwood Climbing Centre (10.85%)	David Lloyd Reading (7.44%)	Wokingham Leisure Centre (Carnival Pool) (7.03%)

Source: household survey results

EXPENDITURE GROWTH IN THE COMMERCIAL LEISURE SECTOR

- 9.21 By applying the Experian population projections we have adopted for the retail capacity forecasts to the latest per capita expenditure data on leisure spending, we can obtain an indication of the likely growth in leisure spending available to residents of the survey area. Whilst not all of this available expenditure can, by default, be used to support the development of new commercial leisure facilities in the survey area – particularly because leisure spending is often undertaken with holidays, day trips, special occasions and so on and therefore may in part be spent outside the survey area – it provides an indication of the scope for additional development to be supported, thus supporting our qualitative observations in respect of the performance of the centres set out above.

9.22 Experian provide per capita leisure expenditure data on the following categories of commercial leisure spending:

- **‘Cultural services’** – this includes spending on cinema, theatre, museums, live music/entertainment, nightclubs, bingo, and TV subscriptions such as Netflix. Spending on this type of leisure service ranges from £235 per person, per annum (zone 1) to £351 per person, per annum (zone 6a) (at 2020)
- **‘Recreation and sporting services’** – this includes spending on admission to spectator sports (e.g. watching football matches) and subscriptions to sports/social clubs. Spending on this type of leisure service ranges from £177 per person, per annum (zone 1) to £290 per person, per annum (zone 6a) (at 2020).
- **‘Restaurants and cafes’** – this includes spending in both restaurants and cafes, and also includes spending on ‘alcoholic drinks consumed outside the home’ (i.e. in pubs and bars) and on take-aways. Spending on this type of leisure service accounts for the majority of residents’ commercial leisure spend, ranging from £986 per annum (zone 10) to £1,270 per annum (zone 6a) (at 2020).

9.23 Per capita spending on commercial leisure has been subject to significant fluctuation in recent years, on account of spending being impacted by Covid-19 and associated lockdowns and restrictions on indoor dining/meeting. Experian forecast that per capita spend on commercial leisure dropped by 37.9% between 2020 and 2021 but has subsequently ‘bounced back’ with a growth in per capita spend of 30.5% between 2021-22 and 27.7% between 2022-23. Such levels of growth largely correct the scaling back in spending which occurred during the pandemic and moving forwards growth in leisure spending is expected to be much more regularised, with RP20 forecasting growth in spend per head of a rate of 1.0% per annum growth between 2025 and 2029, reducing slightly to 0.9% per annum between 2029 and 2040.

9.24 By applying the average zonal per capita spend on the different types of commercial leisure activity to Experian’s population projections for the survey area, the total ‘pot’ of commercial leisure expenditure available to residents of the survey area can be calculated. The results of this exercise are summarised in Table 9.2 for the periods 2022-31 and 2022-40. As with the retail capacity forecasts, we advise that figures beyond 2031 are considered as indicative.

9.25 Full tabulations for each of the commercial leisure sectors are set out **Tables L4a to L4d of Appendix 3**.

Table 9.2 Expenditure growth by commercial leisure sector, 2022-31 and 2022-40

	Zone 1 (£m)	Zone 6a (£m)	Zone 10 (£m)	Zone 11 (£m)	Zone 12 (£m)	Total (£m)
2022-31						
Cultural services	6.94	1.99	5.45	4.11	6.70	25.19
Recreation & sporting services	5.22	1.64	3.88	3.09	5.30	19.14

Restaurants & cafes	34.96	8.29	24.55	18.76	28.46	115.03
Total spending growth	47.12	11.92	33.88	25.97	40.47	159.36
2022-40						
Cultural services	10.70	2.89	8.37	6.36	10.32	38.64
Recreation & sporting services	8.06	2.39	5.96	4.79	8.16	29.36
Restaurants & cafes	50.56	11.37	35.26	27.09	41.24	165.52
Total spending growth	69.33	16.65	49.59	38.23	59.72	233.53

Source: Table L4a-d, Appendix 3.

- 9.26 Overall, spending growth in the commercial leisure sector is expected to increase by £159.36m in the survey area between 2022 and 2031, and indicatively by £233.53m between 2022 and 2040. 71% of this spending growth will be in the restaurants and cafes sector, suggesting there is considerable expenditure capacity to support additional facilities of this nature across the Borough, and indeed as retail demand decreases, aligned with the additional flexibility offered by the introduction of class E, it may be reasonable to expect further strong demand for this type of floorspace moving forwards.
- 9.27 Growth in the other key commercial leisure sectors is more limited, and for cultural services we would expect much of this expenditure growth will continue to be directed towards visiting cultural and entertainment venues in London.
- 9.28 Positively, however, it is noted that the Council published, in February 2021, an Arts and Culture Strategy. This document notes that the population of the Borough is growing (in both number and diversity) and are ‘increasingly wanting convenient local access to high quality and stimulating culture and leisure opportunities’. The Strategy sets out a vision that:
- ‘By 2030 Wokingham Borough will be recognised regionally and nationally as a dynamic cultural hub, a Borough of surprises that delight across all our towns and villages, a Borough where everyone can access or get involved in creating high quality cultural experiences and where creativity is nurtured across all age-groups’*
- 9.29 The above exercise therefore identifies that there is growth in cultural spend in the Borough that can be used to support the implementation of additional cultural facilities, which may result in some ‘clawing back’ of leisure spend currently directed out of the Borough, depending on the nature and strength of any enhanced cultural offer which ultimately comes forward. Improvements to provision should ideally be introduced where there is a supporting ‘ecosystem’ of complementary facilities – cafes, bars, restaurants and other cultural facilities – in order to enable the wider vitality and viability of the locations in question to benefit.

Section 10

Conclusions

- 10.1 This report has set out an update of retail and commercial leisure needs for Wokingham Borough, updating the relevant findings (in respect of Wokingham Borough) of the 2017 Western Berkshire Retail and Leisure Study ('the 2017 Study'). The study will form an important part of the evidence base for the Council's new Local Plan Update, which will guide development in Wokingham Borough over the period to 2040.
- 10.2 The study has had full regard to the considerable changes which have come about in respect of retailing and town centres since the 2017 Study, both in terms of national trends (such as the increases in online shopping which were heightened by the Covid-19 pandemic), key trends in the retail market, and changes at the local level, with a number of important regeneration schemes coming forward in Wokingham town centre, but the Borough is also facing increased competition for spending on account of an enhanced commercial offer which has come forward in nearby Bracknell town centre. A full summary of these changes has been set out in Sections 3 and 4 of this report.
- 10.3 In Section 5 of this report, we set out the findings of updated diversity of uses and vacancy rate assessments of the six highest order centres in the Borough, namely Wokingham and Woodley town centres, and the district/ village centres of Lower Earley, Winnersh, Shinfield Road and Twyford. Whilst these assessments did not constitute full town centre 'health checks', they do identify that the centres across the Borough are performing well in terms of their overall diversity and mix of uses, which in turn can be expected to support the wider vitality and viability of the centres through the attraction of residents and visitors to the centres for a broad range of uses.

DIVERSITY OF USES AND VACANCY RATES

- 10.4 Each of the six above centres is generally reliant on convenience goods retail to 'anchor' the wider town centre offer, and whilst Wokingham town centre's comparison goods offer has undoubtedly improved through the opening of the Peach Place development, it does lack footfall-generating comparison goods anchors in the same way that Bracknell or Reading town centres do, for example. This provides an opportunity for Wokingham town centre to build on its distinctiveness, and in particular its range of specialist independent retailers, as something of an antidote to the more mainstream offers provided by Bracknell and Reading. However, these independent/ specialist stores are often not sufficient for a town centre to rely on alone, and therefore the presence of busy and strong-performing Waitrose and Aldi stores at either end of the town centre acting as retail anchors and key footfall generators, supported by its evening economy and food & drink offers, all make important contributions to its overall health.
- 10.5 Of the remaining centres in the Borough:
- Woodley town centre similarly benefits from strong anchor stores in the form of Waitrose and Lidl, but its broader retail offer is also strong for the size of the centre, and it appears busy and well-supported.

- Lower Earley has a more limited diversity of uses but its anchor foodstores (Asda and M&S Foodhall) serve the surrounding residential catchment effectively.
- Winnersh has a large Sainsbury's store as its anchor although the rest of the centre is somewhat detached from this and there appears to be limited evidence of linkages between the two.
- Twyford is again anchored by a Waitrose supermarket together with a small but healthy range of specialist retailers, but its overall vitality is compromised by the busy local road network.
- Shinfield Road is a more 'urban' centre located in the southern part of the Reading urban area, and whilst it can meet some day to day needs there appears to be an over-reliance on take-away restaurants in the southern part of the centre.

HOUSEHOLD TELEPHONE SURVEY

- 10.6 To establish how the 'state of play' has changed since the 2017 Study was published, an updated household telephone survey has been undertaken as part of this study, to establish the extent to which the changes summarised above and, in this report, have impacted on shopping patterns. The survey asked questions on residents' food (convenience goods) and non-food (comparison goods) shopping patterns, as well as patterns of visits to different types of commercial leisure activities, respondents' usage of town centres in Wokingham Borough, and the extent to which their shopping patterns have changed as a result of the Covid-19 pandemic. Full details of the approach to undertaking the survey, including the extent of the survey area, are set out in Section 6, and key findings in respect of shopping patterns are set out in Section 7 (for comparison goods) and Section 8 (for convenience goods).
- 10.7 In respect of comparison goods, the household survey identified that on average 32.5% of residents across the survey area are undertaking their comparison goods shopping online, significantly higher than the current UK average of 27.0%. This higher level of online spend has the effect of reducing the amount of spend which is available to support physical 'bricks and mortar' retail floorspace.
- 10.8 The most popular destination for comparison goods shopping within the survey area is Bracknell town centre, which accounts for 16.7% of all comparison goods spending within the area. This is followed by Wokingham town centre, which accounts for 7.8% of all comparison goods spending.
- 10.9 The presence of Reading just outside the survey area means this is the main 'competing' comparison goods destination, and its town centre accounts for 17.0% of all comparison goods spend and retail warehousing across the Reading urban area accounts for a further 14.0% of comparison goods spend. Combined therefore, Reading accounts for almost one-third of all comparison goods spending for residents in the survey area. Given the fact that it is one of the largest destinations for comparison goods shopping in the south-east, these shopping patterns should neither be considered surprising nor of particular concern, although clearly any further 'clawback' of this market share being lost would improve the sustainability of local residents' shopping trips.

- 10.10 It is positive to note, however, that when compared with the results of the 2017 Study, the improvements to the comparison goods shopping offer both of Wokingham and Bracknell have resulted in an uplift in the proportion of residents from the area using these centres – and can therefore be considered to have fulfilled a key policy objective in this respect. Wokingham town centre has seen an increase of 5.2 percentage points from its local catchment, which although sounding limited will translate to a significant amount of additional expenditure being directed towards the town centre and can be expected to benefit its overall vitality and viability.
- 10.11 Bracknell town centre however secured a 11.7 percentage point increase from residents in the Wokingham area, indicating that the two centres are competing for market share, and it may be the case that the market share increases which have come forward for Wokingham town centre as a result of the new developments have been tempered by the enhancements to Bracknell's offer which have come forward in parallel. Reading town centre has seen a significant drop in market share (over 20 percentage points from both the Bracknell and Wokingham areas) as a consequence of the improvements to the retail offer in the two centres.
- 10.12 In respect of convenience goods shopping, the results of the household survey again point to a significantly higher level of online shopping than the current UK average, with an average of 13.9% of convenience shopping directed online compared to 5.8% across the UK as a whole. Wokingham Borough and the surrounding area are generally well served for convenience goods provision, and there is no evidence of residents in the Borough needing to travel to significant distances for convenience goods shopping. Whilst some residents of the Borough do look outside the Borough for the convenience shopping needs, e.g. to stores in the wider Reading urban area, or Henley-on-Thames or Sandhurst for example, these stores are generally not a significant distance away. As we have set out above, the higher-order centres in the Borough can be all considered reliant on 'anchor' foodstores in their respective centres to support their overall vitality and viability.
- 10.13 Evidence from the household survey indicates that the majority of existing convenience floorspace in the Borough is trading strongly, exceptionally so in some cases. This is partly likely to be on account of the affluence of the catchment area, when applying local levels of spend to national company average turnovers, and this in turn is driving a positive quantitative 'need' for new convenience goods floorspace in the Borough, as discussed below.

IDENTIFICATION OF RETAIL NEED

- 10.14 **Table 10.1** summarises the quantitative retail floorspace which the Council should look to plan for in its new Local Plan. The figures presented in Table 10.1 are for the Borough as a whole, although sections 7 and 8 of this report disaggregate this figure between the Wokingham urban area and the rest of the Borough. Although the needs are forecast over the extent of the Local Plan period to 2040, we advise that as economic circumstances and sectoral trends in shopping patterns can frequently evolve and change, forecasts beyond 2031 should only be considered indicative and should be subject to regular review over the Plan period. It should be noted that the figures in Table 10.1 are cumulative.

Table 10.1 Summary of quantitative retail need to 2040 (Borough-wide)

	2026 (sq.m net)	2031 (sq.m net)	2036** (sq.m net)	2040** (sq.m net)
Comparison goods	-2,400	-2,400	-2,300	-2,000
Convenience goods	Between 12,800 and 15,200	Between 13,400 and 15,800	<i>Between 14,100 and 16,700</i>	<i>Between 14,700 and 17,200</i>

***forecasts beyond 2031 should be considered indicative and subject to future review. Figures are cumulative.*

- 10.15 It can be seen from Table 10.1 that there is no identified quantitative comparison goods need over the Plan period, on account of the improved but nevertheless still relatively limited market share of Wokingham town centre within the wider retail hierarchy, and the high levels of online spend in the survey area reducing expenditure available to support physical retail floorspace. There is, however, a positive need for additional convenience goods provision throughout the Plan period, on account of the identified overtrading of much of the existing convenience goods floorspace in the Borough (which in turn appears to be a consequence of the high levels of per capita spend on convenience goods in the Borough).
- 10.16 The range of figures we have provided for convenience goods need reflect the 'scenario testing' we have undertaken for these figures, which have involved adjusting the average retail turnover per sq.m for foodstore operators in the survey area, to have regard to the higher than average per capita spend which the majority of the catchment area benefits from. On this basis we advise that convenience goods needs are presented as a 'range' when taken forward into development plan documents. The quantitative figures identified are not intended, however, to be a ceiling on development, although in reality we would not anticipate demand for new convenience goods floorspace being in excess of that which has been forecast by the study.
- 10.17 It is also important to remember that any positive identification of quantitative retail need does not circumnavigate the requirement for applicants seeking to develop new retail (class E) floorspace to demonstrate compliance with the relevant retail policy 'tests' (i.e. the sequential and impact tests), in instances where such applications are not within a defined town centre. This is also applicable to other 'main town centre uses' (as defined at Annex 2 of the NPPF), including commercial leisure uses (discussed separately below).
- 10.18 We would also draw attention to the important point that over-trading of floorspace is not necessarily a concern, unless it is resulting in qualitative compromises to the performance of the floorspace, e.g., excess queuing for car parks, shelves needing to be constantly replenished during trading hours and so on. Indeed, in the case of convenience goods floorspace within defined town centres, a strong performing foodstore will likely be resulting in higher levels of linked trips spending with other retailers and operators in the town centre, supporting its overall vitality and viability. The identified quantitative needs therefore need to be considered in the whole alongside these wider qualitative considerations.

LEISURE NEEDS

- 10.19 The findings of the survey identified that visiting restaurants is the most popular leisure activity, undertaken by 77% of participants to the household survey. The second most popular leisure activity is going to cafes (64%), followed by going to pubs / clubs (54%) and going to the cinema (52%). Wokingham town centre in particular has a strong commercial leisure offer, with a good range of dining options, a new bowling facility and the introduction of an Everyman cinema as part of the Elms Field development.
- 10.20 There is growth in leisure spending forecast in the survey area over the course of the Plan period, with the majority of this expected to come forward in the restaurants and cafes sector.

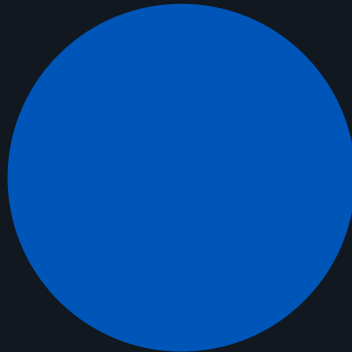
NEXT STEPS

- 10.21 Whilst the terms of reference to this study do not extent to providing detailed strategic recommendations to inform the preparation of the Council's new Local Plan, we offer the following comments which the Council may wish to consider moving forwards.
- (i) The evidence in this study has shown that the retail and leisure market context, and role and function of town centres, continues to rapidly evolve. The flexibility which has been introduced through national legislation and in particular the introduction of Class E reflects this. A flexible approach to main town centre uses, whilst continuing to provide support for the retail and commercial leisure functions of the town centre which continue to act as main footfall drivers for the Borough's town centres, should permeate through policies in the Borough's new Local Plan.
 - (ii) The evidence in this study has also shown that economic circumstances can rapidly evolve. The economic context within which this study has been prepared is considerably different from that of the 2017 Study, and it is important to remember that the shopping patterns, economic context, trends and needs identified in this study represents a 'snapshot' of the situation at the time of preparation of this study. There is uncertainty about how long the current cost of living crisis will continue for, and when/if the economic constraints which have been brought about by Brexit will ease.
 - (iii) The national policy context and legislative context, and changes to permitted to development rights, also continue to evolve and be refined by Government. The introduction of Class E represented a significant change for town centres and a challenge for local planning authorities where the emphasis has historically been on protecting the retail role and function of centres.
 - (iv) For the above reasons, it is important that the findings of this study are subject to regular review and updating throughout the new Local Plan process. We would advise that forecasts are updated in full at maximum every five years, including being supported by updated evidence of shopping / leisure visit patterns. More frequent updates within this timeframe may be beneficial if there are changes in economic circumstances or local shopping provision (either within or outside the Borough) which may influence local residents' shopping patterns.

- (v) The quantitative forecasts identified in this study are not intended to act as caps on development. The lack of comparison goods capacity should not mean that the council imposes a moratorium on new comparison goods floorspace in the Borough, particularly in instances where proposals are of an appropriate scale and have potential to enhance the vitality and viability of the network of centres in the Borough. Applications should be considered on their merits and, where appropriate, compliance with the sequential and retail impact policy tests.
- (vi) It is also important to note that that identification of 'need' for new floorspace (as this study has for convenience goods floorspace) does not override the requirements of national and development plan policy. Therefore, any applications which promote new convenience goods floorspace which are not within a policy-defined centre will still need to demonstrate compliance with the sequential and impact retail policy 'tests'.

ENDS.

For and on behalf of Firstplan, September 2023.



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