

EXECUTIVE SUMMARY

- 1) Colliers CRE was instructed by Stratford-on-Avon District Council in January 2008 to prepare a study of convenience goods retailing in Stratford-on-Avon District. The main purpose of the study is to provide part of the evidence base that the District Council will use in their preparation of its Core Strategy, which covers the period to 2026. The principal focus of the study is to provide the Council with robust evidence and advice on the need for additional convenience goods floorspace given current national and regional policy and in the light of demographic and economic trends.

- 2) This study adopts a traditional approach to quantifying retail floorspace need and is underpinned by a substantial body of new data including:-
 - a telephone survey of 750 households living throughout Stratford-on-Avon District and its shopping hinterland;

 - updated retail floorspace statistics for main towns and supermarkets located throughout Stratford-on-Avon District;

 - bespoke consumer retail expenditure per head estimates for small areas within Stratford-on-Avon District and its hinterland;

 - current and projected populations by ward; and

 - details of food stores with planning consent and/or proposed throughout Stratford-on-Avon District.

- 3) The key objective of Government retail planning policy is to promote and enhance existing town centres. This requires that any development for food store retailing must follow the “sequential approach” to site location. Other ‘tests’, relating to ‘need’, ‘scale’, ‘impact’ and ‘accessibility’, must also be addressed.

- 4) Regional retail policy states that Stratford-upon-Avon is the 'preferred location' for major retail development within Stratford-on-Avon District, whilst the network of smaller town, district and local centres should provide for day-to-day needs. Regional policy further states local authorities should be pro-active in encouraging appropriate retail development in these smaller centres in order to maintain and enhance their function. The main focus should be on meeting local needs, in particular the provision of convenience goods shopping. The broad thrust of regional policy is reflected in the existing Warwickshire Structure Plan and Stratford-on-Avon District Local Plan Review.

- 5) Using the results of the household telephone survey, we estimate that the residents of Stratford-on-Avon District will generate some £189 million of convenience goods expenditure in 2008. Of this total, £71 million will leak out to centres/stores outside of the District. Thus only 62% of available spend (c. £118 million) will be retained within the District. To this we add an estimated £19 million of food spend which flows into the District from residents living outside and from tourists. This pushes up the turnover of the convenience goods sector in Stratford-on-Avon District to £137 million. On our figures, food stores within Stratford upon-Avon soak-up around 72% of District-wide sales, with each of the three rural market towns (Alcester, Shipston-on-Stour and Southam) accounting for around 6%. The balance (c.10%) of sales are generated by other smaller centres/stores located throughout the District.

- 6) In terms of market shares of available convenience goods expenditure, Stratford-upon-Avon dominates four of the seven 'zones' comprising the District, whilst Shipston-on-Stour captures the largest share in one zone. The remaining two zones in the District are dominated by Redditch and Royal Leamington Spa, which are located in adjoining areas. All three rural market towns are currently experiencing high levels of expenditure leakage, primarily to stores outside of the District. In our view, this points to a healthy quantitative and qualitative need for additional retail floorspace provision, because the existing food retail offer available in each town primarily caters for top-up rather than main food shopping and a better range and bigger scale of food store is required.

- 7) Our recommended retail strategy for convenience goods shopping within Stratford-on-Avon District is shaped by the household survey results which show that 38% of the expenditure generated by the District's residents is currently spent at stores located elsewhere. This level of leakage is relatively high and indicates that the present pattern of food shopping is not sustainable, with many residents currently driving over relatively long distances to do their main food shopping. We believe there is the potential to plan for new food store provision within the District in a manner that is more consistent with the Government's key sustainability objectives of minimising reliance on the car for shopping and reducing the number and length of car journeys.

- 8) We therefore recommend that Stratford-on-Avon District's overall level of expenditure retention for convenience goods shopping should increase in line with the Government's commitment to sustainability. Furthermore, we consider this objective is best met by increasing the target market shares for each of the three rural market town, which are located towards the edge of the District, and by increasing Stratford upon-Avon's target market share in two zones. We recommend realistic target market shares, since the close proximity of centres/stores outside of the District will always attract a significant number of trips. The effect of our upwards adjustments to individual centre market shares is to increase the overall level of spend retention for convenience goods shopping in Stratford-on-Avon District by 19% points. The uplift from the current 62% rate to 81% reflects what we consider to be an appropriate, realistic and achievable target in planning terms.

- 9) Adopting a mid-range sales density for converting headroom expenditure into a floorspace requirement, and taking into account existing retail commitments, we estimate the following quantum of additional convenience goods floorspace need within the main towns in Stratford-on-Avon District.

Forecast Year	Floorspace Need (sq m net)			
	Stratford- upon-Avon	Alcester	Shipston- on-Stour	Southam
2011	-1,460	1,290	1,640	2,250
2016	-1,280	1,350	1,680	2,310
2021	1,020	1,360	1,750	2,410
2026	-750	1,490	1,810	2,490

- 10) In summary, our recommended retail strategy for the Council is to actively plan for additional food store provision within Stratford-on-Avon District, but in a way that not only meets the sustainability objectives of reducing expenditure leakage (and trips) to centres outside of the District, but also reduces the need to travel longer distances by car for main food shopping within the District. The best way to achieve these objectives is to plan primarily to improve the food store offer in the three peripherally located rural market towns of Alcester, Shipston-on-Stour and Southam, whilst continuing to recognise the potential for Stratford-upon-Avon to capture a larger share of available spend in its nearby zones. The strategy is all about clawing back expenditure currently being lost from the District and providing a more sustainable pattern of food store provision throughout the District.