

Havering Retail & Commercial Leisure Needs Assessment

Executive Summary

On behalf of **The London Borough of Havering**



Project Ref: 30904 | Date: May 2015



Document Control Sheet

Project Name: Havering Retail & Commercial Leisure Needs Assessment

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Report Title: Executive Summary

Date: May 2015

	Name	Position	Signature	Date
Prepared by:	Jonathan Ngige	Graduate Planner		May 2015
Reviewed by:	Peter Keenan	Senior Associate		May 2015
For and on behalf of Peter Brett Associates LLP				

Revision	Date	Description	Prepared	Reviewed	Approved
A	May 2015	Executive Summary	JN	PK	PK

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1 Introduction

1.1.1 The London Borough of Havering (LB Havering) commissioned Peter Brett Associates (PBA) to undertake an assessment of the retail and commercial leisure needs to 2031.

1.1.2 The terms of reference agreed with the Council are as follows:

- Undertake an assessment of the existing supply of retail and leisure floorspace for the existing identified centres within the Borough and review their performance
- Identify spending patterns across the Borough for both retail (food and non-food) and leisure activities
- Assess the need (both quantitative and qualitative) for new retail and leisure floorspace to 2031, and the potential growth in population and expenditure
- Provide a set of core recommendations in respect of the potential strategies to accommodate need, hierarchy of centres and an approach to defining key boundaries for centres in the Local Plan

1.1.3 This Executive Summary is organised as follows:

- **Section 2** sets out the relevant national, regional and local policy context.
- **Section 3** sets out a summary of the existing retail and leisure performance in Romford, Hornchurch, Upminster, Collier Row, Elm Park, Harold Hill and Rainham.
- **Section 4** sets out a summary of where residents in the Borough undertake their convenience and comparison goods shopping as well as commercial leisure spending. This section is informed by the findings of a household survey of spending patterns.
- **Section 5** sets out the quantitative need for additional retail floorspace, split between convenience (food) goods and comparison (non-food) goods.
- **Section 6** draws together the findings of the previous sections to set out a series of centre specific recommendations.

2 Policy Context

- 2.1.1 The National Planning Policy Framework (NPPF) was published by the Government in March 2012 and replaces all previous Planning Policy Statements and Planning Policy Guidance Notes. At the heart of the National Planning Policy Framework is a presumption in favour of sustainable development.
- 2.1.2 In order to be considered sound, Paragraph 182 states that Local Plans should be positively prepared, justified, effective and consistent with national policy.
- 2.1.3 Paragraph 22 states that planning policies should be positive, promote competitive town centre environments and set out policies for the management and growth of centres. This includes a requirement that *'needs for retail, leisure, office and other main town centre uses are met in full and are not compromised by limited site availability'*.
- 2.1.4 The NPPF also requires Local Plans to be based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area.

National Planning Policy Guidance

- 2.1.5 The Government recently published the Planning Practice Guidance (PPG) in order to provide further guidance on the NPPF. The guidance will continue to be subject to a regular review process.
- 2.1.6 The PPG is set out thematically. Matters associated with town centre uses are set out in the section *'Ensuring the vitality of town centres'*. This section states that a positive strategy for town centres is the key to ensuring successful town centres. This supports sustainable economic growth and provides a wider range of social and environmental benefits. It also states that any strategy should be based on evidence of the current state of town centres and opportunities to meet development needs and support their viability and vitality. Strategies should also identify changes in the hierarchy of town centres, including where a town centre is in decline. In these cases, strategies should seek to manage decline positively to encourage economic activity and achieve an appropriate mix of uses commensurate with a realistic future for that town centre.

2.2 Regional Planning Context

London Plan and Revised Early Minor Alterations

- 2.2.1 The London Plan guides the strategic development of individual London Boroughs and forms part of Havering's Local Plan. The London Plan was adopted in July 2011 and the Revised Early Minor Alterations were adopted in 2013. In March 2015, the Mayor published Further Alterations to the London Plan (FALP).
- 2.2.2 Havering's town centres are classified as follows according to the London Plan: Romford is a metropolitan centre, whilst Collier Row, Elm Park, Harold Hill, Hornchurch, Rainham and Upminster are all defined as district centres.
- 2.2.3 Policy 2.15 of the London Plan seeks to coordinate the development of a network of town centres across London. As such, development proposals in town centres should *'sustain and enhance the viability and vitality of town centres'*, accommodate economic and/ or housing growth, support and enhance the competitiveness, quality and diversity of town centre retail, leisure, arts, cultural and other consumer services and public services.

- 2.2.4 Policy 4.6 focuses on the provision and enhancement of sports, cultural and entertainment uses. The mayor seeks to support London’s arts, cultural, professional sporting and entertainment enterprises.
- 2.2.5 Policy 4.7 deals with retail and town centre development. The mayor supports a ‘strong partnership approach’ to assessing the retail, commercial, cultural and leisure capacity in town centres
- 2.2.6 Policy 4.8 seeks to develop successful and diverse retail centres. These centres should meet the needs of Londoners and should be easily accessible. This includes supporting additional comparison goods shopping in international, metropolitan and major centres and convenience retailing in smaller centres.

Further Alterations to the London Plan

- 2.2.7 The Further Alterations to the London Plan (2015) made changes to London’s settlement hierarchy. These changes included the promotion of Stratford to an International centre and the designation of Elm Park as a District Centre subject to monitoring.

2.3 Local Planning Context

Local Development Framework Core Strategy

- 2.3.1 This section sets out the current local policy position. The emerging Local Plan will replace key documents in the in the Local Development Framework.
- 2.3.2 The Havering Core Strategy was adopted in July 2008 and forms part of the Borough’s Local Development Framework. The Core Strategy sets out the Borough’s development framework up to 2020.
- 2.3.3 Policy CP4 – Town Centres sets out Havering’s town centre hierarchy. Romford is defined as a ‘metropolitan centre’ In both the Core Strategy and London Plan, Hornchurch and Upminster are designated as ‘major district’ centres, while Collier Row, Elm Park, Harold Hill and Rainham are ‘minor district’ centres. In addition, Havering has 11 major local centres and 68 minor local centres.
- 2.3.4 According to the policy, the Council aims to strengthen Romford’s position as “East London’s premier town Centre”. Hornchurch’s role as the borough’s cultural capital will be supplemented by the promotion of small to medium sized retail, culture, leisure and residential uses.
- 2.3.5 Upminster functions as Havering’s second retail destination after Romford. According to the policy, the strategy for Upminster will be one of consolidation with some small to medium retail and leisure developments permitted. The more significant development opportunities in the town are located in edge of centre sites. Rainham is situated within the London Riverside Regeneration Area and part of the London Riverside Opportunity Area identified by the Mayor.
- 2.3.6 The Core Strategy states that Elm Park will continue to function as a predominantly convenience goods focused retail centre. The strategy for Collier Row and Harold Hill is to continue to support the centres by consolidating their current retail offer.

3 Existing Performance of Network of Centres

3.1 Romford (Metropolitan Centre)

- 3.1.1 Romford is the principal shopping destination for residents and visitors within the Borough. The centre has a strong comparison and convenience offer alongside commercial leisure uses which include gyms, cafes, cinemas, amusement arcades and restaurants. The town centre is anchored by three main shopping centres (The Liberty, the Mercury and the Brewery) in addition to a popular market and high street retail units. As would be expected for a centre of its role and function, Romford enjoys good representation from national multiple retailers.
- 3.1.2 Romford has a good range of supporting retail services, two cinemas and a theatre. The centre also has an important civic function. Pedestrian circulation within the primary retail frontage is generally good. The centre also has good access to the surrounding region and Central London.

3.2 Collier Row (District Centre)

- 3.2.1 Collier Row generally caters to the day to day needs of local residents, with representation geared towards the provision of convenience goods, hot food and some services. Retail activity is centred around Collier Row Road, Clockhouse Lane and Chase Cross Road. The majority of retailers and food outlets are independently owned.

3.3 Elm Park (District Centre)

- 3.3.1 Elm Park is split into two distinctive areas located on either side of Elm Park underground station at each end of The Broadway. To the north the main shopping frontages include The Broadway and the junction of Elm Park Avenue/St. Nicholas Avenue/The Broadway.
- 3.3.2 The centre meets day to day shopping needs for residents and as a whole provides a good range of convenience stores. The comparison retail offer is at the lower end of the market and the evening economy is limited to a small number of restaurants and take-aways.

3.4 Harold Hill (District Centre)

- 3.4.1 Harold Hill is a small district centre, occupying the ground floor of a purpose-built 1950s council-owned residential estate to the north-east of the Borough. Most of the retail units are independently owned with a small number of national retailers present in the centre. The development of the new Harold Hill library is a welcome addition to the centre.

3.5 Hornchurch (District Centre)

- 3.5.1 The intersection of the High Street, Station Lane and North Street is the focal point of Hornchurch's retail area. The environmental quality of the centre is good, a number of key sites have been redeveloped to a high standard and there has been recent significant investment in the public realm.
- 3.5.2 The retail offer contains a good diversity of comparison, convenience and service retail uses as well as an impressive commercial leisure offer which makes the centre a borough-wide leisure destination for eating and drinking.

3.6 Rainham (District Centre)

- 3.6.1 Rainham is a small district centre which is anchored by a large Tesco Extra supermarket. The supermarket offers many of the services that would traditionally be offered within the town

centre. There are a number of gaps in the retail and services offer, including café and restaurant provision and clothing retailers.

3.7 Upminster (District Centre)

- 3.7.1 Upminster contains a good mix of commercial, civic and residential uses which contribute to the centre's vitality. The retail offer is, as would be expected in a district centre, geared towards meeting day-to-day uses, with a range of comparison, convenience and service retail uses. The leisure offer comprises the local leisure centre and a number of independent and national chain eating and drinking outlets which mostly are positioned in the middle of the market.

4 Existing Shopping Patterns

4.1.1 The findings of this section are informed by a household telephone survey of shopping and leisure patterns, which was undertaken by NEMS Market Research during August/September 2014.

4.2 Comparison Goods

4.2.1 A total of £1,191.69m worth of comparison goods spend is available to residents in the study area. Of this, 65% or £780.22m is retained by centres and stores within the study area. Romford draws trade from across the study area, and accounts for £374 million or 31% of the comparison goods spend in the study area. Retail parks, in the Borough account for £125m of spending. Lakeside continues to be the most popular centre outside the study area and attracts spending from all 11 Zones. The centre accounts for 22% of the total available comparison goods spending in the study area.

4.3 Convenience Goods

4.3.1 The centre continues to benefit from a good network of foodstores with convenience goods shopping being a largely localised activity. Out of the £808.18 convenience goods expenditure available, £749.85 million (or 93%) is retained within the study area.

4.4 Leisure

4.4.1 In general LB Havering has a good provision of commercial leisure services.

4.4.2 We looked at commercial leisure spending in the following sectors:

- Accommodation services (e.g. hotels, room hire);
- Cultural services (e.g. cinema, theatre, museums, TV subscriptions);
- Games of chance (.e.g. lottery, bingo, bookmakers);
- Hairdressing salons and personal grooming / beauty establishments;
- Recreational and sporting services; and
- Restaurants and cafes

4.4.3 Residents in the study area spent £734 million on the commercial leisure sector. Restaurants and cafes form the biggest proportion of commercial leisure spend at £423 million. However, LB Havering only retains 54% of the total food and drink spend in the study area.

4.4.4 From the household survey we found that the whilst 60% of those surveyed do most of their household's fashion shopping in Romford, linked trips are uncommon, with only 38% of those surveyed combining shopping with other activities.

5 Need for Additional Retail Space

- 5.1.1 Our assessment of the need for additional retail floorspace is based on a standard methodology and up to date empirical evidence. A summary of our approach is included in **Appendix D, Volume2.**
- 5.1.2 The quantitative need forecasts are derived from the total amount of comparison, convenience and leisure expenditure which is retained within the Borough.

Comparison Goods

- 5.1.3 The Council should make provision for between 16,100 and 21,500 sqm net additional comparison goods floorspace in the period to 2021, and indicatively between 49,500 and 62,000 sqm net by 2031.

Convenience Goods

- 5.1.4 Our assessment of foodstore trading performance indicates that foodstores across the Borough are currently trading strongly.
- 5.1.5 Based on the current shopping patterns and trading performance of foodstores, there is a quantitative need for 7,500 sqm net additional convenience goods floorspace by 2021, increasing to an indicative requirement of 13,200 sqm net by 2031. The requirement decreases between 2014 and 2017 as by 2017 the two extant planning commitments for new foodstores have been taken into account.

Leisure

- 5.1.6 The Borough's largest centres general have a good level of representation from commercial leisure operators. Between 2014 and 2031 the restaurant and café category is expected to lead the growth in leisure spending and experience growth of over £234 million. In order to capitalize on this growth, the Borough has a requirement for 15,100 sqm of gross food and drink floorspace by 2031. We would expect that operator requirements will be directed to Romford in the first instance. While Romford at the moment has a good provision of family restaurants, there is opportunity to further diversify the offer. We expect that further diversification of the offer could be achieved in Upminster and Hornchurch.
- 5.1.7 In terms of cinema provision, there is likely to be a need for additional cinema provision in the vicinity of Hornchurch/ Upminster over the course of the study period. The cinema would most likely be operated independent/ specialist operator. Theatre provision in the borough is considered to be sufficient.
- 5.1.8 There is a need for privately-run gym facilities in the southern part of the Borough, which should be aligned to a district centre if possible. The delivery of a new ice rink, gym and competition length swimming pool in Romford will also significantly uplift the gym and family entertainment offer in the Borough.
- 5.1.9 We noted the lack of mid and upmarket hotel chains in the Borough particularly in Romford. The Council may wish to consider a full assessment of the market demand for additional hotel provision as these facilities play important roles in contributing to the wider vitality and viability of centres.
- 5.1.10 We do not consider there to be a need for additional games of chance or family entertainment facilities

6 Recommendations

Romford

- 6.1.1 It is our recommendation that the outward expansion of the retail and commercial centre should be resisted. The Council should instead focus on the qualitative improvement of the centre's retail and leisure offer. There is a quantitative and qualitative need for additional and improved food and drink floorspace across the town centre. The Southern section of South Street could be a potential location for additional food and drink floorspace, capitalising on recent investment made by the Council in this area.
- 6.1.1 In our view, improvement and upgrading of the retail premises along South Street should be a priority for the Council early in the plan period. Similarly, the street market at Market Place could be gently nurtured towards providing a mix of goods that is unique among competing markets in the area. This would further diversify the retail offer. A potential site for additional comparison goods floorspace provision could be the intensification of The Brewery development given the large surface level car park that exists. We expect that the footfall within the town centre may change when Morrison's opens and we recommend that the situation is monitored.

Upminster

- 6.1.2 We recommend limited intervention for Upminster. There are no obvious development sites for future expansion so we expect that the focus should be on supporting existing retailers through ensuring the collective 'identity' of the centre is strengthened. In terms of physical improvements, integration could be improved between the Waitrose store and the rest of the centre.

Hornchurch

- 6.1.3 Hornchurch provides the Borough's leisure and cultural offer. In our view, the quality of the retail offer does not match that of the leisure provision and as such, some better quality retail operators within the town would improve its vitality and viability. Sainsbury's occupies a dominant retail position in Hornchurch. A second operator could be introduced into the centre this would be beneficial to consumer choice and would help claw back trade travelling to out of centre locations. The unused sites on North Street could potentially be redeveloped for a mixed-use scheme that includes a small cinema.

Elm Park

- 6.1.4 Elm Park could benefit from a small supermarket, for example up to 1,000 sqm net, ideally towards the eastern side of the centre to help rebalance footfall and improve vitality and viability.

Collier row

- 6.1.5 We have no specific recommendations for the centre other than the Council should continue to monitor Collier Row's vitality and viability and seek to protect its convenience function from competition from out of centre developments that could draw significant amounts of footfall from centre.

Harold Hill

- 6.1.6 We are aware that the Council is investing significantly in this centre through the provision of new library within the centre itself. Two significant new residential developments to the north

and east of the centre will deliver new footfall and support existing retailers. Vacancy rate appears high on face value but reduces significantly once the library works are factored in.

Rainham

- 6.1.7 Rainham is a functional centre that is dominated by Tesco. The Council should explore improved linkages between Tesco and rest of the centre. We would expect the potential for further development in the area will be largely driven by the residential growth. However, there are qualitative needs to provide an improved consumer choice for retail and other services beyond the Tesco store.