



NEXUS
PLANNING

Cotswold District Council

Cirencester Town Centre Feasibility Study: Forecast Change in Uses to 2051

Final Report

November 2021

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1 Introduction

Instruction

- 1.1 Nexus Planning has been instructed by Cotswold District Council (hereafter referred to as 'the Council') to undertake a Feasibility Study to consider anticipated future changes in the composition of Cirencester's 'high street' to 2051. Our project team includes the chartered surveying practice, AspinallVerdi.
- 1.2 The purpose of the Study is to identify the land use implications of structural changes in the retail and service sectors, and to determine how this may affect the usage of the centre in practice. This will allow the Council to consider the implications of changes in demand on the redevelopment of a series of major development opportunities in Cirencester town centre. The majority of the opportunity sites are currently publicly operated (and owned) surface-level car parks, which are allocated for redevelopment in the Cotswold District Local Plan 2011-2031 (adopted August 2018).
- 1.3 This initial Feasibility Study report will be supplemented by a second piece of work that will consider how forecast changes in the composition of Cirencester town centre and shifts in respect of transport usage will likely affect the demand for car parking spaces in practice. The subsequent work will help to shape the Council's approach in respect of the future redevelopment of the allocated town centre car parking sites, and ensure that the centre retains appropriate car parking provision. It is envisaged that additional piece of work will also address forecast future changes in travel habits and the potential for greater use of more sustainable modes of travel in order that Cirencester is able to meet the needs of its catchment in a sustainable manner.
- 1.4 In this context, our assessment of the future anticipated changes in the composition of Cirencester town centre comprises three key elements.
- 1.5 Firstly, we consider the context to the commission and the current vitality, viability and usage of Cirencester town centre. This includes a summary of relevant planning policy considerations and work that has already been undertaken to date in respect of the potential to secure the appropriate redevelopment of opportunity sites.
- 1.6 Secondly, we provide an assessment of the commercial market in Cirencester and consider structural trends of relevance to the future use and composition of the centre. This work has been undertaken

by AspinalVerdi and is informed by published data sources, and discussions with key operators active in the retail and leisure sectors.

- 1.7 Finally, we provide a detailed retail and service sector needs assessment that takes the form of an Excel spreadsheet model. The model considers how changes in population, expenditure, online retail, and wider shopping and service sector usage will impact on the demand for commercial floorspace going forward. We clearly set out all of the data, inputs and assumptions in undertaking this quantitative assessment, and provide our Excel model to the Council in order that it can be updated in the future to respond to changes in circumstance.
- 1.8 The model utilises the Council's 2016 household survey¹ to identify the market share of convenience and comparison goods retail expenditure claimed by Cirencester. The use of this existing evidence base is considered appropriate in the prevailing economic circumstances. Whilst the survey pre-dates Covid-19, this means that shopping patterns are not influenced by any short-term behaviours arising from the pandemic.

Structure of Report

- 1.9 Our report firstly summarises relevant planning policy considerations and the wider context for the Study, including the current composition and performance of Cirencester town centre. We then provide our overview of the Cirencester commercial market, and wider retail and leisure trends of consequence to this Feasibility Study. Finally, we set out our assessment of future retail and service sector needs, with reference to the future composition of Cirencester town centre.
- 1.10 Accordingly, our report is structured as follows:
- Section 2 considers the national and local planning policy context of relevance to the commission;
 - Section 3 provides an assessment of the current composition of Cirencester town centre and our observations in respect of its current role and function;
 - Section 4 reviews other ongoing work of relevance, including the in-centre and business surveys undertaken to inform a healthcheck assessment of Cirencester town centre²;
 - Section 5 sets out our assessment of the local market, and wider trends of relevance to the future role and function of Cirencester town centre;
 - Section 6 outlines our methodology and findings in respect of future retail needs;

¹ Commissioned in support of the Cotswold Retail Study Update 2016.

² The healthcheck assessment is being progressed separately by Cirencester Town Council.

- Section 7 does the same with regard to service sector needs; and
- Section 8 provides our key findings and conclusions.

2 Planning Policy and Study Context

- 2.1 In order to inform the direction of this Study, it is helpful to reflect first on relevant retail and town centre planning policy at a national and local level. As such, we first consider relevant national planning policy, changes to the Use Classes Order, and the application of permitted development rights to town centre uses. We then consider development plan policy as set out in the Cotswold District Local Plan, and review the findings of the Cotswold Retail Study Update 2016³ and the Cirencester Town Centre Healthcheck 2018⁴.
- 2.2 Finally, we briefly summarise some key strategy papers relating to the regeneration and ongoing vitality of the high street.

National Planning Policy Framework

- 2.3 The most recent iteration of the National Planning Policy Framework ('NPPF') was published in July 2021. The NPPF reflects the fact that the traditional role of town centres has been somewhat undermined by structural changes in the retail sector, and that there may be a need to plan for a more diverse range of uses going forward. As such, the NPPF advocates a more flexible policy framework to support the future vitality and viability of town centres.
- 2.4 Key NPPF policies are considered on a thematic basis below.

Building a Strong, Competitive Economy

- 2.5 Paragraph 81 of the NPPF indicates that planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development.

Ensuring the Vitality of Town Centres

- 2.6 Paragraph 86 specifically relates to planning for town centres. It states that:

'Planning policies should:

- 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**

³ Undertaken by Bilfinger GVA and published in June 2017.

⁴ Undertaken by the Council and published in November 2018.

- 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.'**
- 2.7 The requirement to plan to meet needs across a minimum ten-year period represents a change from the previous NPPF, which required town centre needs to be met in full across the entire plan period.
- 2.8 The NPPF goes on to set out sequential and impact policy tests, which seek to promote a 'town centre first' approach to development.

Making Effective Use of Land

- 2.9 Paragraph 119 identifies a requirement to promote the effective use of land in meeting the needs for homes and other uses. It also indicates that strategic policies should set out a clear strategy for meeting objectively assessed needs, in a way that makes as much use as possible of previously developed or 'brownfield' land. The subsequent paragraph 120 goes on to note the potential redevelopment value of space above shops, car parks, lock-ups and railway infrastructure.

Achieving Appropriate Densities

- 2.10 Paragraph 124 indicates that planning policies and decisions should support development that makes efficient use of land, taking into account *inter alia* the potential to promote sustainable travel modes that limit the future use of cars.

NPPF: Annex 2

- 2.11 The first iteration of Annex 2 of the NPPF (originally published March 2012) considered the purpose of defining primary and secondary frontages for planning-making purposes. Such frontages were

generally tied to policies that precluded non-retail uses (or non-main town centre uses) within the commercial core of a defined centre. The current NPPF (published July 2021) does not provide any reference to defined frontages (and instead only refers to primary shopping areas).

- 2.12 The omission of the reference to primary and secondary frontage designations is reflective of the fact that town centres need to diversify in order to remain relevant, and the likelihood of retail uses further diminishing in number in forthcoming years. As such, any policy that seeks to ensure that a fixed proportion of a frontage should remain in retail use may be counter-productive in terms of planning for the ongoing vitality and viability of the wider centre. The prescriptive nature of frontage policies is also contrary to the provisions of Use Class E (which we refer to below), which seek to provide greater flexibility in moving between different commercial uses.

Town Centres and Retail Planning Practice Guidance

- 2.13 The Town Centres and Retail Planning Practice Guidance ('the Town Centres PPG') was published in July 2019 and provides additional direction in respect of how retail and town centre planning policy should be applied in respect of plan-making and decision-taking. The Town Centres PPG affirms the Government's aspiration to support town centres in order to generate employment, promote beneficial competition and create attractive, diverse places where people want to live, work and visit.
- 2.14 Paragraph 004 of the Town Centres PPG indicates that a local planning authority's strategy for their town centres should include:
- The realistic role, function and hierarchy of town centres over the plan period. Given the uncertainty in forecasting long-term retail trends and consumer behaviour, this assessment may need to focus on a limited period (such as the next five years), but will also need to take the lifetime of the plan into account and be regularly reviewed.
 - The vision for the future of each town centre, including the most appropriate mix of uses to enhance overall vitality and viability.
 - The ability of the town centre to accommodate the scale of assessed need for main town centre uses, and associated need for expansion, consolidation, restructuring or to enable new development or the redevelopment of under-utilised space.
 - How existing land can be used more effectively – for example, the scope to group particular uses such as retail, restaurant and leisure activities into hubs or for converting airspace above shops.

- Opportunities for improvements to the accessibility and wider quality of town centre locations, including improvements to transport links in and around town centres, and enhancement of the public realm.
- What complementary strategies are necessary or appropriate to enhance the town centre and help deliver the vision for its future, and how these can be planned and delivered. For example, this may include consideration of how parking charges and enforcement can be made proportionate.
- The role that different stakeholders can play in delivering the vision. If appropriate, it can help establish the level of cross-boundary/strategic working or information sharing required between both public and private sector groups.
- Appropriate policies to address environmental issues facing town centres, including opportunities to conserve and enhance the historic environment.

2.15 The above criteria are of direct relevance to this particular commission, which seeks to consider the scope for a revised car parking strategy in Cirencester and review how the composition of the centre may change in practice. Whilst we note that the Town Centres PPG requires local planning authorities to consider a limited timeframe in producing town centre strategies, in this instance a longer period is of interest to the Council given the scale of the opportunity in Cirencester town centre and the likelihood that development will be delivered over a number of years. There is also a need to try to ensure that development is sustainable over the longer-term and does not simply reflect shorter-term trends.

The Use Classes Order and Permitted Development Rights

Changes in the Use Classes Order

- 2.16 Significant changes to the Use Classes Order have been enacted through the Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020, which came into force on 1 September 2020.
- 2.17 The amendments include the revocation of Parts A and D, and the introduction of three new Use Classes, these being Classes E, F1 and F2. The Government's objective is that the changes will support the revival of the high street and allow for greater flexibility in changing uses within town centres without the need for planning permission. In addition to the three new Use Classes, the changes also result in some changes in respect of uses classified as sui generis.

2.18 In practical terms, the changes comprise:

- **Use Class E** – Commercial, business and service uses, including: shops or retail; cafés or restaurants; financial services; professional services; any service appropriate to provide in a commercial, business or service locality; indoor sports, recreation or fitness; medical or health services; creche, day nursery or day centre; and, offices.
- **Use Class F1** – Learning and non-residential institutions, including any non-residential use for the: provision of education; display of works of art; museum; public library or public reading room; public hall or exhibition hall; for or in connection with public worship or religious instruction; or, as a law court.
- **Use Class F2** – Local community uses, including: a shop selling mostly essential goods, including food, no larger than 280 sq.m and where there is no other such facility within 1,000 metres radius of the shop’s location; a hall or meeting place for the local community; an area or place for outdoor sport or recreation; and, an indoor or outdoor swimming pool or skating rink.
- **Sui Generis** – The sui generis classification now incorporates: public house, wine bar or drinking establishment uses; drinking establishments with expanded food provision; hot food takeaways where consumption of that food is mostly undertaken off the premises; live music venues; cinemas; concert halls; bingo halls; and, dance halls.

2.19 The introduction of Class E is significant and places a wide range of uses including retail, food, financial services, gyms, healthcare, nurseries, offices and light industry into a single use class. Unless restrictive planning conditions preclude otherwise, the ability to move within the Use Class E without planning permission allows centres to evolve in a flexible manner.

2.20 However, as ever, the provisions of the Use Classes Order are not linked to any spatial considerations. As such, the expanded Use Class E applies equally to both town centres and out of centre locations, and there may be unintended consequences in providing for additional flexibility across Class E outside of town centres.

Town Centre Use Permitted Development Rights

2.21 An amendment was made to the General Permitted Development (England) Order 2015 (the ‘GPDO’) in March 2021. This allows for the change of use from Class E properties to residential from August 2021 (extending a right that had previously been restricted to office uses), and may provide for a substantive change in the nature of town centres such as Cirencester. This permitted development right is subject to maximum size requirements, the property having been in use as Class E for two

years, and the property having been vacant for three months. In addition to this, 'prior approval' for the change of use must be sought from the planning authority. Restrictions on this right apply in conservation areas and for nurseries, as well as in areas that are covered by an Article 4 direction.

Adopted Development Plan

- 2.22 The current development plan comprises the Cotswold District Local Plan 2011-2031, adopted August 2018. The following policies from the Local Plan are considered to be of greatest relevance to Cirencester town centre.
- 2.23 Policy S1 'Cirencester Town' allocates two housing development sites; a number of employment sites; mixed-use development sites; and a proposed 'decked car parking' area to serve the town centre.
- 2.24 Five of these allocations are located within the Cirencester town centre boundary, and a sixth is located at the edge and is of considerable relevance to this Study. The allocations are as follows:
- housing allocation C_101A relates to the Magistrates Court, which has an indicative estimate of five dwellings;
 - mixed-use allocation C_97 relates to the Memorial Hospital (also known as the Sheep Street car park), which has an indicative estimate of nine dwellings;
 - mixed-use allocation CIR_13B relates to Sheep Street Island (also known as the Old Station car park), which extends to 0.96 hectares;
 - mixed-use allocation CIR_E10 relates to the Forum car park, which extends to 0.54 hectares and should be the subject of retail-led development;
 - mixed-use allocation CIR_E16A relates to the Brewery car park, which extends to 1.08 hectares and should be the subject of retail-led development; and
 - car parking allocation CIR_E14 relates to Waterloo car park, which extends to 0.67 hectares and is to be redeveloped as decked parking.
- 2.25 The purpose of this Feasibility Study is to identify the likely future composition and use of Cirencester town centre in order to help determine the Council's future strategy in respect of these town centre sites.
- 2.26 In this regard, we firstly recognise that all of the above sites remain available for redevelopment, subject to their car parking capacity being surplus to requirements.

- 2.27 The Memorial Hospital site is the subject of a planning permission⁵ that provides for the demolition of the hospital and the creation of additional car parking and landscaping (for a temporary ten-year period), which was completed in 2020.
- 2.28 The northern part of the Brewery Car Park has extant planning permission for a mixed-use development comprising a four-screen cinema, student accommodation, restaurants and cafes, shops and refurbished public realm, including the provision of a new substation and new public toilets⁶. This has been partially implemented by the demolition of a building, although works have since halted.
- 2.29 The Waterloo car park was the subject of an EIA Scoping Request⁷ relating to the proposed deck parking development, with the Council's response confirming the matters that should be the focus of assessment. No planning application that provides for the site's redevelopment has been submitted to date and, as of a Cabinet decision in July 2021, the Council has decided to pause the decked car park planning application for up to 12 months to allow for a review of the parking demand in Cirencester to be undertaken⁸.
- 2.30 A plan confirming the location of each of the allocated car park sites is provided as Appendix 1. The four largest car parks within the town centre have a collective capacity of over 800 spaces, which comprises the following:
- Brewery Car Park – 295 spaces (including six disabled bays);
 - Forum Car Park – 187 spaces (including 12 disabled bays);
 - Sheep Street Island Car Park – 108 spaces (including six disabled bays); and
 - Waterloo Car Park – 236 spaces (including two disabled bays)⁹.
- 2.31 Whilst the car parks remain well used and retain an important role in supporting trips into the town centre, it will be important that their future is considered with reference to any forecast changes in travel habits and the need to reduce carbon emissions.
- 2.32 Local Plan Policy S1 also establishes that where development proposals are able to provide

⁵ Planning permission reference 18/04977/FUL, approved 28 June 2019.

⁶ Planning permission reference 14/01529/FUL, approved 5 July 2014.

⁷ Scoping Request reference 18/04754/SCOPE, which the Council responded to on 8 February 2019.

⁸ Cotswold District Council Cabinet Meeting on 5 July 2021: <https://meetings.cotswold.gov.uk/documents/s2424/Item%2007%20-20Review%20of%20options%20and%20need%20for%20additional%20parking%20provision%20Cirencester.pdf>.

⁹ Car park capacity derived from the Council's website: <https://www.cotswold.gov.uk/parking-travel-and-visitors/where-to-park/>.

appropriate contributions, these will be directed towards:

- improvements to central area parking;
- provision of additional play space and facilities for children and young people;
- improvements to the functionality, amenity, safety, biodiversity, environment and attractiveness of City Bank;
- restoration and upgrading of open air swimming pool; and
- improving pedestrian/cycle linkages between Chesterton, the Amphitheatre and the town centre.

2.33 Policy S2 'Strategic Site South of Chesterton, Cirencester' provides for a mixed-use allocation for up to 2,350 dwellings, incorporating affordable housing and approximately 9.1 hectares of B1, B2 and B8 employment land, as well as a new Neighbourhood Centre. This site now has outline planning permission¹⁰, with reserved matters for the first phase of development comprising 68 dwellings resolved to be approved by Members at the October 2021 Planning and Licencing Committee¹¹.

2.34 Policy S3 'Cirencester Central Area' sets out that development within the town's Central Area will be permitted where it is consistent with the 'Cirencester Central Area Strategy'. The Strategy sets out principles relating to the town's historic environment, transport, parking and access, redevelopment opportunities, vitality and viability, and the aspiration to enhance environmental quality.

Emerging Development Plan

2.35 In June 2020, the Council decided to undertake a partial update to their Local Plan, focusing solely on issues that require modification within the plan period (to 2031). In May 2021, the Council adopted a Local Development Scheme (LDS), which anticipates initial consultation in Quarter 4 of 2021, publication of a Pre-Submission Draft Local Plan in Quarter 4 of 2022, and adoption of the Partial Update Local Plan in Quarter 3 of 2023.

2.36 The LDS also indicates that the Council is also to prepare a Cirencester Town Centre Masterplan SPD. This document will supplement the Local Plan 2031 and provide additional detail on the Cirencester Town and Cirencester Central Area policies. Adoption of the new SPD is anticipated in Quarter 3 of 2023.

2.37 In addition to the above, in October 2018 the Cirencester Neighbourhood Area was designated in order to allow the progression of a Neighbourhood Plan. The Neighbourhood Plan Steering Group

¹⁰ Planning permission reference 16/00054/OUT.

¹¹ Planning application reference 20/04343/REM.

currently anticipate that the first full draft of the Plan will be the subject of consultation in spring 2022.

Cotswold Retail Study Update 2016

2.38 Section 8 of the 2016 Cotswold Retail Study Update provides a summary of the Study’s key findings. In respect of convenience goods floorspace, paragraph 8.4 of the Study reported that:

‘The highest levels of capacity at 2031 are in Cirencester and Stow-on-the-Wold, at circa 400 sq.m net.’

2.39 As a result of this capacity, the Study recommended that additional convenience goods floorspace in Cirencester be delivered in two locations; in the Chesterton urban extension and in Cirencester town centre. The Study identified that any further retail development of this nature in Cirencester town centre should be focused around the Brewery car park and Forum car park (and the area surrounding these sites). However, the Study noted that any redevelopment potential of the two sites was dependent on the Council addressing wider concerns about the capacity and demand for car parking within the wider town centre. Table 2.1 sets out the convenience goods floorspace requirement identified by the 2016 Retail Study Update¹² across the period to 2031.

Table 2.1 Quantitative Need for Convenience Goods Floorspace in Cirencester as Identified by 2016 Retail Study Update

	2016 (sq.m)	2021 (sq.m)	2026 (sq.m)	2031 (sq.m)
Constant Market Share Scenario	-453	-91	247	603
Reduced Market Share Scenario	-453	-309	20	368

Source: Tables 10a1 and 10a2 at Appendix B of 2016 Retail Study

2.40 In respect of comparison goods floorspace, paragraph 8.6 of the Study finds that there:

‘...remains a quantitative and qualitative case to plan for new floorspace in Cirencester over the Local Plan period. The level of floorspace need has reduced since the previous study due to the grant of planning permission for the Cirencester Retail Park development.’

2.41 Cirencester was the sole settlement within the authority area for which any quantitative need for additional comparison goods floorspace need was identified. Table 2.2 summarises the Retail Study Update’s findings and demonstrates a comparison goods retail requirement equating to in excess of

¹² The negative requirements identified within Table 2.1 arise as a consequence of the benchmark turnover of existing and proposed convenience goods provision being greater than available expenditure (i.e. existing and committed floorspace is trading below expectations).

5,210 sq.m of net sales floorspace at 2031. Clearly, the retail landscape has changed significantly since the Study reported¹³.

Table 2.2 Quantitative Need for Comparison Goods Floorspace in Cirencester as Identified by 2016 Retail Study Update

	2016 (sq.m)	2021 (sq.m)	2026 (sq.m)	2031 (sq.m)
Scenario A – Equilibrium Approach	-128	1,592	3,321	5,210
Scenario B – Link to 2012 Retail Study	-3,200	-1,480	249	2,138

Source: Tables 11a1 and 11a2 at Appendix B of 2016 Retail Study

2.42 The Study also included a healthcheck assessment of Cirencester town centre. The town centre was found to be healthy, with a low vacancy rate and a wide range of shops and services. Cirencester has a fairly extensive catchment area, drawing from the southern and central parts of the authority area. This is reflected in relatively strong comparison goods market shares, and a convenience goods provision, which although lower than the national average figure at the time, supported both main and top-up food shopping trips. The Study also identified that Cirencester was the best-placed town centre in the authority area to attract both independent and national multiple retailers, and on this basis was recommended to be the focus for additional retail floorspace across the plan period.

Cirencester Town Centre Healthcheck 2018

2.43 A healthcheck assessment of Cirencester was undertaken in November 2018, in order to assess the vitality and viability of the town centre. The healthcheck found that Cirencester was in good health, and confirmed that the town centre benefits from a wide retail catchment area, which allows it to compete with larger centres in the sub-region.

2.44 The 2018 survey identified that there were 349 commercial units within Cirencester town centre, which collectively provided 51,185 sq.m of floorspace. The survey found that the town centre accommodates a diverse range of comparison goods operators, but supports a more limited range of leisure service operators. These operators occupied 15% of all commercial units within the town centre, which is significantly lower than the national average figure. This is rather unusual for a tourism-orientated destination. A vacancy rate of 8% was evident at 2018 (in respect of the proportion of commercial units vacant), which represented an increase from the 5% vacancy rate recorded at 2012. However, a proportion of this increase was attributed to the managed closure of

¹³ Due to a range of economic factors, including Brexit, Covid-19 and a continued increase in the proportion of retail purchases undertaken online.

- retail units around the Brewery car park to make way for a mixed-use development that had planning permission.
- 2.45 Cirencester was found to have reasonably high levels of activity and accessibility, with a low perception in respect of the risk of crime and a good overall standard in respect of environmental quality. This is attributable to the quality of the centre's architecture and its historic appearance.
- 2.46 A business survey undertaken as part of the Town Centre Healthcheck found that 72% of retailers had reported decreasing or static turnovers. Whilst the vast majority of respondents described the centre's independent offer as being at least 'fairly good', there were more mixed views regarding the range of shops. Accessibility by car and parking was considered to be fairly poor, whereas accessibility by bicycle, on foot, cleanliness, safety and appearance/character were rated more positively.
- 2.47 The healthcheck concluded by making a number of recommendations in order to improve and build upon the strengths of the town centre.
- 2.48 These included, *inter alia*, the need to: understand the competition from comparator centres and gaps in provision; improve the town's leisure offer; grow the brand and quality of Cirencester as a destination; and, ensure that the Town Centre SPD is adaptive to the changing needs of Cirencester.

Supporting the Regeneration of the High Street

- 2.49 We provide a brief summary of some of the key studies published in recent years that have sought to critically review and appraise the future role and function of town centres. These studies provide advice and guidance as to how town centres can evolve, diversify and respond to recent market trends.

Grimsey Review 1 and 2

- 2.50 The initial Grimsey Review was published in September 2013 and made a total of 31 recommendations. These included encouraging more people to live in town centres, appointing a High Street Minister, and freezing car-parking charges for a 12-month period.
- 2.51 The second Grimsey Review was published in July 2018, in the context of the collapse of a substantial number of retail and leisure operators. Grimsey set out that town centres should stop seeking to compete with out-of-centre retail destinations, and should innovate and create their own appeal and selling points. Accordingly, whilst recognising that no two centres are the same, the Review set out 25 recommendations to address the challenges facing town centres. These included replacement of

business rates, creation of a digital commission to facilitate and develop the digital transformation, free short-term car parking, improved areas of public realm and appointment of designers to help brand town centres.

The High Street Report

- 2.52 The High Street Report comprises the findings of a panel chaired by Sir John Timpson, which sought to investigate the issues facing high streets and town centres, and then to advise on the most suitable measures and interventions to address these issues. The High Street Report was published in December 2018.
- 2.53 The report made recommendations covering three main areas: the High Streets Task Force; the Future High Streets Fund; and, a number of short-term measures to improve the vitality and competitiveness of centres. The Task Force is now operational and is intended to provide a strong voice for town centres, and act as an advocate for best practice and innovative ideas to improve the high street. The Future High Streets Fund provides funding to support town centres with a clear, viable vision for their high streets. The short-term recommendations include: improving the appearance of the high streets through a 'National High Street Perfect Day', creative thinking to repurpose vacant units, and, consideration of measures to ensure parking restrictions do not prohibit the use of centres.

High Street 2030: Achieving Change

- 2.54 The Institute of Place Management published the High Street 2030: Achieving Change report in December 2018. The report seeks to diagnose disparities between town centres, and to better understand why some thrive and others struggle. The report focuses on six high streets in order to identify overarching principles that can be applied to most town centres and high streets. These principles include: the need for leadership and partnership; the need to draw from local and expert knowledge; the value of seamless communication and idea sharing; utilising the views of young people; and, the need for a centre to be served by a 'place professional'.

The Digital High Street

- 2.55 Established as a result of the findings of the Future High Streets Forum, the Digital High Street 2020 Report was published in March 2015. It addresses how digital technologies can impact upon the future success of the high street. The report sets out four principal recommendations, including: raising connectivity standards; ensuring a wider distribution of basic digital skills; centralising digital technologies, applications, tools, methods and training programmes in order to provide an accessible

platform; and, adopting a 'digital health index' to appraise the competitiveness of high streets in respect of the economic value of digital developments.

Planning Policy and Study Context: Key Messages

- 2.56 The key message from our literature review relates to the changing role of town centres, and the fact that adaption and diversification is key to ensuring vital and viable centres.
- 2.57 This is exemplified by the NPPF and the Government's adoption of Use Class E, both of which recognise that town centres are evolving over a relatively short time-frame and that it is appropriate to support a greater variety of uses in order to provide for their ongoing viability. Notwithstanding this, the amendment to the GPDO in March 2021 – which provides for the change of use of Class E premises to residential from August 2021 – does represent a potential challenge to the health of centres. This risk will be greater in attractive centres that benefit from strong residential land values (such as Cirencester). The objective will be to support diverse centres without significantly diluting their overall commercial offer.
- 2.58 Such aspirations are consistent with the adopted Cotswold District Local Plan which identifies a number of opportunity sites in order to make better use of the town centre and the surrounding area, and introduce additional uses which will wider the centre's offer. We note the potential of these sites and the ability to support additional housing as well as main town centre uses. The future redevelopment of these sites remains consistent with Government policy in terms of making the best use of land and in encouraging sustainable forms of travel.
- 2.59 We recognise the flexibility provided by Use Class E and the removal of the national policy requirement to impose prescriptive primary and secondary frontage policies within town centres. The relaxation of planning policy requirements means that the commercial market will likely have a greater influence on the composition of centres. This presumption is accounted for in the retail and service sector need assessments provided at Section 6 and 7 of this report.
- 2.60 The overarching need to diversity the high street offer is broadly consistent with the findings of the Council's previous town centre evidence base documents. The Cotswold Retail Study Update 2016 identified a very limited need for additional convenience goods floorspace in the area, and a comparison goods requirement for Cirencester that is also relatively modest. As such, it was evident at the time of the Retail Study Update that the future vitality of Cirencester town centre is in part dependent on a more holistic offer, including more extensive leisure service provision.

2.61 The potential for an improved leisure offer is also identified by the Cirencester Town Centre Healthcheck, which reported in November 2018. The healthcheck identified that the leisure service provision in Cirencester occupies a relatively limited proportion of the total commercial stock, which is particularly surprising given the attractive setting and tourism role of the Cotswolds. It is clear that the policy context is now particularly favourable in respect of further developing the centre's leisure offer.

3 Role and Function of Cirencester Town Centre

Introduction

3.1 Paragraph 006 of the Town Centres PPG identifies a range of indicators to be assessed over time in order to establish the health of town centres. The indicators include, *inter alia*, the following characteristics:

- diversity of uses;
- proportion of vacant street level property;
- retailer representation and intentions to change representation;
- pedestrian flows;
- accessibility;
- perception of safety and occurrence of crime;
- the state of town centre environmental quality;
- the balance between independent and national multiple retailers; and
- the extent to which there is an evening and night time economy.

3.2 We are aware that Cirencester Town Council is in the process of undertaking a town centre healthcheck that will provide a detailed assessment of the performance of the centre in respect of the above indicators. Our own research in understanding the current role and function of Cirencester town centre is designed to complement the Town Council's healthcheck, and not replicate work being undertaken as part of a parallel process. As such, our consideration of the town centre focuses on the current composition and use of the centre in order to establish the baseline position to support an assessment of how the centre may operate in the future. In this context, the criteria highlighted above of greatest relevance to our work includes: the diversity of uses, the level of vacancies, intentions to change representation¹⁴, the balance between independents and national multiples, and the extent of the evening economy.

Current Land Use

3.3 Nexus Planning carried out a land use survey of Cirencester town centre on 2 July 2021 in order to identify the current composition of units in the town centre. At the time of our survey, the country was operating under 'Step 3' of the Government's roadmap out of lockdown. At Step 3, the large

¹⁴ This is principally addressed through analysis of the business survey that follows at Section 4 of this report.

majority of substantive trading restrictions had been lifted¹⁵ and the centre was therefore 'open for business'. Notwithstanding this, the assessment should be read as a 'snapshot' of the performance of the town centre at a moment in time. The assessment utilises the town centre boundary as defined by Experian Goad and provides an update of its data. The use of the Experian Goad boundary and methodology allows for the comparison of Cirencester town centre data with national average figures and with the data available for comparator centres.

3.4 Table 3.1 below provides a summary of the land use composition of the town centre as identified through Nexus Planning's July 2021 survey. We provide an Experian Goad plan to illustrate the distribution of these uses across Cirencester town centre as Appendix 2.

Table 3.1: Composition of Cirencester Town Centre

Sector	Floorspace (sq.m)	Proportion of Floorspace (%)	National Average Floorspace (sq.m)	Number of Units	Proportion of Units (%)	National Average Proportion of Units (%)
Comparison	19,510	38.2%	31.4%	138	41.1%	27.4%
Convenience	4,030	7.9%	15.4%	20	6.0%	9.1%
Financial	5,270	10.3%	7.0%	35	10.4%	9.2%
Leisure	10,700	21.0%	25.7%	51	15.2%	24.5%
Retail	5,080	10.0%	7.2%	55	16.4%	15.6%
Vacant	6,420	12.6%	12.8%	37	11.0%	13.9%
Total	51,010	100.0%	100.0%	336	100.0%	100.0%

Source: Nexus Planning land use survey of July 2021; national average figures derived from July 2021 Experian Goad Category Report

3.5 The land use data for Cirencester town centre indicates that the town centre's composition is very broadly comparable to the national average position. Comparison goods retail remains the most dominant single use in the centre, followed then by leisure services. These uses are augmented by Cirencester's retail and financial services offer, and by its convenience goods retail offer. The fact that the convenience goods offer is below national average level is not surprising given the wider role of Cirencester, and the propensity for some grocery shopping to be undertaken close to home in local and district centres.

3.6 Our survey identified that the proportion of floorspace vacant in Cirencester is very similar to the national average level. However, the centre's performance is stronger in terms of the proportion of units that are currently vacant, which is appreciably less than the national average figure. We also

¹⁵ The principal exceptions to this were nightclubs and some sporting venues that remained closed until the Government enacted 'Stage 4' of the roadmap on 19 July 2021.

note that the proportion of units that are vacant at July 2021 (equating to 11.0% of overall units) represents an increase on the position apparent at 2018 (8% of units) and at 2012 (5% of units). It remains to be seen whether the vacancy rate may now reduce if prospective operators gain confidence that Covid-19's impact is diminishing. However, at the time of reporting, there is a notable concentration of vacant units around Cricklade Street, which is largely due to the loss of several national multiples, including New Look and Burton/Dorothy Perkins.

3.7 Table 3.2 below provides a breakdown of convenience goods operators in Cirencester town centre. Although the proportion of floorspace and units in convenience goods use is lower than the respective national average figure, the centre still accommodates a diverse range of convenience goods operators, including bakers and confectioners, grocers and delicatessens, and supermarkets. Overall, the range of convenience retailers is considered commensurate to Cirencester's role and we do not believe there to be any fundamental omissions in respect of serving the day-to-day needs of the community.

Table 3.2: Breakdown of Convenience Operators by Goad Category

Operator	Floorspace	Units
Bakers & Confectioners	220	4
Grocers & Delicatessens	240	3
Supermarkets	2,600	3
Butchers	210	2
Confectionery, Tobacco & News	180	2
Health Foods	250	2
Off Licences	70	2
Convenience Stores	200	1
Shoe Repairs & Key Cutting	60	1
Total	4,030	20

Source: Nexus Planning land use survey of July 2021

3.8 In addition to the convenience operators with a presence in Cirencester town centre, there are a range of retailers, such as Tesco Extra, Aldi, Lidl and Waitrose, which are located outside of the town centre alongside Home Bargains which has a substantial food sales offer.

3.9 Comparison goods retail uses account for 38.2% of the total stock of retail floorspace and 41.1% of all such units. These figures are higher than the respective national average figures, and demonstrate the ongoing importance of the comparison goods sector to a centre of Cirencester's size. Comparison goods units are largely located along Cricklade Street and on the southern side of Market Street.

Table 3.3 below provides a breakdown of identified comparison goods operators by Experian Goad sub-category.

Table 3.3: Breakdown of Comparison Good Operators by Experian Goad Sub-Category

Operator	Floorspace (sq.m)	Units
Antique Shops	440	2
Art & Art Dealers	430	5
Booksellers	650	3
Carpets & Flooring	320	3
Catalogue Showrooms	390	1
Charity Shops	1,570	15
Chemist & Drugstores	710	2
Childrens & Infants Wear	110	1
Clothing General	1,950	12
Crafts, Gifts, China & Glass	880	11
DIY & Home Improvement	1,340	6
Electrical & Other Durable Goods	180	2
Florists	120	1
Footwear	520	5
Furniture Fitted	140	2
Furniture General	380	2
Greeting Cards	100	1
Hardware & Household Goods	2,730	4
Jewellery, Watches & Silver	740	11
Ladies & Mens Wear & Accessories.	860	8
Ladies Wear & Accessories	910	9
Leather & Travel Goods	150	2
Mens Wear & Accessories	640	3
Newsagents & Stationers	660	2
Other Comparison Goods	610	5
Other Retail Outlets	70	1
Photographic & Optical	100	2
Secondhand Goods, Books, Etc.	210	2
Sports, Camping & Leisure Goods	100	2
Telephones & Accessories	470	6
Textiles & Soft Furnishings	220	3
Toiletries, Cosmetics & Beauty Products	740	3
Toys, Games & Hobbies	70	1
Total	19,510	138

Source: Nexus Planning land use survey of July 2021

3.10 As identified by Table 3.3, comparison goods operators are anchored by a diverse range of 'Clothing', 'Charity Shop', 'DIY & Home Improvement', 'Hardware & Household Goods' and 'Jewellery, Watches & Silver' retailers. These uses are supplemented by a number of more specialist uses, including 'Antique Shops', 'Art Dealers' and 'Fitted Furniture' operators, all of which are more likely to draw from a wider catchment. Indeed, due to the nature of the Study Area (which is dispersed across a

wide geographic area with competing destinations generally being located some distance away), Cirencester is able to draw trade from a relatively extensive comparison goods catchment area. The attractive nature of the centre and the relatively affluent catchment area also help to support retailers selling higher order decorative and household goods. These types of shop sell distinctive and often unusual items, and help to make Cirencester a pleasurable centre in which to browse and pass time.

- 3.11 The financial and retail service provision in the centre is above national average level (both in respect of the proportion of floorspace and the number of units dedicated to this use). This is consistent with Cirencester's role across the wider area, and the attractive environment it provides for retail service operators in particular. Conversely, we note that the town centre's leisure service provision compares less favourably in respect of the national average position.
- 3.12 Leisure services account for 10,700 sq.m of floorspace, or 21.0% of the total stock of retail floorspace (the national average figure is 25.7%). The same use accounts for 51 commercial units, equating to 15.2% of the total number of units. This is substantially lower than the national average figure of 24.5%.
- 3.13 Whilst leisure service uses have generally occupied an increasing proportion of town centres' commercial floorspace in recent years, we note that the position identified at July 2021 in terms of the proportion of units in Cirencester dedicated to this use is essentially the same as it was in November 2018. We are surprised that Cirencester does not support a more extensive leisure service sector, given the attractiveness of the centre and the pleasant environment in which local residents and visitors experience the leisure and hospitality sectors.
- 3.14 Table 3.4 below provides a breakdown of the identified leisure service operators by Experian Goad sub-category. These figures demonstrate that more than half of leisure service uses in the town centre are 'Cafés' and 'Restaurants', supplemented by a relatively limited number of 'Bar & Wine Bars' and 'Public Houses'. Just three hotel uses are located within the centre, which is lower than we would anticipate given the location of Cirencester, its historic nature, and the wider appeal of the Cotswolds.
- 3.15 We return to the matter of Cirencester's leisure sector offer below, when comparing its offer with that of three comparator centres (which have been selected on the basis that they share a broadly similar range of attributes and characteristics).

Table 3.4: Breakdown of Leisure Service Operators by Goad Category

Operator	Floorspace	Units
Bars & Wine Bars	710	4
Cafés	2,110	15
Casinos & Betting Offices	370	2
Clubs	600	2
Fast Food & Take Away	530	6
Hotels & Guest Houses	2,000	3
Public Houses	2,340	8
Restaurants	2,040	11
Total	10,700	51

Source: Nexus Planning land use survey of July 2021

3.16 In summary, the town centre provides for quite a diverse range of uses across the retail and service sectors, and is capable of both supporting day-to-day shopping needs and more specialist trips.

Comparator Centres

3.17 In order to understand whether the composition of units identified in Cirencester town centre is broadly typical for a centre of its nature, we have undertaken an analysis of the composition of three comparator centres. These centres have been identified in discussion with the Council and Town Council, and are centres which are in a broadly similar geographic area (e.g. Chippenham), of a similar nature (e.g. Evesham, a market town) or are located on the edge of a key tourist area (e.g. Kendal).

3.18 Table 3.4 below provides a breakdown of the composition of Cirencester town centre and the identified comparator centres.

3.19 By reviewing the composition of these centres it is possible to identify common features exhibited in Cirencester and these three towns, as well as identifying general gaps in the composition of Cirencester.

3.20 Table 3.5 demonstrates that, of the four centres, Cirencester has the highest proportion of comparison operators, and has a comparable proportion of units are in financial service and retail service use relative to the other three centres. The comparator data also demonstrates that the proportion of convenience goods floorspace in Cirencester is the lowest (in relative terms) of all three centres; the difference is less stark when one compares the proportion of units in comparison goods use across the four centres. This suggests that Cirencester’s convenience goods operators generally occupy a limited amount of floorspace and is reflective of the centre accommodating only a single

main food shopping destination¹⁶.

Table 3.5: Breakdown of Composition at Cirencester and Identified Comparator Centres

		Cirencester	Chippenham	Evesham	Kendal
Comparison	Floorspace	38.2%	37.5%	25.4%	37.4%
	Units	41.1%	27.8%	23.8%	32.6%
Convenience	Floorspace	7.9%	15.4%	10.6%	9.0%
	Units	6.0%	8.3%	7.8%	6.3%
Financial	Floorspace	10.3%	10.5%	9.2%	9.1%
	Units	10.4%	13.7%	9.9%	10.4%
Leisure	Floorspace	21.0%	18.6%	23.7%	23.5%
	Units	15.2%	21.3%	21.4%	20.8%
Retail	Floorspace	10.0%	8.7%	12.4%	9.0%
	Units	16.4%	17.0%	18.4%	14.3%
Vacant	Floorspace	12.6%	9.4%	18.7%	12.0%
	Units	11.0%	11.9%	18.7%	15.6%

Source: Figures for Cirencester taken from Nexus Planning land use survey of July 2021, and Experian Goad composition figures for Chippenham, Evesham and Kendal

3.21 Cirencester also has a significantly lower proportion of leisure service units than the three comparator centres; this use occupies 15.2% of Cirencester’s commercial stock, compared to 21.4% of Evesham’s. However, the proportion of commercial floorspace dedicated to leisure service use in Cirencester is actually greater than it is in Chippenham. Notwithstanding this, taken as a whole, we believe it to be clear that Cirencester’s leisure offer is generally less extensive than one might expect to find in this location. We therefore believe that there may be potential for the leisure service market to expand further in the future.

3.22 As Table 3.5 demonstrates, the vacancy rate recorded at Cirencester in respect of the proportion of vacant units is the lowest of all four centres. Conversely, the vacancy rate at Cirencester in respect of floorspace is marginally higher than at Chippenham and Kendal, and, as such, is the second highest rate. However, it should again be noted that the vacancy rate recorded at Cirencester is lower than the national average in respect of both floorspace and units.

Multiple and Independents Offer

3.23 Experian Goad defines ‘multiple’ stores as those that are part of a network of nine or more outlets, whether part of a national or regional chain. Whilst the presence of multiple outlets within a centre can help to enhance the appeal of a centre to consumers, a variety of independents can help to

¹⁶ This being the mid-format Tesco Metro store at Farrell Close.

differentiate the offer and appearance of a centre. As such, centres should aim for a mix of multiple and independents, with the former providing a more comprehensive product mix of retailers in order to improve the consumer appeal of a centre and the latter to underpin the centre as a unique destination for retail and services.

3.24 Using this definition, our healthcheck has identified 209 independent and 90 multiple operators within Cirencester town centre. Table 3.6 below identifies that independent operators account for 51.9% of the total stock of retail floorspace in the town centre, but account for a greater proportion of retail units at 62.2%. Conversely, multiple operators account for 35.5% of the total stock of retail floorspace and 26.8% of all units in the town centre.

Table 3.6: Multiple and Independent Composition of Cirencester Town Centre

Operator	Floorspace (sq.m)	Proportion of Floorspace (%)	Units	Proportion of Units (%)
Independent	26,470	51.9	209	62.2
Multiple	18,120	35.5	90	26.8
Vacant	13,910	12.6	37	11.0
Total	51,010	100.0	336	100.0

Source: Nexus Planning Survey of July 2021

3.25 This disparity can be attributed to a smaller number of multiple operators trading from units with a limited floorplate; these operators generally offer a wider product range or have more specific floorspace requirements that can only be met at larger, purpose-built retail units. Indeed, this disparity is more apparent when vacant units are discarded from the figures. When vacant units are excluded, independent operators account for 59.4% of the total stock of retail floorspace and 69.9% of units.

3.26 The difference in floorspace between multiple and independent operators is further evidenced by the fact that the mean floorspace for independent units is 127 sq.m and for multiple operators is 201 sq.m.

Role of Cirencester Town Centre: Key Messages

3.27 It is evident that, notwithstanding the Covid-19 pandemic, Cirencester remains a vital, viable and distinct town centre that supports a range of uses. It retains a strong comparison goods function, with a particular notable independents offer. This is supplemented by the Monday and Friday Charter Markets and the Farmers’ Market which is held twice each month. There are also a number of speciality markets and fairs that take place in the Corn Hall.

- 3.28 Cirencester's comparison goods market is characterised by a relatively higher-end offer, which incorporates fashion boutiques, jewellery and decorative goods retailers, and antiques and art dealers. As such, Cirencester is clearly a place for local and visitors to browse and to enjoy the attractive environment.
- 3.29 In this context, we would expect Cirencester to support a stronger leisure service sector. Whilst we believe there to be a satisfactory range of cafés and restaurants, there are relatively few licensed premises and hotels. Our survey of the centre recorded just four bars and three hotels/guest houses. The leisure service sector generally appears to compare unfavourably with that available at comparator centres, including Evesham and Kendal. The relative lack of bars may be linked to the modest hotel offer within the centre and the lack of a cinema in the town. We understand from press reports¹⁷ that the second of these two matters may be addressed through the conversion of facilities at the BARN Theatre to provide a 200-seat cinema screen.
- 3.30 Whilst the current vacancy rate of 11.0% (in respect of the proportion of units vacant) has increased over recent years, it is still below national average level. However, we note that the vacancy rate equated to 8% of units at 2018 and to 5% of units at 2012.
- 3.31 Given that the current vacancy rate may have been impacted by the Covid-19 pandemic and noting the general attractiveness of Cirencester and its distinct offer, we believe that there is potential for the rate to be reduced going forward. This should be a key objective in considering the future composition of Cirencester town centre.

¹⁷ Article headline 'Cirencester is finally getting its own cinema', Gloucestershire Live, 16 July 2020.

4 In-Centre and Business Survey Research

In-Centre Surveys

Introduction

- 4.1 In-centre surveys were undertaken in Cirencester Town Centre by NEMS in May 2021 in order to understand how the town centre is used and identify those aspects of the centre that may benefit from improvement and change. The surveys were commissioned by Cirencester Town Council to inform its healthcheck assessment of the town centre. We refer to the findings below in order to provide further context in respect of how the town centre is used and how it may evolve in the future to meet users' needs.
- 4.2 In total, 200 surveys were carried out in the town centre. The surveys were undertaken at different times and on different days to try to ensure interactions with a variety of users. The surveys were also undertaken at various locations to ensure that the sample was reflective of the range of visitors attracted to the centre.
- 4.3 The full-tabulated in-street survey results are provided at Appendix 3. We provide a summary of the key findings of the survey below, focusing on customer satisfaction ratings, customer behaviour, and areas for improvement.

Survey Results

Means of Travel

- 4.4 When respondents were asked how they travelled to the town centre on the day of the survey, 69.0% stated that they travelled by car or van as a passenger or driver. A further 22.0% indicated that they had walked to the centre, and 6.0% indicated that they travelled by bus. Only 2.5% of respondents travelled by bicycle. Clearly, the large majority of users are currently reliant on the motor car to travel to the Cirencester town centre.

Table 4.1: How Respondent Travelled to the Town Centre

Question	1st	2nd	3rd	4th	5th
How did you travel to Cirencester town centre today?	Car/van (as driver) (49.5%)	Walk (22.0%)	Car/van (as passenger) (19.5%)	Bus, minibus or coach (6.0%)	Bicycle (2.5%)

Source: Question 1 of the 2021 In-Centre Survey

- 4.5 Of respondents travelling by car, 21.0% stated that they parked on the street, whilst 15.9% parked at the Brewery car park and 13.8% at the Forum car park (these two car parks therefore collectively

facilitated 29.7% of journeys by car). A further 7.2% of respondents reported that they were ‘dropped off’ in the town centre. Just 2.2% of respondents reported that they parked at the Waterloo car park.

Table 4.2: Where Respondents Parked

Question	1st	2nd	3rd	4th	5th
Where did you park today?	On street (21.0%)	Brewery car park (15.9%)	Don't know/can't remember (14.5%)	Forum car park (13.8%)	Dropped off (7.2%)

Source: Question 2 of the 2021 In-Centre Survey

- 4.6 Of respondents who parked in the town centre, 9.0% reported having difficulty in obtaining a car parking space on the day of their visit.

Purpose of Visit

- 4.7 Respondents were asked about the nature of their visit to the town centre. In total, 71.5% of respondents stated that they were visitors to the town centre and 24.5% indicated that they live in the centre. A further 7.0% stated that they work in the town centre.
- 4.8 In addition, respondents were asked to identify the main reason why they visit the town centre. The highest proportion of respondents (36.5%) stated that they chose to visit the town centre as it was close to home, with 15.5% of respondents meeting friends, 14.0% choosing to visit as the centre is close to friends and family, and a further 14% visiting because it is close to work.

Table 4.3: Reason for Shopping/Visiting Cirencester Town Centre

Question	1st	2nd	3rd	4th	5th
Why do you choose to shop in/visit Cirencester Town Centre?	Close to home (36.5%)	To meet friends (15.5%)	Close to friends/family <i>and</i> Close to work (each 14.0%)	-	Just for a change (13.5%)

Source: Question 7 of the 2021 In-Centre Survey

- 4.9 Respondents were also asked the main purpose for their visit and what else, if anything, they would be doing on the day of their visit. More than one in five respondents (21.5%) stated that their main purpose of their visit was to browse the shops, with 19.5% stating that visiting a café, restaurant or pub was the principal reason they were in the centre. A smaller proportion of respondents – equating to 5.0% of respondents – reported that that the primary purpose of their visit was to undertake other social/leisure activities.
- 4.10 In terms of secondary reasons to visit the centre, 31.0% of respondents stated that they were also visiting a pub, café or restaurant on the day of their visit. A quarter of respondents indicated that

they would not be doing anything else on the day of their visit (i.e. they were visiting the centre for a single purpose).

Table 4.4: Purpose of Visit to Centre

Question	1st	2nd	3rd	4th	5th
What is the main reason why you are in Cirencester Town Centre today?	Browsing (21.5%)	Café/ restaurant/pub (19.5%)	Bank/building society/post Office (14.0%)	Work/school/ college (12.0%)	Social/leisure activities (5.0%)
What else do you intend to do whilst in Cirencester Town Centre today?	Café/ restaurant/pub (31.0%)	No reason/no other reason (25.0%)	Browsing (11.5%)	Tesco Metro (9.0%)	Bank/building society/Post Office (5.5%)

Source: Questions 8 and 9 of the 2021 In-Centre Survey

Length of Stay in the Town Centre

4.11 When asked how long they anticipated spending in the town centre on the day of their visit, 36.0% of respondents stated that their stay would last between one and two hours, and 33.5% stated that they would be in the centre between two and four hours. Just 9.5% of respondents stated that they would be spending less than 30 minutes in the centre.

4.12 The mean length of respondents' visits to Cirencester town centre is approximately two hours.

Table 4.5: Length of Stay in the Town Centre

Question	1st	2nd	3rd	4th	5th
How long do you think you will stay in Cirencester Town Centre today?	Half the day (between 2 and 4 hours) (35.5%)	1hr 30 mins to 1hr 59 mins (19.5%)	1hr to 1hr 29 mins (16.5%)	30 to 59 mins (11.5%)	Less than 30 mins (9.5%)

Source: Question 10 of the 2021 In-Centre Survey

Undertaking Main Food and Grocery Shopping

4.13 In terms of Cirencester's convenience goods shopping function, 11.0% of respondents indicated that they intended to undertake a main food shop whilst visiting the town centre on the day of the survey.

Frequency of Visit to the Town Centre

4.14 Respondents were asked how often they visited the town centre and how this compares to their use of the centre prior to the March 2020 lockdown. In terms of general frequency of visit, 30.5% of those surveyed stated that they visit two to three times per week, with 12.0% of respondents visiting the town centre every day. In total, more than half of respondents (51.0%) visit the centre once a week or more.

4.15 When comparing the frequency of their visits with the situation prior to lockdown in March 2020, a total of 44.0% of respondents stated that they visit the town centre about as frequently now as they

did previously. However, 26.5% of respondents stated that they now visit the town centre for retail purposes less frequently. As might be expected given recent restrictions and precautions, only 3.5% of respondents stated that they visited the town centre more frequently than before. It should be noted that the survey was undertaken in May of this year, and that the responses to this question may change as visitors gain greater confidence in public settings.

Table 4.6: Frequency of Visit to Town Centre for General Purposes

Question	1st	2nd	3rd	4th	5th
How often do you visit Cirencester Town Centre generally?	2 to 3 times a week (30.5%)	Less than once a month (16.0%)	Every day (12.0%)	Don't know/varies (11.5%)	Once a week (8.5%)
Which of these statements best describes how frequently you visit Cirencester town centre, compared to before lockdown in March 2020?	About as frequently (44.0%)	Less frequently than before (26.5%)	Don't know/can't remember (14.5%)	This is my first visit (7.0%)	More frequently than before (3.5%)

Source: Questions 17 and 18 of the 2021 In-Centre Survey

Frequency of Visit to Cirencester in the Evening

4.16 Respondents were asked how often they visited the town centre in the evening for any purpose. In total, 41.0% of respondents answered that they never visited the town centre in the evening, with 28.0% stating that they visited the town centre less than once a month. In total, 9.0% of respondents indicated that they visit the town centre once a week or more (6.0% stated that they visit weekly and 3.0% visit two to three times per week). The results are generally consistent with our findings in respect of the composition of the town centre, and its relatively low number of bars and hotels (in addition to the current absence of a cinema in the centre).

Table 4.7: Frequency of Visit to Centre in the Evening

Question	1st	2nd	3rd	4th	5th
How often do you visit Cirencester Town Centre in the evening?	Never (41.0%)	Less than once a month (28.0%)	Don't know/varies (10.0%)	Once a week (6.0%)	Once a month (5.5%)

Source: Question 22 of the 2021 In-Centre Survey

Main Reason for Visiting the Town Centre in the Evening

4.17 Those who visited the town centre in the evening were also asked what the main reasons for their visit is. The most popular answer provided was to eat out, which was identified by 70.3% of respondents. A total of 19.8% of respondents suggested that the principal reason for their visits in the evening is to visit a bar or pub. Smaller numbers of respondents stated that they visit the town centre to pick up a takeaway (4.4%) or to go to a concert or gig (2.2%).

- 4.18 Respondents were also asked whether there tended to be a secondary reason to visit the centre in the evening. The most frequently provided response was to visit a bar or pub, with this being mentioned by 44.0% of respondents. A total of 20.9% of respondents stated that they also intended to eat out, with 18.7% stating that there was no secondary purpose to their visit.
- 4.19 In both cases, relatively small numbers responded that they would be undertaking evening non-food shopping, with 1.1% of respondents identifying this as the main reason for their visit and 7.7% providing this response as the secondary reason for their visit. Once more, the responses are consistent with the relatively limited evening offer in the centre.

Table 4.8: Reasons for Visiting Centre in the Evening

Question	1st	2nd	3rd	4th	5th
What is the main reason you visit Cirencester Town Centre in the evening?	Eat out (70.3%)	Visit a bar/pub for a drink (19.8%)	Pick up a takeaway (4.4%)	Go to a concert/gig (2.2%)	Evening non-food shopping <i>and</i> Go to the gym <i>and</i> Use a cashpoint (each 1.1%)
What else do you tend to do whilst visiting Cirencester Town Centre in the evening?	Visit a bar/pub for a drink (44.0%)	Eat out (20.9%)	No reason/no other reason (18.7%)	Evening non-food shopping (7.7%)	Pick up a takeaway (6.6%)

Source: Question 23 and 24 of the 2021 In-Centre Survey

Length Spent in the Town Centre in the Evening

- 4.20 In terms of the duration of evening visits, the large majority of respondents (63.7%) stated that they would be spending between two or three hours in the centre. Only 14.3% indicated that they expected to be staying in the town centre for between three and four hours, and no respondents expected to be in the centre for more than four hours on an evening. Only a very limited proportion of respondents (8.8%) expected to stay for less than an hour.
- 4.21 The mean length of stay during the evening/night given by respondents is a little over two hours (approximately 140 minutes). This is again considered consistent with evening visitors having a meal in the centre and returning home, rather than 'making a night of it'.

Table 4.9: Length of Stay during the Evening/Night

Question	1st	2nd	3rd	4th	5th
How long do you typically spend in Cirencester Town Centre during the evening/night?	Between 2 and 3 hours (63.7%)	Between 3 and 4 hours (14.3%)	Between 1 and 2 hours (13.2%)	Less than 1 hour (8.8%)	-

Source: Question 25 of the 2021 In-Centre Survey

Improvements to Shops and Services in the Town Centre

4.22 Respondents were asked what type of shops or service that they would like to see more of in the town centre, and were able to provide multiple responses to the question. Popular suggested improvements include attracting more clothing stores (identified by 30.0% of respondents), more High Street multiples (16.5%), and more independent/specialist shops (13.5%). However, 23.0% of those surveyed did not identify any need for improvement, and a further 16.5% suggested that they did not know how the centre’s shops and services could be improved.

Table 4.10: Demand for Additional Shops

Question	1st	2nd	3rd	4th	5th
What type of shops or services would you like to see more of in Cirencester Town Centre?	Clothing stores (30.0%)	None mentioned (23.0%)	High Street names <i>and</i> Don't know (each 16.5%)	-	Independent/specialist shops (13.5%)

Source: Question 29 of the 2021 In-Centre Survey

Improvements to Leisure Facilities in the Town Centre

4.23 The large majority of respondents (68.5% in total) failed to identify any required improvements to the town centre’s leisure offer. The most frequently identified additions to the centre’s leisure offer comprise a cinema (mentioned by 12.0% of respondents), music events (7.5%), and a children’s activity centre (6.0%).

Table 4.11: Demand for Additional Leisure Facilities

Question	1st	2nd	3rd	4th	5th
What type of leisure facilities would you like to see more of in Cirencester town centre?	None mentioned (44.0%)	Don't know (24.5%)	Cinema (12.0%)	Music events (7.5%)	Children's activity centre (6.0%)

Source: Question 30 of the 2021 In-Centre Survey

Attendance at Markets

4.24 The survey also asked respondents how often they visited different types of markets and events held in Cirencester town centre. The most frequently visited markets in the past six months were the Farmers Market and Corn Hall Market, which were both attended by 28.5% of respondents. The Friday Charter Market was attended in the last six months by 23.0% of respondents, followed then by the Monday Charter Market (18.5%), and the Arts & Crafts Market (13.5%).

Table 4.12: Attendance at Markets in the Past Month

Question	Monday Charter Market	Friday Charter Market	Farmers Market	Arts & Crafts Market	Corn Hall Market	Other market or event
Yes in the last 6 months	18.5%	23.0%	28.5%	13.5%	28.5%	3.5%
No, not in the last 6 months	41.5%	40.5%	39.0%	41.5%	37.0%	38.0%
Never	40.0%	36.5%	32.5%	45.0%	34.5%	58.5%

Source: Question 33 of the 2021 In-Centre Survey

Business Occupier Survey

Introduction

- 4.25 A business survey was sent out to 396 existing businesses within Cirencester town centre in order to understand how the town centre is used, and to identify the views of traders who operate from the centre on a daily basis.
- 4.26 This survey was also commissioned by Cirencester Town Council to inform the wider Cirencester town centre healthcheck work. The survey consultation period lasted from Monday 17 May 2021 to Monday 14 June 2021.
- 4.27 In total, 39 survey responses were received. The full-tabulated business occupier survey results are provided at Appendix 4. We set out an overview of the key findings of the survey below, focusing on future business intentions, as we believe that this is of greatest consequence in respect of land use and the future composition of the centre. The survey results should be viewed in the context of the relatively low response rate and the fact that those who are motivated to respond to such a survey may not necessarily have views that are representative of all traders. Accordingly, the results need to be viewed with some caution on this basis.

Survey Results

Size of Business Space

- 4.28 The majority of respondents (59.0%) indicated that the sales area and ancillary space of their unit comprises less than 1,000 sq.ft. In total, 38.5% of respondents stated that their business space accounted for between 500 sq.ft and 1,000 sq.ft of floorspace, with a further 20.5% identifying that the floorspace of their unit was under 500 sq.ft.
- 4.29 A total of 17.9% of respondents stated that their business space extended to more than 2,501 sq.ft of retail floorspace. The mean average size of unit of those that responded was 1,063 sq.ft.

Table 4.13: Respondents' Sales Area and Ancillary Space

Question	1st	2nd	3rd	4th	5th
Taking into account both sales area and ancillary space, which size band do you estimate your premises fall?	501 sq.ft to 1,000 sq.ft overall floor area (38.5%)	Up to 500 sq.ft overall floor area (20.5%)	Greater than 2,501 sq.ft overall floor area (17.9%)	1,001 sq.ft to 1,500 sq ft overall floor area (15.4%)	Not answered (5.1%)

Source: Question 2 of the 2021 Business Occupier Survey

Type of Business

- 4.30 A total of 66.7% of respondents stated that their business is either independent or comprises a sole trader (indicating that independent operators were more likely to respond to the survey than national multiple operators). A total of 30.8% of respondents indicated that they are part of a chain; this includes 12.7% operating as part of a local/regional chain, 10.3% as part of a national chain, and 7.7% as part of an international chain.

Table 4.14: Type of Business in Town Centre

Question	1st	2nd	3rd	4th	5th
Is your business a...	Independent/sole trader (66.7%)	Local/regional chain (12.8%)	National chain (10.3%)	International chain (7.7%)	Not answered (2.6%)

Source: Question 3 of the 2021 Business Occupier Survey

Business Sector

- 4.31 In respect of the type of business that responded to the survey, 51.3% of respondents are non-food retailers, 25.6% provide professional and financial services, and 7.7% provide personal care services. A further 5.1% of respondents indicated that they operate a food retail business, and a total of 7.8% of respondents operate either a restaurant, café or takeaway.

Table 4.15: Business Sectors in Town Centre

Question	1st	2nd	3rd	4th	5th
How would you describe your business?	Non-food retail (51.3%)	Professional/financial services (25.6%)	Personal care provider (7.7%)	Food retail (5.1%)	Restaurant and Café and Takeaway and Other (each 2.6%)

Source: Question 4 of the 2021 Business Occupier Survey

Range of Goods (for Non-Food Retailers)

- 4.32 Where respondents confirmed that they were a non-food retailer, they were asked to identify the primary range of goods sold. A total of 25.0% of respondents confirmed that their primary offer was focused around fashion goods, followed then by retailers selling cookware and various goods (each

of these categories secured 10% of responses). Additionally, 5.0% of respondents respectively indicated that their primary range of goods comprised: haircare and beauty; toys; jewellery; decorating goods; garden items; glasses; art; antiques; and carpets and vinyl (in practice there was a single respondent for each of these categories).

Table 4.16: Range of Goods Sold by Non-Food Retailers

Question	1st	2nd	3rd	4th	5th
What are the main ranges of goods that you sell?	Fashion (25.0%)	Cookware <i>and</i> Various <i>and</i> Not answered (each 10.0%)	-	-	Various other types of goods categories (each secured 5.0%)

Source: Question 5 of the 2021 Business Occupier Survey

Extended Operating Hours and Opening Days

4.33 Respondents who confirmed that they were non-food retailers were asked whether they might extend their opening hours into the evening in the future. A total of 25.0% of respondents indicated that they would consider doing so.

4.34 In addition to this, non-food retailers who are currently closed for some of the week were asked whether they would consider opening seven days a week in the future. A total of 55.0% of respondents answered 'no' to this question, whilst 15.0% of respondents answered 'yes'.

Length of Time at Current Premises

4.35 The majority of respondents (53.8%) confirmed that they have traded from their current premises for ten years or more. A further 25.6% of respondents stated that they have traded from their current premises for between one and five years, with 15.4% having been at their current location for between six and ten years. Only 5.1% of respondents have traded from their current premises for less than one year (this potentially reflects the fact that the last 12 months have not provided fertile conditions for launching new businesses). The responses suggest some general stability in terms of the offer of the town centre, with more than two-thirds of respondents having traded from the same premises for six years or more.

Table 4.17: Length of Time Trading from Current Premises

Question	1st	2nd	3rd	4th	5th
How long has your business traded from your current premises?	Over ten years (53.8%)	One year to five years (25.6%)	Six years to ten years (15.4%)	Less than one years (5.1%)	-

Source: Question 10 of the 2021 Business Occupier Survey

Proportion of Turnover Generated by Local Residents

- 4.36 Respondents were asked to estimate the proportion of their turnover generated by local residents. The results indicate that a substantial proportion of expenditure is generated by visitors from outside the local area (albeit the definition of 'local area' is not confirmed by the survey). In total, 38.5% of respondents indicated that 71% or more of their turnover was derived from local residents, meaning that 61.5% of businesses secured 30% or more of their turnover from outside the local area. The mean average inflow from outside the local area equates to 34.9% of businesses' turnover.

Table 4.18: Proportion of Turnover Generated by Local Residents

Question	1st	2nd	3rd	4th	5th
Approximately how much of your turnover is generated by local residents?	71% to 80% (25.6%)	51% to 60% (15.4%)	61% to 70% (12.8%)	0% <i>and</i> 41% to 50% (each 10.3%)	-

Source: Question 11 of the 2021 Business Occupier Survey

Satisfaction and Dissatisfaction with Current Premises

- 4.37 The survey asked whether respondents were satisfied or dissatisfied with their current premises. A total of 84.6% of respondents stated that they were satisfied with their premises, with 12.8% indicating that they were dissatisfied.
- 4.38 Of those dissatisfied, 60.0% indicated this was due to their premises being in a poor condition, 40.0% stated their premises are too small, and 20.0% stated that the unit was either too large or lacked adequate access. Respondents were able to provide multiple responses to this question.

Table 4.19: Dissatisfaction with Premises

Question	1st	2nd	3rd	4th	5th
Why are you dissatisfied with your current business premises?	In a poor condition (60.0%)	Too small (40.0%)	Too large <i>and</i> Lacking adequate access (e.g. for deliveries) (each 20.0%)	-	-

Source: Question 13 of the 2021 Business Occupier Survey

Specification of Premises

- 4.39 The business occupier survey asked respondents about the specification of the unit from which they operate. The majority of respondents (61.5%) operate from a building that has upper floors. In terms of the business premises with multiple floors, three quarters of premises have upper floors that are in use and one quarter have some vacant floors.

4.40 In terms of the use of upper floors, 54.2% of such space is used as offices, 20.8% is used as storage, and 12.5% is used for residential purposes. A total of 8.3% of respondents stated that the upper floors of their premises were in retail use.

4.41 Finally, 54.2% of premises with upper floors are occupied in their totality by the same business.

Future Intentions

4.42 Respondents were asked to share their future trading intentions. In response to this question, a total of 66.7% confirmed their intention to remain within their existing unit, with 7.7% of respondents planning to relocate elsewhere within the town or intending to sell the business. A total of 5.1% of respondents plan to relocate the business elsewhere, and 2.6% plan to remain in their existing unit but expand through opening other units elsewhere.

Table 4.20: Future Trading Intentions

Question	1st	2nd	3rd	4th	5th
Thinking about the future do you intend to...	Remain in your existing unit (66.7%)	Relocate elsewhere within the town <i>and</i> Sell the business <i>and</i> Don't know (each 7.7%)	-	-	Relocate elsewhere (5.1%)

Source: Question 20 of the 2021 Business Occupier Survey

4.43 Those respondents who intend to relocate were asked their reasons for doing so. The responses to this question include: the requirement for more space due to business growth; to respond to a change in the retail environment; to secure a prime location; an apparent lack of vibrancy in the town; and, no longer needing a permanent office due to changing work patterns (i.e. increased working from home).

Anticipated Growth over the Next Three Years

4.44 When asked about expectations for their business over the next three years, a majority of respondents (53.8%) answered that they anticipated their business to grow, which compares to 23.1% of respondents expecting their business to stay about the same size, and 7.7% who expected their business to contract.

Table 4.21: Business Expectations over the Next Three Years

Question	1st	2nd	3rd	4th	5th
Over the next three years do you expect your business to:	Grow (53.8%)	Stay the same (23.1%)	Don't know (12.8%)	Contract (7.7%)	Not answered (2.6%)

Source: Question 22 of the 2021 Business Occupier Survey

4.45 The survey also asked businesses to consider their turnover over the past 12 months. In total, 41.0% of respondents stated that their turnover has been decreasing over the past 12 months, with 25.6% indicating that it has remained static.

4.46 Perhaps surprisingly, given the backdrop of the Covid-19 pandemic and associated lockdown measures, a total of 28.2% of respondents stated that their turnover has been increasing over the past 12 months. This augers well for the future of Cirencester town centre and is perhaps reflective of the value of centres to the local community in bringing people together and servicing needs.

Table 4.22: Turnover over the Past 12 Months

Question	1st	2nd	3rd	4th	5th
Over the last 12 months has your turnover been:	Decreasing (41.0%)	Increasing (28.2%)	Static (25.6%)	Not answered (5.1%)	-

Source: Question 23 of the 2021 Business Occupier Survey

Online Sales Capability

4.47 In terms of online sales, 43.6% of respondents indicated that they provide customers with the option for online shopping through either their own website or another sales platform. Of those who do not have an online sales capability, the vast majority (90.9%) indicated that they have no plans.

Proportion of Business Sales Made Online

4.48 Finally, respondents were asked about the proportion of their sales that were made through the internet. Of those that trade online, the mean average proportion of sales secured through such means is 20%.

In-Street and Business Surveys: Key Messages

4.49 In terms of factors which are of particular importance to land use planning and the future composition of Cirencester town centre, we note that the in-centre survey identifies that:

- the large majority of trips (69.0%) are made by car and that on-street car parking (along with the Brewery and Forum car parks) serves an important function in facilitating these journeys;
- the primary reasons to visit the centre are to browse shops (21.5%), visit hospitality businesses (19.5%), and visit financial service providers (14.0%);

- visitors on average spend around two hours in the centre, and this is broadly the case whether the visit occurs during the day or in the evening;
- in terms of the frequency of visit, just over half of respondents (51.0%) visit the centre at least once a week for general purposes;
- this compares with respondents having a lesser propensity to visit the centre in the evening¹⁸, with 41.0% indicating that they never visit Cirencester in the evening and 28.0% indicating that they visit less than once a month; and
- the vast majority of those that visit in the evening do so in order to eat out (70.3%).

4.50 Given the limited sample size, the results of the business occupier survey need to be considered with some caution. However, accepting that the results may not be wholly representative of all traders, we note that:

- one quarter of non-food retailers expressed an interest in extending their opening hours into the evening and 15.0% suggested that they would consider opening on additional days;
- more than half of respondents (53.8%) have traded from their current premises for at least a decade, suggesting that Cirencester's offer is relatively mature and stable;
- business identify that a substantial level of trade (around one third on average) is derived from 'inflow' which originates from outside the local area;
- the majority of businesses (66.7%) intend to stay in their current premises and the majority believe that they will either grow or stay about the same size over the next three years (76.9%); and
- in terms of online trade, 43.6% of respondents have an online presence (but there is little interest amongst those that don't currently trade or promote themselves online to do so).

4.51 Cirencester town centre serves a relatively substantial catchment, which is reflected in the large number of journeys that are made by car. As such, appropriate car parking provision remains essential to service the centre.

4.52 The centre supports a good range of retailers and services, but has a comparatively modest evening offer that fails to entice visitors on a very regular basis. The evening economy is focused around eating out and there is a clear opportunity to widen the leisure offer in the town to encourage more visitors (and allow those who do visit to linger for longer). Any such improvement could be focused around cinema provision and a greater number of licensed premises. Improvements in the leisure

¹⁸ We recognise that the survey was undertaken during the day and that the results would have been different had the survey specifically targeted those using the centre in the evening.

economy would also help support visitor trips in the evening and facilitate the diversification of the town's offer.

- 4.53 Businesses seem to be generally satisfied with their premises and are relatively optimistic about future trading conditions. There is some interest from non-food retailers in opening into the evening and on different days. Whilst just over four in every ten businesses offer an internet presence, there is little interest from those who are not yet online to add to their number. This may be reflective of the town providing an 'experiential' offer, which is reflective of the higher end and specialist nature of some retailers. Retailers' confidence in terms of their expectation to grow their business in the future (or at least stay the same size) may be reflective of Cirencester's distinct offer, which could be a key factor in attracting visitors and underpinning the centre's future vitality and viability.

5 Property Market Assessment

Assessment of the Local Cirencester Town Centre Commercial Market

- 5.1 The chartered surveying practice, AspinallVerdi, has produced a Property Market Report in order to understand the buoyancy of the commercial market in Cirencester town centre and the sectors that may be able to support future growth.
- 5.2 The Property Market Report analyses the current strength of the retail, leisure and residential markets within Cirencester town centre, and considers the level of demand and supply that underpins the commercial market. The report also considers the cultural and civic leisure offer in Cirencester, which plays an important role in drawing visitors in from across Cotswold District (and beyond).
- 5.3 The Property Market Report identifies reported transactions and the current availability of units across the retail and leisure sectors. In respect of the leisure sector, this is broken down further into requirements across the food and beverage, hotels and 'urban leisure' markets. The report also provides an overview of activity within the residential sector in order to understand current and future trends.
- 5.4 The Property Market Report prepared by AspinallVerdi is provided at Appendix 5. The key findings of the report in respect of retail, leisure and residential market research are set out below. We also provide a summary of the soft market testing exercise undertaken by AspinallVerdi.

Market Assessment: Key Messages

Retail

- 5.5 A high-level review of the Cirencester retail market has been undertaken utilising Estates Gazette Radius Exchange and CoStar. The review confirms that retail in Cirencester is focused on Cricklade Street, the town's historic retailing thoroughfare, which still provides a focus for national multiples. The Market Place supports a more 'boutique' offering around the St John the Baptist Church. Dyer Street is an extension to Market Place and provides larger floor plates.
- 5.6 AspinallVerdi's market research identifies that 12 retail units were available at September 2021, with rents ranging from between £12.08 and £66.07 per sq.ft. On the demand side, the review analysed leasehold and freehold transactions recorded on Estates Gazettes since 2018 and found 10 recorded deals rents per annum ranging from £6 to £42 per sq.ft.

- 5.7 Notwithstanding current wider economic conditions, the retail market in Cirencester appears to be performing relatively well, with only a small supply of commercial units available to buy or let. Moreover, AspinallVerdi's market research has identified that retail expenditure in the Cotswold District generated from tourist trips totalled £82 million in 2020. This figure suggests that tourist spend is likely to hold a substantial role in the performance of the retail market in Cirencester.

Leisure

Food and Beverage

- 5.8 AspinallVerdi's market research identifies that there is a substantial food and beverage offer in Cirencester, with no units currently available on either a freehold or leasehold basis. In terms of transactional evidence, AspinallVerdi identifies four properties that have changed hands since 2016. One of these is a pizza restaurant, with the other three being pubs. Given the decline in high street retailing and the nature of the Cirencester economy, it is likely that there will be opportunity for further growth to occur in the food and beverage/leisure sector in the town.

Hotels

- 5.9 Covid-19 has affected every sector across the globe, and the hotel industry is amongst the hardest hit. With the restrictions easing in May 2021, the industry is slowly recovering; however, research suggests that recovery to pre-Covid levels could take until 2023 or later.
- 5.10 AspinallVerdi's market research identified a large supply of independent B&Bs and Airbnbs in Cirencester with only two 'mainstream' hotels present, these being a Travelodge and a Premier Inn. However, these two hotels are located on the outskirts of the town and therefore may have a limited role in supporting other leisure operators that are located within the town centre.
- 5.11 We are aware of a single proposal that supports additional hotel facilities in Cirencester town centre. Planning permission¹⁹ was granted in June 2021 for the conversion of the second and third floors of the Barclays Bank premises on Market Place for a limited hotel development (just five bedrooms are provided by the scheme).
- 5.12 The viability of new hotels is determined by the trading potential of the scheme (i.e., a function of occupancy and room rates that can be generated). This is dependent upon the business model, location, and the competition in the vicinity. One of the key performance indicators within the hotel sector is occupancy, which is a critical component in understanding revenue potential. In order to

¹⁹ Planning permission reference 21/00172/FUL.

generate operator demand, there must be tangible consumer demand (either business or tourism), which can be generated through bringing more people into Cirencester via new employment or leisure-led development. Soft market testing with operators could identify interest from hotel companies in terms of their interest in the town.

Large Format Leisure

- 5.13 AspinallVerdi's analysis of the current leisure offer shows that there is a broad range of activities in Cirencester, mainly relating to outdoor and sports activities. However, Cirencester does not have a traditional cinema, with the closest being a Vue Cinema located in Stroud. In addition to this, Cirencester does not have a bowling alley, the closest again being located in Stroud. It is a similar story in terms of the 'escape rooms' concept, with the closest being located in Swindon.
- 5.14 Given the importance of the leisure economy and its ability to further expand in the future, any (re)development which occurs in the town should be focussed on maintaining and enhancing the leisure offer so that the tourism industry continues to thrive, particularly now that the UK has 'reopened' following the Covid-19 pandemic.

Residential

- 5.15 A high-level review of the Cirencester town centre residential market has been undertaken utilising Land Registry, Rightmove and Zoopla.
- 5.16 The review indicates that residential development within and around the town centre will be key to sustain future growth and help maintain the attractiveness of Cirencester as a residential location. Increased residential development will in turn increase the population density within the town, helping generate greater footfall and demand within the town centre for retail and leisure uses. It will enable the evening economy to become more sustainable and add vibrancy into the evening.
- 5.17 A further consideration is the anticipated increase in demand for housing within Cirencester as the attraction of the town as a commuter location may increase given the ongoing propensity to work from home for at least part of the week. Cirencester is well located for commuters to Bristol, Oxford, Birmingham and even London, and although demand levels are hard to track at this stage some increase in demand would be expected.

Soft Market Testing

- 5.18 AspinallVerdi has undertaken an initial soft market testing exercise that focuses on three specific sites, these being the Brewery, Forum and Sheep Street car parks. The purpose of the soft market testing

is to gain a broad indication of the likely level of interest from operators, and it is important that the work is not viewed as an exhaustive consultation exercise.

5.19 On this basis, AspinallVerdi has identified three positive potential requirements relating to the cinema operators, Everyman and Tivoli, and the hotelier, Hilton.

5.20 These respondents were asked to confirm the likely scale of their requirement, which are as follows:

- Everyman stated that its requirement is for between 10,000 and 12,000 sq.ft, which would create two or three screens with a minimum ceiling height of 5 metres;
- Tivoli indicated that it would require between 12,000 and 15,000 sq.ft and a ceiling height of 5 metres; and
- Hilton stated that a mid-scale hotel of 130 guest rooms and 1,400 sq.m would be appropriate in Cirencester.

5.21 Both Everyman and Tivoli expressed a particular interest in the Brewery car park site.

5.22 Further exploration of company requirements and the overall level of interest in opportunity sites will be required to help determine the most appropriate form of new developments in Cirencester, and ensure that incoming uses complement the existing town centre offer.

6 Assessment of Future Retail Needs

- 6.1 Our assessment of future retail need is a key component in forecasting the likely future composition of Cirencester town centre.
- 6.2 As set out at Section 1 of this report, we believe that the existing household shopper survey is able to appropriately support our quantitative retail needs assessment. The survey Study Area covers Cirencester town centre's primary catchment area, and addresses the retail and leisure sectors of principal relevance in determining the likely future role and function of the centre. Unlike the 2016 Retail Study Update, the sole focus of our assessment is the performance of Cirencester and the town centre's ability to meet retail needs arising within the area. As such, we use the household survey to identify the market share of convenience and comparison goods expenditure claimed by facilities in the town of Cirencester. This is distinct from the survey's original purpose, which was to identify the market share of expenditure claimed by retailers across the District as a whole.
- 6.3 Whilst the household survey was undertaken in September 2016, we do not believe that any changes in provision 'on the ground' across Cotswold District and its surrounding area in the subsequent period are likely to be of sufficient magnitude that they would result in markedly different patterns of behaviour in practice²⁰. It should also be noted that the principal purpose of the survey in this instance is to identify the market share of expenditure claimed across Cirencester as a whole, rather than to identify the trading performance of individual stores. As such, we believe that the 2016 survey forms an appropriate evidence base to underpin this Feasibility Study. Furthermore, as stated at paragraph 1.8 of this report, the use of the existing survey avoids any potential bias arising from short-term behaviours associated with the Covid-19 pandemic. The household survey questions and the survey's full, tabulated responses are provided at Appendix 6.
- 6.4 The defined Study Area for the household survey comprises ten survey zones, which correspond to postcode sectors; the use of zones ensures an equitable distribution of surveys and assists in providing a detailed understanding of patterns of retail use at a localised level. The zones are representative of geographic areas that may accommodate broadly similar patterns of shopping behaviour. The below Table 5.1 confirms the postcode sectors which define the zones.
- 6.5 The zones were used as the basis for the NEMS household survey and directly inform our needs assessment. The Cotswold authority area broadly comprises Zones 1, 2, 4, 6, 7, 9a and 9b (together

²⁰ In this regard, we note that Cirencester Retail Park opened in 2015.

with a small part of Zones 8 and 10). Cirencester sits centrally within Zone 1, which is representative of its primary catchment area. We provide a Study Area plan as Appendix 7.

Table 6.1: Study Area Zones by Postcode Sector

Survey Zone	Postcode Sectors
Zone 1	GL7 1, GL7 2, GL7 5, GL7 6, GL7 7
Zone 2	GL8 8, GL12 7
Zone 3	SN6 6, SN6 7, SN16 9
Zone 4	GL7 3, GL7 4
Zone 5	CV36 5, OX7 5, OX7 6, OX18 4
Zone 6	GL54 2, GL54 3
Zone 7	GL4 8, GL6 7, GL53 9, GL54 4
Zone 8	GL54 5, WR12 7
Zone 9a	GL56 0, GL56 9
Zone 9b	GL54 1
Zone 10	CV36 4, CV37 8, GL55 6

6.6 Further details in relation to shopping patterns across the District and the market shares achieved by individual facilities are identified in Section 6 of the 2016 Retail Study Update.

6.7 In order to utilise the survey to estimate potential future requirements in respect of retail floorspace, the necessary first step is to establish the Study Area population and associated expenditure levels at relevant reporting years.

Population

6.8 The population within each postcode sector and each zone at 2021 has been calculated using Experian Micromarketer G3 data²¹. Future estimations in respect of population growth to 2051 have also been derived from Experian data. The quantitative assessment which is set out in the following section is derived from the Excel model provided at Appendix 8.

6.9 Experian provides population projections on a zonal basis to 2039. Given the longer timeframe of this Study, we extrapolate the annual level of growth²² apparent within each zone between 2038 and 2039, and use this to provide annual zonal population growth rates to 2051.

6.10 Table 6.2 below sets out our population growth projections for each zone in the Study Area for reporting years 2021, 2026, 2031, 2036, 2041 and 2051.

²¹ Sourced in July 2021 in order to provide the most up to date position in respect of population and expenditure data.

²² In absolute numerical terms.

Table 6.2: Estimated Study Area Population by Survey Zone

Zone	2021	2026	2031	2036	2041	2051
1	36,489	37,421	38,322	39,085	39,807	41,217
2	16,130	16,687	17,121	17,401	17,695	18,355
3	25,382	26,085	26,683	27,178	27,695	28,635
4	10,570	10,849	11,072	11,269	11,405	11,605
5	22,416	22,697	22,915	22,990	23,125	23,375
6	11,024	11,367	11,661	11,887	12,066	12,436
7	14,185	14,577	14,889	15,080	15,198	15,458
8	14,284	14,774	15,125	15,380	15,535	15,785
9a	10,211	10,509	10,694	10,818	10,881	10,981
9b	2,982	3,032	3,072	3,080	3,073	3,063
10	21,304	21,655	21,974	22,169	22,349	22,709
Total	184,977	189,653	193,528	196,337	198,829	203,619

Source: Table 1 of Appendix 8

6.11 The above table indicates that the estimated Study Area population will increase from 184,977 persons at 2021 to 203,619 persons at 2051, which is an increase of 18,642 persons over the 30-year period (equating to a 10.1% increase).

Retail Expenditure

6.12 In order to calculate per capita convenience and comparison goods expenditure, we have again utilised Experian Micromarketer G3 data, which provides detailed information on local consumer expenditure that takes into consideration the socio-economic characteristics of the local population.

6.13 The base year for the Experian expenditure data is 2019. Our methodology takes account of the fact that some special forms of trading expenditure²³ are not available to support retail floorspace, and allows for increases in per capita expenditure growth on an annual basis.

6.14 Figure 5 of Appendix 3 of Experian Retail Planner Briefing Note 18 ('ERPBN18') (October 2020) provides forecasts in respect of the proportion of convenience and comparison goods expenditure that will be committed via special forms of trading (principally online retailing). We have 'stripped out' any survey responses which relate to expenditure committed through special forms of trading from the dataset and have instead made an allowance derived from Experian's recommendations (which we consider to be the most appropriate means by which to account for such expenditure).

6.15 In considering special forms of trading, it should be noted that many products that are ordered online are actually sourced from a store's shelves or stockroom (this is particularly the case for convenience

²³ Identified as comprising sales via the internet, mail order, stalls and markets, door-to-door and telephone sales (i.e. all expenditure not available to traditional retail floorspace).

goods). As such, expenditure committed in this manner acts to sustain shops and can be considered 'available' to support 'bricks and mortar' floorspace within the Study Area. Accordingly, in order not to overstate the influence of special forms of trading on retailers, our methodology utilises Experian's 'adjusted' allowance for special forms of trading (which is provided at Figure 5 of ERPBN18). This allowance indicates that 4.2% of convenience goods expenditure and 17.5% of comparison goods expenditure is 'lost' from shops at base year 2019 through special forms of trading purchases.

6.16 Having made allowance for special forms of trading, we then take account of forecast changes in expenditure in accordance with the recommendations provided by Figure 6 of Appendix 3 of ERPBN18. Experian provides overall growth rates and 'adjusted' rates; which account for any additional increases in expenditure lost to special forms of trading. Experian's forecast growth figures account for the anticipated impacts associated with Brexit and Covid-19.

6.17 We set out Experian's expenditure growth estimates below in Table 6.3.

Table 6.3: Experian Retail Planner Briefing Note 18 Convenience and Comparison Goods Annual Per Capita Growth Rates

Year	Convenience Goods	Convenience Goods 'Adjusted SFT'	Comparison Goods	Comparison Goods 'Adjusted SFT'
2020	8.4	6.1	-8.5	-14.5
2021	-6.2	-5.3	6.5	8.1
2022	0.2	0.2	3.8	2.9
2023	0.0	-0.3	3.6	2.7
2024	0.1	-0.2	2.9	2.0
2025	0.1	-0.1	2.8	1.9
2026	0.0	-0.2	2.9	2.0
2027	-0.1	-0.2	2.9	2.1
2028	0.0	-0.1	2.8	2.3
2029	0.0	-0.1	2.9	2.4
2030	-0.1	-0.2	2.9	2.5
2031	0.0	-0.1	2.9	2.5
2032	0.0	0.0	2.9	2.5
2033	0.1	0.0	2.9	2.6
2034	0.1	0.0	2.9	2.6
2035	0.1	0.1	2.9	2.7
2036	0.1	0.0	2.9	2.7
2037	0.1	0.0	2.9	2.7
2038	0.1	0.1	2.9	2.8
2039	0.1	0.1	2.9	2.7
2040	0.1	0.0	2.9	2.7

Source: Figure 6 of Appendix 3, Experian Retail Planner Briefing Note 18 (December 2020)

- 6.18 Our methodology utilises the 'adjusted' figures and our quantitative assessment therefore fully accounts for changes in online retailing that have occurred because of Covid-19, and those that will likely occur in the future as yet more expenditure is committed online.
- 6.19 The latest growth rates suggest that changes in shopping behaviour associated with Covid-19 significantly influenced consumer expenditure in 2020, but indicate that growth in comparison goods expenditure should pick up in the short to medium term as restrictions ease and confidence in the economy returns. Experian's approach has assumed that medical advances would mitigate the impact of Covid-19 by mid-year 2021, and that Government measures successfully limit the impact of the pandemic on jobs and the economy as a whole. The general outlook is different in respect of convenience goods, with substantial short term growth apparent in 2020 as a consequence of 'stockpiling' in the early part of the year and additional meals being consumed at home whilst restrictions were imposed on travel and behaviour. Thereafter, Experian assumes that this additional convenience goods spending is reversed (i.e. spending is reduced) when greater normality returns.
- 6.20 For convenience goods, Experian estimates annual per capita growth of 8.4% in 2020, followed by a 6.2% contraction in per capita expenditure in 2021. Experian then forecasts very limited annual per capita expenditure growth across the remainder period to 2040. The position is even more pessimistic when account is taken of the anticipated future growth in special forms of trading, with Experian's forecasts suggesting that there will be a very small reduction in annual convenience goods expenditure per capita available to stores across every year between 2023 and 2031, and only negligible levels of growth apparent thereafter to 2040. Overall, it is evident that per capita convenience goods expenditure is forecast to remain very similar across the entire period 2020 to 2040.
- 6.21 The position in respect of comparison goods expenditure is more positive. Experian forecasts that per capita comparison goods expenditure growth will recover from a decline of 8.5% at 2020 to increase by 6.5% in 2021 and 3.8% in 2022, thereafter remaining at 2.8% or 2.9% per annum in the period from 2023 to 2040. Experian's forecast suggests that there will be relatively healthy growth in comparison goods even after accounting for expenditure lost to special forms of trading.
- 6.22 Given that Experian's forecasts fail to cover the entire reporting period, we have again extrapolated growth to 2051 based on the annual convenience and comparison growth rates evident at 2040. In doing so, we note that Experian's forecasts suggest that growth in respect of both convenience and comparison goods expenditure will be stable at this point.

6.23 Notwithstanding this, we recognise that growth in expenditure forecasts in the longer-term (beyond the next ten years) should generally be treated with caution given the inherent uncertainties associated with predicting the performance of the economy over time (particularly in the current economic climate). As such, quantitative capacity assessments of this nature should be reviewed on a regular basis in order to ensure that forecasts over the medium and longer-term reflect changing circumstances. We anticipate that the Council will update the Excel model as appropriate should there be a need to ‘refresh’ the findings of this Study.

6.24 By applying Experian’s recommendations in respect of special forms of trading and expenditure growth, we are able to produce expenditure estimates for each survey zone and the Study Area as a whole at 2021, 2026, 2031, 2036, 2041 and 2051.

Convenience Goods Expenditure Originating Within the Defined Study Area

6.25 Taking into account the Study Area resident population and the available per capita convenience goods expenditure, we estimate that £465.7m²⁴ of convenience goods expenditure originates within the Study Area at 2021. The below Table 6.4 indicates that available Study Area convenience goods expenditure is forecast to increase moderately to £507.1m at 2051.

Table 6.4: Total Available Study Area Convenience Goods Expenditure

2021 (£m)	2026 (£m)	2031 (£m)	2036 (£m)	2041 (£m)	2051 (£m)
465.7	474.6	480.8	488.2	495.3	507.1

Source: Table 2a of Appendix 8
In 2019 Prices

6.26 Table 6.5 indicates that this represents an increase of £41.4m (or 8.9%) across the Study Area between 2021 and 2051. Given the generally static growth in convenience goods expenditure per capita, this increase is largely attributable to the forecast growth in the Study Area’s population over the next 30 years.

Table 6.5: Growth in Available Study Area Convenience Goods Expenditure

Growth 2021-2026 (£m)	Growth 2021-2031 (£m)	Growth 2021-2036 (£m)	Growth 2021-2041 (£m)	Growth 2021-2051 (£m)
8.9	15.1	22.6	29.6	41.4

Source: Table 2a of Appendix 8
In 2019 Prices

6.27 We have assumed that 75% of available convenience goods expenditure takes the form of main food shopping and that 25% takes the form of top-up shopping (which relates to smaller purchases, often

²⁴ In 2019 prices, as is every subsequent monetary reference.

including staple items such as milk and bread)²⁵. By applying this ratio, we estimate that main food shopping trips account for £349.3m of Study Area convenience goods expenditure at 2021, and top-up shopping trips account for £116.4m.

Comparison Goods Expenditure Originating Within the Defined Study Area

6.28 For comparison goods, Table 6.6 sets out our estimate that the resident population of the Study Area will generate £682.8m of comparison goods expenditure at 2021. Available comparison goods expenditure is then forecast to grow relatively substantially to £1,606.7m at 2051.

Table 6.6: Total Available Study Area Comparison Goods Expenditure

2021 (£m)	2026 (£m)	2031 (£m)	2036 (£m)	2041 (£m)	2051 (£m)
682.8	784.4	899.4	1,038.3	1,202.3	1,606.7

Source Table 8 of Appendix 8
In 2019 Prices

6.29 As identified at Table 6.7, this represents a substantial increase of £923.9m (or 135.31%) between 2021 and 2051. The large majority of this growth is forecast to occur in the longer-term (i.e. beyond the next ten years).

6.30 The identified increase in comparison goods expenditure growth is significant, but it represents a level of annual growth that is more circumspect than that which has been achieved in the past. This is due to a reduction in the overall level of comparison goods expenditure growth in recent years, and is reflective of additional forecast increases in the proportion of expenditure committed via special forms of trading.

Table 6.7: Growth in Available Study Area Comparison Goods Expenditure

Growth 2021-2026 (£m)	Growth 2021-2031 (£m)	Growth 2021-2036 (£m)	Growth 2021-2041 (£m)	Growth 2021-2051 (£m)
101.5	216.5	355.5	519.5	923.9

Source: Table 8 of Appendix 8
In 2019 Prices

6.31 We sub-divide comparison goods expenditure into eight categories, these being: 'DIY', 'Furniture', 'Household Appliances' and 'Other Electrical Goods' (collectively referred to as bulky goods); and, 'Clothing and Footwear', 'CDs, Books, Jewellery, China and Glass', 'Health, Beauty and Chemist Goods', and 'Toys, Games, Bicycles and Recreational Goods' (collectively referred to as non-bulky goods). The proportion of expenditure directed to each sub-category is estimated by Experian on a zonal basis.

²⁵ This is based on Nexus Planning judgement and is broadly consistent with assumptions used elsewhere in undertaking such an exercise.

Experian's estimates are reflected in the detailed expenditure tables set out at Table 7b of the quantitative retail need assessment provided at Appendix 8.

6.32 In considering expenditure growth, it should be noted that not all growth arising within the Study Area will be to support additional floorspace. Instead, account needs to be taken of: the market share of expenditure secured by retailers within the District; the claim made by existing retailers on expenditure growth (the future efficiency of retail floorspace); and, the expenditure that will be claimed by committed retail developments.

6.33 Our detailed retail capacity tables set out our step-by-step approach to estimating quantitative retail need and are provided at Appendix 8. A summary of our methodological approach, together with our key findings, is provided below.

General Approach in Estimating Retail Needs

6.34 Retail capacity modelling follows the basic principle that: Available Expenditure *minus* Expected Turnover of Existing and Committed Floorspace *equals* Expenditure Surplus or Deficit. We summarise the key considerations relating to each component of the equation below.

Available Expenditure

6.35 As set out above, available expenditure within a zone is calculated by multiplying the population at a given reporting year by the estimated per capita expenditure. The available expenditure takes into consideration:

- estimated population growth;
- forecast increases in per capita expenditure; and
- forecast increases in special forms of trading.

Turnover of Existing and Proposed Retail Operations

6.36 The turnover relates to the expenditure claimed by existing retailers (and by the future retail operations supported by extant commitments) in order to ensure that they trade viably. For convenience goods retailers, the expected 'benchmark' turnover of existing convenience goods facilities is calculated with reference to GlobalData Convenience and Comparison Goods Sales Densities of Major Grocers 2020 and Mintel Retail Rankings 2020 data²⁶.

²⁶ These datasets provide independent analysis of key grocery retailers' declared turnover and the overall floorspace in their portfolio in order to calculate national average sales densities.

Surplus/Deficit

- 6.37 The expenditure surplus (or deficit) is calculated by subtracting the turnover of existing and committed floorspace from the available expenditure in the Cirencester area. A surplus figure effectively represents an underprovision of retail facilities within the town (which may indicate that additional floorspace could be supported), whereas a deficit would suggest a quantitative overprovision of retail floorspace.
- 6.38 Although a surplus is presented as a monetary figure, it can be converted to a floorspace requirement through the application of an appropriate sales density. In this regard, the floorspace requirement will vary according to operator and the likely sales density they could achieve. For example, in the case of comparison goods, non-bulky goods retailers tend to achieve higher sales densities than bulky goods retailers. However, within the bulky goods sector itself there is significant variation, with electrical retailers typically having higher sales densities than DIY or furniture retailers.
- 6.39 The turnover of destinations is generally considered with reference to retailers' net sales areas. We confirm that all of the following floorspace figures relate to net sales.

Capacity for Future Convenience Goods Floorspace

- 6.40 In order to identify the likely need for additional convenience goods floorspace in Cirencester, it is first necessary to consider the performance of the current provision. In this respect, we note that Cirencester already accommodates a good variety of foodstore operators across the town²⁷. As such, the leakage of convenience goods expenditure from the Cirencester area to destinations outside of the town is minimal and will likely occur because such a trip is convenient (e.g. close to work), rather than due to any significant deficiencies in Cirencester's offer. The market share of main and top-up food shopping expenditure originating in Zone 1 claimed by Cirencester's grocery retail sector is very substantial (equating to 94.3% in respect of main food shopping expenditure and 91.2% of top-up).
- 6.41 Given that Cirencester is able to appropriately meet local needs, we proceed on the basis that its overall convenience goods market share (which equates to 26.9% of all Study Area convenience goods expenditure) will be maintained in the future.
- 6.42 Utilising the identified market share, we estimate that £125.5m of convenience goods expenditure that originates within the Study Area is claimed by retailers in Cirencester at 2021. There is also a need to consider the ability of such retailers to claim expenditure that originates from outside the

²⁷ Including Aldi, Lidl, Marks & Spencer, Tesco Extra, Tesco Metro and Waitrose.

Study Area. Given the significant number of visitors to the area (some of whom have overnight stays in self-catering accommodation), we concur with findings of the 2016 Retail Study Update which assumed that 8% of the turnover of convenience goods floorspace in the Cirencester area comprised 'inflow' from outside the Study Area.

- 6.43 On this basis, assumed inflow accounts for £10.9m of convenience goods expenditure at 2021. This takes the total turnover of convenience goods floorspace in Cirencester to £136.4m at 2021. We confirm our assumptions in respect of convenience goods inflow at Table 5 of Appendix 8.
- 6.44 For each convenience goods retail destination, the identified survey derived turnover is compared to its expected benchmark performance (which is estimated with reference to company average sales densities and the estimated net sales areas of individual shops). Our assessment assumes a 'goods based' approach, which disaggregates expenditure by sector, as it is important to recognise that major foodstore operators generally also sell some comparison goods, such as clothing, household goods, books and CDs. To account for this, the typical split between convenience and comparison goods provision for each operator has been identified²⁸ and this multiplier has been applied to the estimated net floorspace of each foodstore. This provides an indication of the likely floorspace dedicated to the sale of convenience goods at each store and provides for an accurate estimation of convenience goods benchmark turnover.
- 6.45 The calculation of the estimated benchmark turnover of individual stores supports an assessment of individual retailers' trading performance and whether (on an aggregated basis) surplus expenditure exists to support additional floorspace. For smaller shops (where it is more difficult to collate accurate floorspace and sales density data), we assume that stores are trading 'in equilibrium' (i.e. the survey-derived turnover equates to the anticipated benchmark turnover).
- 6.46 Our assessment is summarised below at Table 6.8 and identifies that convenience goods floorspace in Cirencester has an expected benchmark turnover of £129.4m at 2021, which is below the estimated survey derived turnover of £136.4m. As such, taken collectively, convenience goods floorspace is 'overtrading' by £6.9m at 2021.
- 6.47 In order to appraise the future need for additional convenience goods floorspace, it is necessary to consider how the performance of stores will be affected by forecast expenditure growth. Accordingly,

²⁸ Generally sourced from GlobalData Convenience and Comparison Goods Sales Densities of Major Grocers 2020, except where the data is not likely representative of how a store trades in practice. Detailed notes in respect of our approach in calculating net convenience goods sales areas are provided at Table 5 of Appendix 6.

Table 6.8 also sets out the anticipated increases in expenditure that will be available to Cirencester’s convenience goods retailers, assuming that the current Study Area convenience goods market share of 26.9% is maintained going forward. We have assumed that the benchmark turnover of floorspace will vary across future reporting periods in accordance with the forecast improvements in floorspace efficiency set out in ERPBN18.

6.48 Table 6.8 identifies that the estimated convenience goods expenditure available to facilities in Cirencester will increase to £139.0m at 2026, to £140.8m at 2031, to £143.0m at 2036, to £145.0m at 2041, and then to £148.5m at 2051. When the forecast increase in available convenience goods expenditure is compared to growth in the benchmark turnover of such floorspace, the identified estimated convenience goods surplus equates to £18.0m at 2051.

Table 6.8 Quantitative Need for Convenience Goods Floorspace in Cirencester

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Surplus Expenditure (£m)
2021	129.4	136.4	6.9
2026	130.5	139.0	8.5
2031	130.5	140.8	10.3
2036	130.5	143.0	12.5
2041	130.5	145.0	14.6
2051	130.5	148.5	18.0

Source: Table 6a of Appendix 8
In 2019 Prices

6.49 In considering the above assessment, it should be noted that the survey only takes account of retail venues that were trading at September 2016 (i.e. when the household survey was undertaken). As such, the future claim on expenditure made by committed floorspace needs to be considered. We are aware of two commitments²⁹ that will likely support additional retail floorspace in the Cirencester area in the future.

6.50 The first relates to the outline planning permission that supports the delivery of a new neighbourhood centre in association with residential development at Chesterton Farm in the south-western part of Cirencester. Although this development lies outside the town centre, it will draw expenditure almost exclusively from Cirencester’s residents and therefore impacts on the amount of expenditure that is available to town centre retailers in the future. We have reviewed the Chesterton

²⁹ A third commitment – planning permission reference 14/01529/FUL – provides for a mixed-use development including four screen cinema, student accommodation, restaurants, cafes and shops at Brewery Court in Cirencester town centre. We understand that this application is now highly unlikely to be pursued and, in any event, would not result in a net increase in retail floorspace.

Farm commitment and, given its ability to support comparison goods retail and service operators, have assumed that around 500 sq.m of net sales floorspace may be dedicated to convenience goods. The other commitment relates to the change of use of 74 Dyer Street³⁰ from an office to retail accommodation. Given the Dyer Street proposal provides for additional retail floorspace within the town centre, we do not need to deduct its turnover from the 'pot' of expenditure that is available to support floorspace within the town centre.

6.51 As such, we only identify the likely convenience goods turnover associated with the Chesterton Farm commitment below at Table 6.9. We provide full details of our methodology in calculating its turnover at Appendix 8.

Table 6.9 Committed and Implemented Convenience Goods Floorspace in Cirencester

Zone	Location	Planning Application Reference	Proposal	Net Conv Sales (sq.m)	Conv Sales Density (£ per sq.m)	Estimate Turnover at 2021 (£m)	Status
1	Land at Chesterton Farm	16/00054/OUT	Outline application providing for a new neighbourhood centre	500	8,000	4.0	Extant
Total				500		4.0	

Source Table 6c of Appendix 8

Notes: Net sales area and estimated sales density reflect Nexus Planning judgement in 2019 Prices

6.52 We estimate that the Chesterton Farm commitment could have a convenience goods net sales area of around 500 sq.m, and an estimated convenience goods turnover of around £4.0m at 2021.

6.53 Clearly, this commitment has some impact in respect of meeting identified convenience goods needs. As Table 6.10 demonstrates, after accounting for Chesterton Farm, a reduced convenience goods expenditure surplus is available to support additional floorspace across the period to 2051. The estimated expenditure surplus of £2.9m at 2021 would support approximately 300 sq.m of additional net sales floorspace. By 2031, an expenditure surplus of £6.3m would support approximately 600 sq.m of additional convenience goods floorspace. The identified expenditure surplus increases to £14.0m at 2051, which equates to a net convenience goods floorspace requirement of approximately 1,300 sq.m. We have calculated the likely gross floorspace requirement at each reporting year on the basis that the convenience goods sales area may equate to 70% of gross. On this basis, the gross convenience goods floorspace requirement is around 1,900 sq.m at 2051. This broadly equates to a further moderately-sized supermarket.

³⁰ We assume that part of the floorspace associated with this planning application would be dedicated to convenience goods retail and part dedicated to comparison goods retail, which reflects its unrestricted nature.

6.54 It should be noted that the initial limited requirement for additional convenience goods floorspace arises from the ‘overtrading’ apparent in respect of Cirencester’s existing provision. Additional growth over time reflects planned population increases.

Table 6.10 Quantitative Need for Convenience Goods Floorspace in Cirencester After Commitments

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Net Floorspace Requirement (sq.m)	Gross Floorspace Requirement (sq.m)
2021	6.9	4.0	2.9	300	400
2026	8.5	4.0	4.4	400	600
2031	10.3	4.0	6.3	600	900
2036	12.5	4.0	8.4	800	1,100
2041	14.6	4.0	10.5	900	1,300
2051	18.0	4.0	14.0	1,300	1,900

Source Table 6d of Appendix 8

Notes: Assumes that the identified residual capacity will support convenience goods floorspace with a net sales density of £11,000 per sq.m at 2021; net floorspace assumed to be 70% of gross

In 2019 Prices

Capacity for Future Comparison Goods Floorspace

6.55 Our methodology in calculating comparison goods capacity deviates from that employed in respect of convenience goods. This is because it is difficult to accurately estimate a benchmark turnover for comparison goods floorspace, both because of the number of units involved (which are occupied by a wide variety of retailers) and due to the variation in the trading performance of floorspace depending on its location, the character of the area, and the nature of the catchment. Consequently, we adopt the position for comparison goods floorspace that it is trading ‘at equilibrium’ at base year 2021 (i.e. our survey derived turnover estimate effectively acts as benchmark).

6.56 We assume that there is therefore a nil quantitative need for any additional comparison goods floorspace across the Borough at 2021. Going forward, we again assume that the performance of comparison goods facilities will be commensurate with the market share for Cirencester identified by the 2016 household survey. Cirencester’s Study Area market share for comparison goods equates to 12.4% of all such expenditure originating within the Study Area. The lower market share (relative to convenience goods expenditure) is reflective of the fact that residents travel outside the Study Area to access higher order centres with a substantial comparison goods offer. As a result, Cheltenham and Swindon town centres claim a substantial Study Area comparison goods market share.

- 6.57 Our assessment again accounts for Experian’s forecasts in respect of future growth in comparison goods online retailing and in respect of the requirement for existing retailers to improve their sales efficiency in order to remain viable.
- 6.58 In accordance with the methodology employed by the 2016 Retail Study Update, we have assumed that 14.0% of the turnover of comparison goods retail facilities in Cirencester will derive from outside the defined Study Area. This allowance is less than the mean figure identified by the business survey in respect of the amount of operators’ trade that derived from outside the ‘local area’. However, the business survey did not define the geographic extent of what should be considered the ‘local area’. We note that the household survey Study Area is very extensive and includes areas relatively distant to Cirencester. As such, we believe it likely that some of the Study Area includes areas that operators would not deem particularly local to Cirencester. On this basis, we consider that the figure of 14.0% is appropriate to use (albeit it may be a little cautious in practice).
- 6.59 The inflow allowance has the effect of increasing Cirencester identified estimated comparison goods turnover from £84.7m to £98.5m (inflow therefore equating to £13.8m at 2021).
- 6.60 The £84.7m of comparison goods expenditure claimed by facilities within Cirencester that originates from inside the Study Area equates to a market share of 12.4% of all such comparison goods expenditure. As Table 6.11 illustrates, by making provision for inflow and ‘rolling forward’ this market share, comparison goods floorspace in the town will attract £113.1m of expenditure at 2026, increasing to £129.7m at 2031, to £149.8m at 2036, to £173.4m at 2041, and then to £231.7m at 2051.

Table 6.11 Quantitative Need for Comparison Goods Floorspace in Cirencester

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Surplus Expenditure (£m)
2021	98.5	98.5	0.0
2026	115.8	113.1	-2.7
2031	132.2	129.7	-2.5
2036	150.3	149.8	-0.6
2041	170.9	173.4	2.5
2051	220.9	231.7	10.8

Source Table 26a of Appendix 8

Notes: Assumes constant market share (59.6%) of Study Area expenditure claimed by facilities in Warrington Borough; allows for changes in benchmark turnover sales efficiency in accordance with Table 4b of Experian Retail Planner Briefing Note 18 In 2019 Prices

- 6.61 Given forecast increases in comparison goods expenditure and allowing for annual forecast changes in the productivity of existing floorspace, we estimate that a small expenditure deficit will be apparent

until 2041. Across this timeframe, a limited expenditure surplus of £2.5m is available, increasing to £10.8m at 2051.

6.62 Once more, the above assessment does not take into consideration existing commitments and the claim they will have on capacity. We assume that the Chesterton Farm commitment will also support around 500 sq.m of comparison goods sales floorspace, which would equate to an estimated comparison goods turnover of around £2.0m at 2021. This is set out at Table 6.12.

Table 6.12 Committed and Implemented Comparison Goods Floorspace in Cirencester

Zone	Location	Planning Application Reference	Proposal	Net Comp Sales (sq.m)	Comp Sales Density (£ per sq.m)	Estimate Turnover at 2021 (£m)	Status
1	Land at Chesterton Farm	16/00054/OUT	Outline application providing for a new neighbourhood centre	500	4,000	2.0	Extant
Total				500		2.0	

Source Table 26c of Appendix 8

Notes: Net sales area and estimated sales density reflect operator (or likely operator) In 2019 Prices

6.63 The turnover of this single identified commitment has a limited impact on the comparison goods capacity exercise. As Table 6.13 illustrates, after taking into account the commitment, a comparison goods expenditure deficit of £2.0m is apparent at 2021. The deficit remains until 2051, at which point we believe there could be a modest expenditure surplus of £7.7m to support additional floorspace. The identified surplus at 2051 could support around 600 sq.m of net comparison goods sales floorspace or around 800 sq.m of gross comparison goods floorspace.

Table 6.13 Quantitative Need for Comparison Goods Floorspace in Cirencester After Commitments

Year	Surplus (£m)	Commitments (£m)	Residual (£m)	Net Floorspace Requirement (sq.m)	Gross Floorspace Requirement (sq.m)
2021	0.0	2.0	-2.0	-400	-500
2026	-2.7	2.1	-4.8	-700	-900
2031	-2.5	2.4	-4.8	-700	-900
2036	-0.6	2.4	-3.0	-400	-500
2041	2.5	2.8	-0.2	0	0
2051	10.8	3.1	7.7	600	800

Source Table 26d of Appendix 8

Notes: Assumes that the identified residual capacity will support convenience goods floorspace with a net sales density of £5,500 per sq.m at 2021; net floorspace assumed to be 80% of gross In 2019 Prices

6.64 The limited growth that is forecast between 2041 and 2051 arises as a consequence of population growth and due to Experian's assumption that increases in special forms of trading expenditure will

plateau in the very long term. This means that future long-term increases in disposable income may result in additional expenditure being available to 'bricks and mortar' stores.

Future Retail Needs: Key Messages

- 6.65 Our retail capacity assessment identifies the likely (very limited) quantum of additional convenience and comparison goods floorspace that could be supported in Cirencester across the period to 2051. Whilst any identified expenditure surplus is indicative of need that arises across the town as a whole, additional requirements should be directed towards the town centre in practice (subject to the availability of appropriate sites).
- 6.66 With regard to convenience goods, our assessment identifies an immediate need for around 300 sq.m of net sales floorspace at 2021 (equating to 400 sq.m gross), and an increased need for around 1,300 sq.m net at 2051 (1,900 sq.m gross). The 2051 requirement is broadly commensurate to a single moderately sized supermarket.
- 6.67 With regard to comparison goods, we do not believe that there is any material need to bring forward additional floorspace. Whilst our assessment identifies that at least 600 sq.m of additional net sales floorspace (800 sq.m gross) could be supported at 2051, it is important to note that the stock of vacant floorspace in Cirencester currently totals 6,420 sq.m. In the short to medium term, the first priority should be to support the reoccupation of this vacant stock. It should also be noted that any capacity for additional comparison goods floorspace arises only at the very end of the reporting period and that forecasts over such an extensive timeframe need to be viewed cautiously.

7 Assessment of Future Service Sector Needs

- 7.1 Experian Goad sub-divides commercial floorspace into six typologies: convenience retail; comparison retail; retail service; leisure service; financial and professional services; and, vacant floorspace.
- 7.2 Having considered future needs across the convenience and comparison retail sectors in Section 6, there is also a need to consider likely changes across the service sectors to 2051.
- 7.3 Experian Micromarketer G3 data provides details of local expenditure across six relevant sub-categories, these being:
- recreational and sporting services (such as leisure centres, swimming pools, bowling alleys and so on);
 - cultural services (such as cinemas, theatres, concert halls and so on);
 - games of chance (such as bookmakers, bingo halls, casinos and so on);
 - restaurants and cafés;
 - accommodation services (such as hotels, guest houses and so on); and
 - hairdressing salons and personal grooming.
- 7.4 The first five of these categories comprise leisure services and the last category is a retail service. Experian fails to provide any expenditure data relating to financial and business services.
- 7.5 The financial and professional service sector comprises banks and building societies, and financial, legal and property services³¹. The large majority of such services are now available online and the number of 'bricks and mortar' financial and property services accommodated within most town centres has diminished over the past decade. Cirencester is no exception to this.
- 7.6 However, Cirencester functions as the 'capital of the Cotswolds' and key financial and professional operators are likely to want to retain a presence in the town in the future. As a consequence, we adopt the position that the financial and property service sector offer in the town centre will be sustained (but will not expand at all) across the period to 2051. It should be noted that the financial and property services sector accounts for a limited proportion of Cirencester town centre units (10.3% of all commercial units, as identified by Table 3.1 of this report).
- 7.7 Experian Micromarketer G3 data identifies the majority of expenditure directed towards leisure service and retail service uses. However, as the 2016 household survey fails to identify respondents'

³¹ General offices that are not accessible to members of the public are not included in Experian Goad's figures.

patterns of behaviour in respect of retail and leisure service usage, our methodology departs from that set out in Section 6 in respect of the retail needs assessment.

7.8 Our service sector methodology is based around an estimation of the level of expenditure growth apparent across the period to 2051. We assume that some of this growth is available to support existing operators, and that the remainder is available to support new entrants into the market. The growth available to support new operators effectively provides a multiplier that can be applied to the base position at 2021 to identify future growth in the retail and leisure service sectors.

7.9 The key steps in our methodology are set out in more detail in the service sector needs assessment model provided as Appendix 9. In summary, these steps comprise:

- use Experian data to estimate the likely population and expenditure available to support additional retail and leisure service sector floorspace at 2021, and at future reporting years;
- calculate a multiplier which is commensurate with the expenditure growth across the respective service sector at relevant reporting years;
- make an allowance to account for the fact that some of this growth will be claimed by existing operators; and
- apply the net growth rate to the baseline position (i.e. the existing stock of retail sector and leisure sector floorspace) to estimate the additional floorspace requirement.

7.10 We provide commentary on each of these steps below. The first part of the exercise utilises the Study Area population projections identified at Table 6.2.

Retail and Leisure Service Sector Expenditure Growth

7.11 Experian Micromarketer G3 data identifies local consumer expenditure across key elements of the retail and leisure service sectors at 2019. Given the nature of these sectors (i.e. with the exception of games of chance, they are not generally replicable online), we do not account for online expenditure in our calculation.

7.12 To estimate future growth in expenditure, we again refer to ERPBN18, which provides a generic annual growth rate for the leisure sector. In this regard, it is important to note that whilst 'Hairdressing salons and personal grooming establishments' are classified as retail services for the purpose of Experian Goad, they are categorised within the 'leisure' typology in respect of Experian Micromarketer G3 data. As such, it is appropriate to apply the annual ERPBN18 leisure growth rate to this expenditure.

7.13 We set out Experian’s per capita leisure sector expenditure growth forecasts (as identified by Figure 1a of ERPBN18) below in our Table 7.1.

Table 7.1: Experian Retail Planner Briefing Note 18 Leisure Sector Annual Per Capita Growth Rates

Year	Leisure Sector Growth
2020	-53.8
2021	64.7
2022	14.8
2023-27	2.9
2028-40	0.9

Source: Figure 1a of Experian Retail Planner Briefing Note 18 (December 2020)

7.14 The service sector has been impacted more than any other by the Covid-19 pandemic. All such operators have been the subject of significant trading restrictions and closures. Experian’s growth forecasts suggest that the sector will recover throughout 2021 and 2022, but it is only by 2026 that expenditure across the sector returns to the level apparent at 2019 (i.e. pre-Covid).

7.15 Once again, Experian’s per capita leisure sector annual growth forecasts fail to cover the entire reporting period, and we extrapolate growth to 2051 based on the growth rate evident at 2040.

7.16 We again recognise that growth in expenditure forecasts in the longer-term should be treated with caution given the difficulties in predicting economic performance over such an extensive timeframe.

7.17 Accepting this caveat, we are able to use Experian’s recommendations in respect of annual expenditure growth to calculate expenditure across the retail and leisure service sectors at 2021, 2026, 2031, 2036, 2041 and 2051.

Retail Service Sector Expenditure Growth Within the Defined Study Area

7.18 Taking into account the Study Area resident population and the available per capita retail service sector expenditure³², we estimate that £23.5m of expenditure originates within the Study Area at 2021. The below Table 7.2 indicates that available Study Area retail service sector expenditure is then forecast to increase substantially to £42.5m at 2051.

³² Experian Micromarketer G3 data provides details of expenditure claimed by ‘Hairdressing salons and personal grooming establishments’. Whilst this does not represent the retail service sector in its entirety, it does comprise a large proportion of the sector and is considered to be an appropriate proxy by which to estimate the growth across the sector as a whole.

Table 7.2: Total Available Study Area Retail Service Sector Expenditure

2021 (£m)	2026 (£m)	2031 (£m)	2036 (£m)	2041 (£m)	2051 (£m)
23.5	31.0	33.8	35.8	37.9	42.5

Source: Table 2 of Appendix 9
In 2019 Prices

7.19 We reiterate that the turnover of the retail service sector at 2026 is broadly commensurate with its performance at 2019. Accordingly, we do not believe that anticipated retail service growth between 2021 and 2026 will likely support an expansion of the sector. In practice, existing operators will need to claim this growth to ensure that their businesses are viable. The level of growth post-2026 is of interest, as this should be able to support the expansion of the sector in practice.

7.20 Table 7.3 identifies the available growth across the retail service sector from 2026 to 2051. In total, growth across this period comprises £11.4m.

Table 7.3: Growth in Available Study Area Retail Service Expenditure (£m)

Growth 2026-2031 (£m)	Growth 2026-2036 (£m)	Growth 2026-2041 (£m)	Growth 2026-2051 (£m)
2.7	4.8	6.9	11.4

Source: Table 3 of Appendix 9
In 2019 Prices

7.21 The primary purpose of this exercise is to calculate a 'multiplier' that can be used to forecast future floorspace requirements. We confirm the level of growth between 2026 and each reporting period in percentage terms below at Table 7.4. In total, we estimate that the expenditure claimed by the retail service sector will increase by around 36.9% in the period between 2026 and 2051.

Table 7.4: Growth in Available Study Area Retail Service Sector Expenditure (%)

Growth 2026-2031	Growth 2026-2036	Growth 2026-2041	Growth 2026-2051
8.8%	15.5%	22.3%	36.9%

Source: Table 4 of Appendix 9

Leisure Service Sector Expenditure Growth Within the Defined Study Area

7.22 We apply a similar methodology to estimate increases in expenditure across the leisure service sector to 2051.

7.23 Based on the forecast Study Area resident population and the available per capita leisure service sector expenditure, we estimate that £322.1m of such expenditure originates within the Study Area at 2021. Table 7.5 identifies that leisure service expenditure across the Study Area is then forecast to increase to circa £581.7m at 2051.

Table 7.5: Total Available Study Area Leisure Service Sector Expenditure

2021 (£m)	2026 (£m)	2031 (£m)	2036 (£m)	2041 (£m)	2051 (£m)
322.1	425.0	462.4	490.6	519.5	581.7

Source: Table 2 of Appendix 9
In 2019 Prices

7.24 Once more, it is important to recognise that the estimated turnover of the leisure service sector at 2026 is broadly commensurate with the position at 2019. This again reflects the fact that such businesses have been particularly susceptible to losses of trade as a consequence of Covid-19, and that it will take some time for the sector to fully recover. Accordingly, we do not believe that growth to 2026 will likely support an expansion of the sector. We therefore only consider the level of growth that is likely to be apparent post-2026, as we do not believe that there will likely be a material expansion in the sector until this time.

7.25 Table 7.6 identifies the available growth across the leisure service sector from 2026 to 2051, which comprises £156.7m.

Table 7.6: Growth in Available Study Area Leisure Service Expenditure (£m)

Growth 2026-2031 (£m)	Growth 2026-2036 (£m)	Growth 2026-2041 (£m)	Growth 2026-2051 (£m)
37.5	65.6	94.5	156.7

Source: Table 3 of Appendix 9
In 2019 Prices

7.26 This exercise identifies a 'multiplier' that can be used to forecast future floorspace requirements. We confirm the level of growth between 2026 and each reporting period below at Table 7.7. In total, we estimate that the expenditure claimed by the leisure service sector will increase by 36.9% in the period between 2026 and 2051.

Table 7.7: Growth in Available Study Area Leisure Service Sector Expenditure (%)

Growth 2026-2031	Growth 2026-2036	Growth 2026-2041	Growth 2026-2051
8.8%	15.4%	22.2%	36.9%

Source: Table 4 of Appendix 9

Retail Service Sector Floorspace Requirements

7.27 The level of growth identified at Table 7.4 is applicable to the retail service sector as a whole. There is a general understanding that business costs increase in real terms as time goes by³³ and, as such, we believe that some of this growth will be claimed by existing business in practice. There is also a

³³ Due to increase in the minimum wage, rent increases and so on.

limit in respect of the number of haircuts, pedicures and beauty treatments required in practice (i.e. spending more on these services does not always equate to an increase in the frequency of the service). As a consequence, it is necessary to apply an allowance to account for how much of the growth may be claimed by existing businesses.

7.28 ERPBN18 fails to provide any assistance in respect of an appropriate sales efficiency figure. We note that Experian³⁴ estimates that the comparison goods retail sector will be the subject of significant annual improvements in sales efficiency in the long term³⁵ of 2.6% per annum. However, the comparison goods sector has a particular issue in respect of online competition, which significantly influences price and retailers' margin. As such, we do not believe that comparison goods sales efficiencies can be applied to service sector floorspace.

7.29 Forecast changes in convenience goods sales efficiencies are negligible due to the anticipated static growth across the sector in forthcoming years. They similarly cannot be used as a proxy in respect of changes in service sector sales efficiency.

7.30 Given the above, we effectively adopt the 'middle ground' and proceed on the basis that half the growth in the retail service and leisure service sectors will be available to support existing retailers and half will be available to support new entrants into the market. This professional judgement takes into consideration the following matters:

- business costs will almost certainly increase in real terms over the period to 2051 and there will be a need for existing uses to increase their turnover to remain sustainable;
- increases in spending do not lead to a pro rata increase in the need to experience a given service (for example, if expenditure in respect of eating out increases by 20%, this will not lead to a 20% increase in the use of cafés and restaurants; instead patrons may well choose to visit a nicer restaurant or buy a more expensive bottle of wine); and
- the forecast increases in retail and leisure service expenditure to 2051 are relatively substantial and will undoubtedly encourage new entrants in those markets in practice.

7.31 As a result of the above, we estimate that 50% of identified expenditure growth is available to support existing businesses and the remaining 50% is available to support new operators.

7.32 We provide an assessment of the level of retail service sector floorspace growth in Cirencester town

³⁴ Figure 4b of Experian Retail Planner Briefing Note 18.

³⁵ Between 2028 and 2040.

centre to 2051 on this basis in the below Table 7.8a and Table 7.8b.

- 7.33 Table 7.8a sets out our estimate that increases in retail sector expenditure may support an additional 200 sq.m of floorspace at 2031, increasing to 400 sq.m at 2036, to 600 sq.m at 2041, and then to 900 sq.m at 2051.

Table 7.8a: Forecast Retail Service Sector Floorspace Growth in Cirencester Town Centre 2021 to 2031

Year	Floorspace at 2021 (sq.m)	Growth at 2026	Growth Multiplier 2026 to 2031	Floorspace Growth at 2031 (sq.m)	Growth Multiplier 2031 to 2036	Floorspace Growth at 2036 (sq.m)
Retail Service	5,080	0	4.4%	200	7.7%	400

Source: 2021 position established by Nexus Planning's land use survey of July 2021; multipliers derived from above Table 7.4; floorspace figures are rounded

Table 7.8b: Forecast Retail Service Sector Floorspace Growth in Cirencester Town Centre 2031 to 2051

Year	Growth Multiplier 2036 to 2041	Floorspace Growth at 2041 (sq.m)	Growth Multiplier 2041 to 2051	Floorspace Growth at 2051 (sq.m)
Retail Service	11.1%	600	18.4%	900

Source: 2021 position established by Nexus Planning's land use survey of July 2021; multipliers derived from above Table 7.4; floorspace figures are rounded

- 7.34 Based on the above, we estimate that there will be a need for around 5,980 sq.m of retail service floorspace in the town centre at 2051, which incorporates the 900 sq.m of additional retail service floorspace identified in our assessment.

Leisure Service Sector Floorspace Requirements

- 7.35 Table 7.7 sets out our estimate in respect of the anticipated level of growth across the leisure service sector to 2051. Once again, due to the need for existing operators to increase their turnover in real terms in order to remain viable, we estimate that half of this growth would be available to support existing operators.
- 7.36 Our assessment of leisure floorspace growth in Cirencester town centre to 2051 is set out at Table 7.9a and Table 7.9b.
- 7.37 The tables identify that estimated increases in leisure sector expenditure could support an additional 500 sq.m of floorspace at 2031, increasing to 800 sq.m at 2036, to 1,200 sq.m at 2041, and then to 2,000 sq.m at 2051. On this basis, we estimate that the leisure sector may support in the order of 12,700 sq.m of floorspace in Cirencester town centre at 2051.

Table 7.9a: Forecast Leisure Service Sector Floorspace Growth in Cirencester Town Centre 2021 to 2031

Year	Floorspace at 2021 (sq.m)	Growth at 2026	Growth Multiplier 2026 to 2031	Floorspace Growth at 2031 (sq.m)	Growth Multiplier 2031 to 2036	Floorspace Growth at 2036 (sq.m)
Leisure Service	10,700	0	4.4%	500	7.7%	800

Source: 2021 position established by Nexus Planning's land use survey of July 2021; multipliers derived from above Table 7.7; floorspace figures are rounded

Table 7.9b: Forecast Leisure Service Sector Floorspace Growth in Cirencester Town Centre 2031 to 2051

Year	Growth Multiplier 2036 to 2041	Floorspace Growth at 2041 (sq.m)	Growth Multiplier 2041 to 2051	Floorspace Growth at 2051 (sq.m)
Leisure Service	11.1%	1,200	18.4%	2,000

Source: 2021 position established by Nexus Planning's land use survey of July 2021; multipliers derived from above Table 7.7; floorspace figures are rounded

Key Findings: Retail and Leisure Service Sector Needs

- 7.38 Our service sector capacity exercise is a high-level needs assessment that utilises Experian's identified growth rates in respect of the future growth of the leisure and retail service sectors³⁶.
- 7.39 Experian does not provide any data of relevance to the financial and business service sector, and we assume that Cirencester's offer in this regard will remain static. Any further decline in the sector may be arrested by the town's important function as the key centre serving the wider Cotswolds area. We believe that this will mitigate against further closures and that the financial and business service sector is likely to stay broadly as existing.
- 7.40 With regard to the retail service sector, our assessment identifies a need for approximately 900 sq.m of additional floorspace across the town centre at 2051. In respect of the leisure service sector, the identified need equates to around 2,000 sq.m of additional floorspace at 2051. It is important to note that these requirements are less than the total quantum of floorspace that is currently vacant within the town centre, and that the re-use of vacant floorspace should be a priority for the Council.
- 7.41 We again reiterate that the findings of an assessment of this nature (which applies national average growth estimates and does not rely on the findings of a household survey) should be taken as a broad assessment of future needs. The findings of the assessment should also be the subject of regular review in order to account for emerging trends and the overall strength of the economy.

³⁶ The retail service sector, for this purpose, comprises expenditure at 'Hairdressing salons and personal grooming establishments'.

8 Key Findings and Conclusions

- 8.1 Our work has established the current composition, role and function of Cirencester town centre. We note that the comparison goods role of the centre has diminished in recent years and that the vacancy rate has increased substantially. This is reflective not just of the Covid-19 pandemic, but also of wider structural changes in the retail sector.
- 8.2 Notwithstanding this, Cirencester town centre is vital and viable, and there is reason to be generally optimistic about its future. It remains an attractive destination and is of particular importance to Cotswold District and the wider Study Area given that it is able to meet the majority of retail and service sector needs. In this regard, the centre benefits not only from its historic setting, but also from its geography. The town centre remains the retail and administrative 'capital of the Cotswolds', with higher order competitor centres generally being located some distance away.
- 8.3 This Study seeks to provide a broad indication of future commercial floorspace requirements within the town centre. It is important to recognise that the provisions of the GPDO – which allows the change of use of commercial Class E uses to residential dwellings as permitted development³⁷ – may result in some loss of commercial floorspace over time. It will be important for the Council to review the use of such permitted development rights to ensure that Cirencester's role and function is not undermined, and that it can continue to perform its important role in meeting a substantial range of retail and service needs.
- 8.4 The research undertaken as part of this Study has identified particular opportunities to diversify the centre and secure additional growth. One of these opportunities relates to the prospect of securing more residential development in and around the town centre, which would boost footfall, help support local businesses and boost evening activity.
- 8.5 In commercial terms, the key opportunities relate to:
- the potential to bring forward a cinema within Cirencester, which would likely be of a 'boutique format' in order to be accommodated on a town centre site;
 - the potential to supplement the hotel offer in the town centre;
 - the quantitative need which exists towards the end of the reporting period to support a further moderately-sized supermarket in the town, which could be brought forward in the centre (subject

³⁷ Subject to limitations and conditions, which include the scale of the development.

- to format and site availability); and
- the potential to improve the leisure and cultural economies, which are perhaps not as substantial as we would expect given the wider role and function of the town (and its ability to attract visitors to the area).
- 8.6 The current adopted development plan allocates a series of sites that could support some of the above proposed land uses. We believe that further engagement with the market may assist in order to consider specific operator requirements and the level of developer interest in Cirencester in respect of the above commercial uses.
- 8.7 The key purpose of this Study is to model likely increases in expenditure growth, which affect the floorspace requirements for different uses in Cirencester town centre across the period to 2051. In order to provide a sound footing for such an exercise, our model is based on Experian data and growth projections, which are commonly used in capacity exercises of this type. Our model assumes that Cirencester's existing convenience and comparison goods market share will be maintained going forward and does not account for significant interventions (such as those set out in the above paragraph 8.4) that could materially increase the overall attractiveness of Cirencester. In particular, we are aware that new cinema developments often act as the catalyst for increased demand from food and beverage operators; such interest could help attract new leisure formats and operators to the town.
- 8.8 In this regard, AspinallVerdi has undertaken some initial soft market testing to gauge potential operator interest. This exercise has identified two positive potential requirements from cinema operators (Everyman and Tivoli), and one from a hotelier (Hilton). Such operators clearly have the potential to help the town centre to evolve and act as the catalyst for further investment. A modern 'boutique' cinema operator should be a significant attractor in bringing people into the centre in the evening, resulting in a broader leisure offer. This, in turn, is likely to attract further food and beverage uses to capitalise on the increased footfall and attraction of the centre.
- 8.9 Our quantitative retail needs assessment is set out at Section 6 of this report. It is again important to reiterate that the retail and leisure sectors continue to be the subject of significant change, and longer-term forecasts in particular should be viewed with some caution. The current iteration of the NPPF suggests that town centre strategies should focus on needs rising within a minimum ten-year period.

- 8.10 Recognising this caveat and based on retention of the existing market share, we estimate that there may be a need for an additional 1,300 sq.m net and 1,900 sq.m gross of additional convenience goods floorspace in the town centre at 2051. The estimated comparison goods requirement over the same timeframe is more modest, equating to 600 sq.m net and 800 sq.m gross.
- 8.11 In terms of the service sector, Section 7 of our report identifies that 900 sq.m of retail service floorspace and 2,000 sq.m of leisure service floorspace could potentially be supported at 2051. We believe that quantum of floorspace occupied by the financial and business service sector may remain broadly similar going forward.
- 8.12 We set out below how these identified needs will likely affect the composition of Cirencester town centre going forward.
- 8.13 Whilst any additional convenience goods floorspace may take the form of a bespoke development (if it were to be delivered by a single supermarket operator), for the purpose of our assessment we have assumed that, in the first instance, consideration should be given to the reoccupation and repurposing of vacant floorspace to meet identified needs. As such, we assume that the overall stock of floorspace remains the same over the 30-year period.
- 8.14 The below Tables 8.1a and 8.1b summarise the findings of our quantitative retail and service sector needs assessments, and set our forecast in respect of the future composition of the centre. As the tables identify, the strongest level of growth is apparent in the convenience goods and leisure service sectors. Some growth is also apparent for the service sector and, over the very long term, for the comparison goods sector. The effect of this growth would be to reduce the town centre vacancy rate over time (this would accelerate further should any commercial units be redeveloped for residential purposes).
- 8.15 Taken in aggregate, we believe that the retail sector (convenience and comparison goods floorspace) in the town centre could increase from 23,540 sq.m at 2021 to 26,240 sq.m at 2051. Some of this growth is attributable to the immediate convenience goods need at 2021, which equates to 600 sq.m gross. We estimate that the service sector could expand from 21,050 sq.m at 2021 to 23,950 sq.m at 2051.

Table 8.1a: Composition of Cirencester Town Centre at 2021 and at Future Reporting Years

Sector	2021 Floorspace (sq.m)	Changes in Floorspace to 2026 (sq.m)	2026 Floorspace (sq.m)	Changes in Floorspace to 2031 (sq.m)	2031 Floorspace (sq.m)	Changes in Floorspace to 2036 (sq.m)	2036 Floorspace (sq.m)
Comparison	19,510	-900	18,610	+0	18,610	+400	19,010
Convenience	4,030	+600	4,630	+300	4,930	+200	5,130
Financial Service	5,270	+0	5,270	+0	5,270	+0	5,270
Leisure Service	10,700	+0	10,700	+500	11,200	+300	11,500
Retail Service	5,080	+0	5,080	+200	5,280	+200	5,480
Vacant	6,420	+300	6,720	-1,000	5,720	-1,100	4,620
Total	51,010	+0	51,010	+0	51,010	+0	51,010

Source: 2021 figures from Nexus Planning land use survey of July 2021; changes thereafter as identified at Sections 6 and 7 of this report; assumes that needs are subsumed by existing stock

Table 8.1b: Composition of Cirencester Town Centre at 2021 and at Future Reporting Years

Sector	Changes in Floorspace to 2041 (sq.m)	2041 Floorspace (sq.m)	Changes in Floorspace to 2051 (sq.m)	2051 Floorspace (sq.m)
Comparison	+500	19,510	+800	20,310
Convenience	+200	5,330	+600	5,930
Financial Service	+0	5,270	+0	5,270
Leisure Service	+400	11,900	+800	12,700
Retail Service	+200	5,680	+300	5,980
Vacant	-1,300	3,320	-2,500	820
Total	+0	51,010	+0	51,010

Source: 2021 figures from Nexus Planning land use survey of July 2021; changes thereafter as identified at Sections 6 and 7 of this report; assumes that needs are subsumed by existing stock

8.16 The below Table 8.2 confirms the proportion of floorspace dedicated to particular uses across the centre at 2021 and 2051 based on our assessment.

8.17 As Table 8.2 demonstrates, we believe that the most significant changes arise in respect of the convenience goods sector and the leisure service sector, which expand relatively significantly. As a consequence of this (and noting the expanded comparison goods and retail service provision), we envisage that the future vacancy rate reduces significantly. The estimated vacancy rate is just 1.6% at 2051. The assessment has been undertaken on the basis that the existing stock of floorspace remains as it is at 2021, and has been repurposed in accordance with the needs identified in this assessment. In practice, the delivery of a substantial quantum of convenience goods floorspace may require the redevelopment of a site to accommodate a single operator.

Table 8.2: Composition of Cirencester Town Centre at 2021 and Future Reporting Years

Sector	Composition of Floorspace at 2021 (%)	Composition of Floorspace at 2051 (%)
Comparison	38.2%	39.8%
Convenience	7.9%	11.6%
Financial Service	10.3%	10.3%
Leisure Service	21.0%	24.9%
Retail Service	10.0%	11.7%
Vacant	12.6%	1.6%
Total	100.0%	100.0%

Source: 2021 figures from Nexus Planning land use survey of July 2021; changes thereafter as identified at Sections 6 and 7 of this report; assumes that immediate convenience goods capacity will be met by new floorspace and that other needs are subsumed by existing stock

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