THE RETAIL GROUP

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Final Report

Aylesbury Town Centre: Retail Capacity Update

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Aylesbury Town Centre: Retail Capacity Update, December 2016

By **The Retail Group**

Aylesbury Town Centre Retail Capacity Update

1. Introduction

1.1 The Retail Group (TRG) has been commissioned by Aylesbury Vale District Council (AVDC) to undertake a Growth Assessment Study for Aylesbury Town Centre. The aims of the Aylesbury Town Centre Growth Assessment Study are summarised as; "to identify the future town centre offer, the quality, range, mix, positioning and core components in light of the demands of the Aylesbury customer base and its various catchment groups".

1.2 The scope of the Growth Assessment Study includes a variety of research areas including a postcode survey (to establish the current catchment area), a short town centre shopper survey, a review of current and historic reports and information which includes the current draft Vale of Aylesbury Local Plan, a detailed review of the existing offer and a survey of operators in the town centre. The findings of these research areas combined with an overlay of current or emerging town centre trends and a review of benchmark locations will help to inform a future vision and growth strategy for Aylesbury Town Centre, which will be articulated in the Growth Assessment Report.

1.3 Given the opportunity to define an up-to-date catchment area for Aylesbury Town Centre, the Forward Planning Team at AVDC has asked TRG to look at the Aylesbury Town Centre capacity elements of the GL Hearn Aylesbury Vale Retail Study 2015. The Forward Planning Team would like to assess whether there is any change to the floorspace capacity conclusions arrived at in the GL Hearn report, for the Aylesbury Town Centre comparison goods and convenience goods categories.

1.4 This Aylesbury Town Centre Capacity Update Report sets out the conclusions of the floorspace capacity for Aylesbury Town Centre. It draws on the research areas and findings completed for the Growth Opportunity Assessment. It also draws on the information, approach and assumptions contained in the GL Hearn report.

1.5 We have not been asked to critique the GL Hearn study and we have not done so. Indeed we have found the report and its findings to be extremely helpful, it is a high quality report completed to industry standards. As shown later in the report we have carried over and used the relevant GL Hearn assumptions and findings on population growth, expenditure and growth, retail performance and market shares. For ease of reference the GL Hearn Aylesbury Vale Retail Study 2015 and the study appendices can be found on the AVDC website using the following links;

1. **Introduction** contd.

1.6 We have not updated the GL Hearn sections on national planning policy, general commercial and economic trends affecting the retail sector and town centre opportunity. The factors identified in the GL Hearn study continue to be relevant and applicable. Where we have additional views and trend observations these have been included later in this report. The Aylesbury Town Centre Growth Assessment Study Report contains a detailed section on trends affecting town centres and has been used in developing its conclusions and recommendations for the qualitative growth and positioning of Aylesbury Town Centre.

1.7 The core sections of this report are as follows;

Section 2 – sets out the research and conclusions on the current and future catchment area and the resident population that it contains. We have also provided a snapshot of the customer profile as this will underpin the qualitative need and opportunity for the future retail offer in Aylesbury Town Centre.

Section 3 – provides an updated summary review of the performance of the town centre. Given the level of consistency between historic studies (including the 2010 TRG report) such as the GL Hearn 2015 study, the existing Aylesbury Town Centre Plan and our latest 2016 research, we have included the review of current town centre performance as a summary and conclude with the qualitative need for retail in the town centre.

Section 4 – details the assumptions, inputs and methodology used in this update, essentially following the GL Hearn and industry proven approach.

Section 5 – sets out the updated quantitative capacity assessment for additional convenience and comparison goods floorspace in Aylesbury and the town centre.

Section 6 – sets out the conclusions and recommendations for any future development of additional floorspace.

Aylesbury Town Centre Retail Capacity Update

2. Aylesbury Catchment Area and Population

2.1 This section of the report is primarily based on the research and analysis completed in July and August 2016 to define the current catchment area for Aylesbury town centre, this included a postcode survey of 1,000 town centre users (shoppers or visitors) and a short shopper survey of 475 shoppers. Postcodes and shopper surveys were captured and completed across the trading day and the trading week including Saturdays. We have also referred to a parallel postcode survey completed for the 2009 TRG study of 700 postcodes. Furthermore we have also looked at the information provided by GL Hearn from their household survey.

2.2 The 1,000 postcodes used as a basis to define the Aylesbury catchment area provided responses from circa 113 postal sectors on weekdays and 78 postal sectors at the weekend. Having tabulated the postcodes we identified that 33 postal sectors provided meaningful numbers of respondents that is to say over 5 respondents per postal sector. These postal sectors accounted for just over 80% of the postcodes collected. The postal sector response percentages are shown in the tables below (fig.1).

HP20 1	10.1%	HP19 7	2.3%	MK18 3	0.7%
HP21 7	7.9%	HP19 0	2.2%	HP21 1	0.6%
HP21 8	7.8%	HP19 8	1.8%	HP27 9	0.6%
HP20 2	6.9%	OX9 3	1.8%	MK18 1	0.6%
HP21 9	6.6%	HP22 6	1.6%	OX39 4	0.6%
HP19 9	6.4%	HP23 5	1.6%	OX9 2	0.6%
HP22 5	3.8%	HP20 9	1.5%	HP18 9	0.5%
HP22 4	3.4%	LU7 0	1.3%	LU1 3	0.5%
HP18 0	3.1%	HP27 0	1.1%	MK10 9	0.5%
HP23 4	2.6%	LU7 9	0.8%	MK18 2	0.5%
HP17 8	2.5%	HP17 0	0.7%	SL1 5	0.5%

Fig (1) shows postal sectors achieving above a 0.5% response rate (5 responses)

2. Aylesbury Catchment Area and Population contd.

2.3 The postal sectors included within the Aylesbury catchment area are shown on the map below (fig.2). In broad terms this catchment area is similar to the survey area used by GL Hearn and to the previous catchment area identified by TRG in 2009. However it does cover a slightly wider area to both, albeit in different directions for each. The latest catchment area for Aylesbury extends up to Buckingham (to the north) up to and a little beyond Leighton Buzzard to the north east, to Tring, Wendover and Princes Risborough in the south and to Chinnor and Thame in the west. As identified by GL Hearn and evidenced in (fig.1) above. Aylesbury will be achieving stronger capture rates of the postal sectors closer to the town and gradually decreasing towards the outer parts of the catchment area.

2.4 The data provider CACI has provided a catchment area map covering the postal sectors and this is shown below (whilst CACI has also provided expenditure information, for our analysis we have used the GL Hearn / Experian information in the expenditure calculations for consistency.)

2.5 It is worth noting that just under 20% of the postcodes captured in Aylesbury Town Centre originate from outside the defined catchment area. Whilst we would not suggest that all of these provide a reliable and regular inflow, it does provide a reasonable basis for a 10% inflow expenditure figure for Aylesbury Town Centre. The inflow shoppers were identified in the town centre and will be a reliable source of income for town centre operators. We have seen inflow figures as high as 30% in other locations, therefore a 10% inflow for Aylesbury will be a reasonable assumption, particularly with an improved range and quality offer.

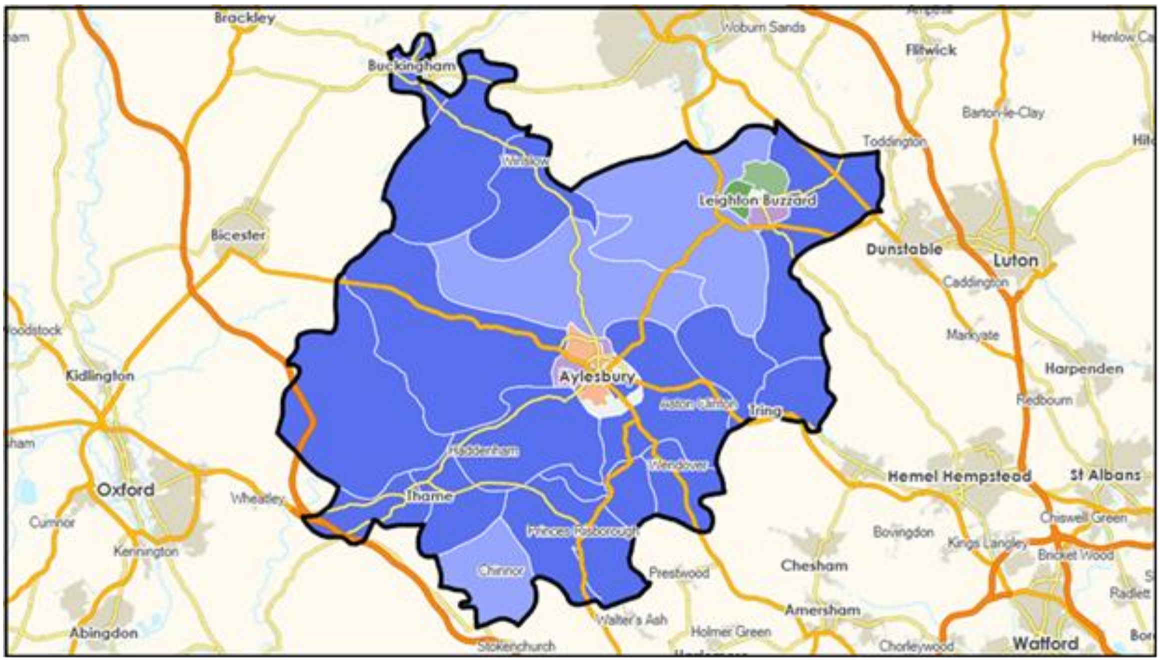

Fig (2) Map showing Aylesbury Catchment Area

Aylesbury Town Centre Retail Capacity Update

2. Aylesbury Catchment Area and Population contd.

2.6 The defined catchment area for Aylesbury Town Centre, based on the responses to the 2016 postcode survey contains just over 259,000 residents as at 2016. This total is circa 20,000 up on the catchment area we defined in 2009 as a result of increased response rates from a couple of outer lying postal sectors and primarily from population and housing growth within the remaining area. GL Hearn used a population base figure of 223,921 for 2014 growing to 236,369 in 2019 and further forecast growth beyond.

2.7 Aylesbury Town Centre has an established resident catchment area that contains over 259,000 residents. Based on surveys of shoppers and visitors in the town centre we have been able to plot where the catchment area extends to and then to identify the current resident population for the town centre. With the benefit of comparison to previous research, our own from 2009 and the GL Hearn household survey in 2014, we are able to conclude that the base figure of 259,000 is credible and robust.

2.8 The catchment area is influenced by the established regional centres that all sit some distance away from the catchment area. GL Hearn has identified from the household survey that Milton Keynes and High Wycombe are major influencing centres, to the north and south respectively. The catchment area is already extending beyond the borough boundary in certain areas and given improvements to the quality, diversity and quantity of retail provision in Aylesbury Town Centre, the town centre offer will continue to appeal to the catchment area and beyond.

2.9 Data on the demographic and expenditure profile of the residents in the catchment area has been sourced from CACI. The Growth Assessment Report has a detailed analysis of the demographic and expenditure profile of the resident base, including comparisons to the 2009 study and comparisons between resident profile and shopper profile. The dominant Acorn categories are shown in the table below (fig. 3) and a brief summary of the profile follows.

ACORN Category	2016 Catchment	UK Average
1 - Affluent Achievers	36.7	22.6
2 - Rising Prosperity	12.6	9.1
3 - Comfortable Communities	25.2	27.1
4 - Financially Stretched	17.0	22.7
5 - Urban Adversity	7.4	17.5

Fig (3) Acorn profile of the catchment vs. UK average

Aylesbury Town Centre Retail Capacity Update

2. Aylesbury Catchment Area and Population contd.

- The resident profile is dominated by mid to upmarket Acorn categories.
- These mid to upmarket consumers account for 75% of residents compared to 59% UK average.
- The majority of residents are likely to be consumers with good levels of disposable income; discerning shoppers seeking good quality products and shopping / leisure experiences.
- The resident catchment base is a high spending catchment, over-indexing on all comparison goods categories and core convenience categories.

2.10 Aylesbury Town Centre has an established catchment area which is dominated by mid to upmarket residents. The catchment population of 259,000 spends above GB average and consumers will have high expectations of the retail offer and experience.

2.11 The current Aylesbury catchment area population has increased since the previous detailed study in 2009 and is also above the base figure used by GL Hearn for their retail study in 2015. The increased population size will have a material effect on the future floorspace capacity calculated later in this capacity update.

2.12 GL Hearn has identified that the population in the catchment area as a whole is forecast to grow by 10.9% between 2014 and 2024 and by a total of 15% by 2033. We have applied the same growth forecasts for each of the 5 year periods in the study to the current baseline population.

2.13 At the time of preparing the final draft of this update the proposed draft VALP (Vale of Aylesbury Local Plan) housing growth forecasts had reduced from the previous 33,300 to 26,800 units over the next 20 years. This reduction does not have an effect on the population growth forecasts in the capacity modelling process as the growth forecasts used are below that of the number of households multiplied by accepted average population per household. In effect the population growth figures are based on prudent low 1%-1.2% annual growth figures resulting in a cautious view of likely housing completions over the study period.

Aylesbury Town Centre Retail Capacity Update

3. Aylesbury Town Centre Review

3.1 The 2015 GL Hearn retail study report sets out a clear review of the retail offer and performance of Aylesbury Town Centre, with detailed information on retail composition, floorspace, unit numbers by category, vacant units, environment, pedestrian flows and even visitor views from the household survey. In broad terms we would agree with the findings and their summary points 4.46 to 4.48. The following points summarise the findings of our current reviews of the town centre, with input from a survey of businesses in the town centre and feedback from shoppers in the town centre. We have focused on adding layers of current insight to the GL Hearn study as opposed to reporting all the findings, which are detailed in the Growth Assessment Report.

3.2 Aylesbury Town Centre appears on many levels to be in good health and feels busy. Many of the main component parts are busy, well occupied and look healthy.

3.3 Friars Square has benefitted from small scale development to create large retail units and to infill the over-sized atrium space. This had led to new tenants, more multiple brands and 'upsized' existing Aylesbury operators. Hale Leys, Market Square, Waitrose and Theatre are busy with footfall, activity shoppers and visitors. Outside of the successful components the town centre does not offer a totally positive experience and there are opportunities to improve public realm, sightlines, access, offer and connectivity. These are well-established and articulated in the Town Centre Plan.

3.4 Many of the stronger aspects of the town's retail offer are hidden from day to day view whilst other weaker elements are more visible. The town centre can feel a little one-dimensional in the quality and diversity of its offer, with little to appeal to the more discerning shopper. The anchor stores also tend to be small and could be both better located and increased in size and / or number. The food and beverage (restaurants and catering) offer is limited and has significant potential to improve (as identified by leading industry advisor Coverpoint). Aylesbury Shopping Park is close to the town centre and could be an anchor for the town centre, however it is not currently integrated or embraced by the town centre.

3.5 Despite the recognised issues with the town centre and its offer, Aylesbury continues to be a shopping destination that successfully appeals to its catchment area. As part of the postcode survey we asked 475 shoppers in the town centre a few short questions about their usage of the town centre;

- 54% identified 'visiting the shops' as the main reason for being in the town centre.
- Live nearby (19%), food shopping (17%), work nearby (16%) and meeting friends (15%) made up the next secondary group of responses. Note: question allowed for multi-responses.
- Using cafes / restaurants and using service facilities were the next highest.
- Aylesbury is viewed as a shopping destination by many consumers.

3. Aylesbury Town Centre Review contd.

3.6 Aylesbury also achieves a high visit frequency, with 48% visiting daily or multiple times a week. Whilst 30% use it on a weekly basis. This correlates with the GL Hearn household survey, which also identified a high frequency for Aylesbury shoppers. In regard to where else Aylesbury shoppers visit, the most visited other centres are Milton Keynes and High Wycombe, albeit on a monthly or less frequent basis. Aylesbury is the most regularly and frequently visited centre for shoppers in the town centre.

3.7 Shoppers were also asked what improvements they would like to see (unprompted and multiple responses allowed). The following graph (fig.4) illustrates these responses. It is clear that the Aylesbury consumer would like a better quality offer and also a bigger choice across retail and catering sectors.

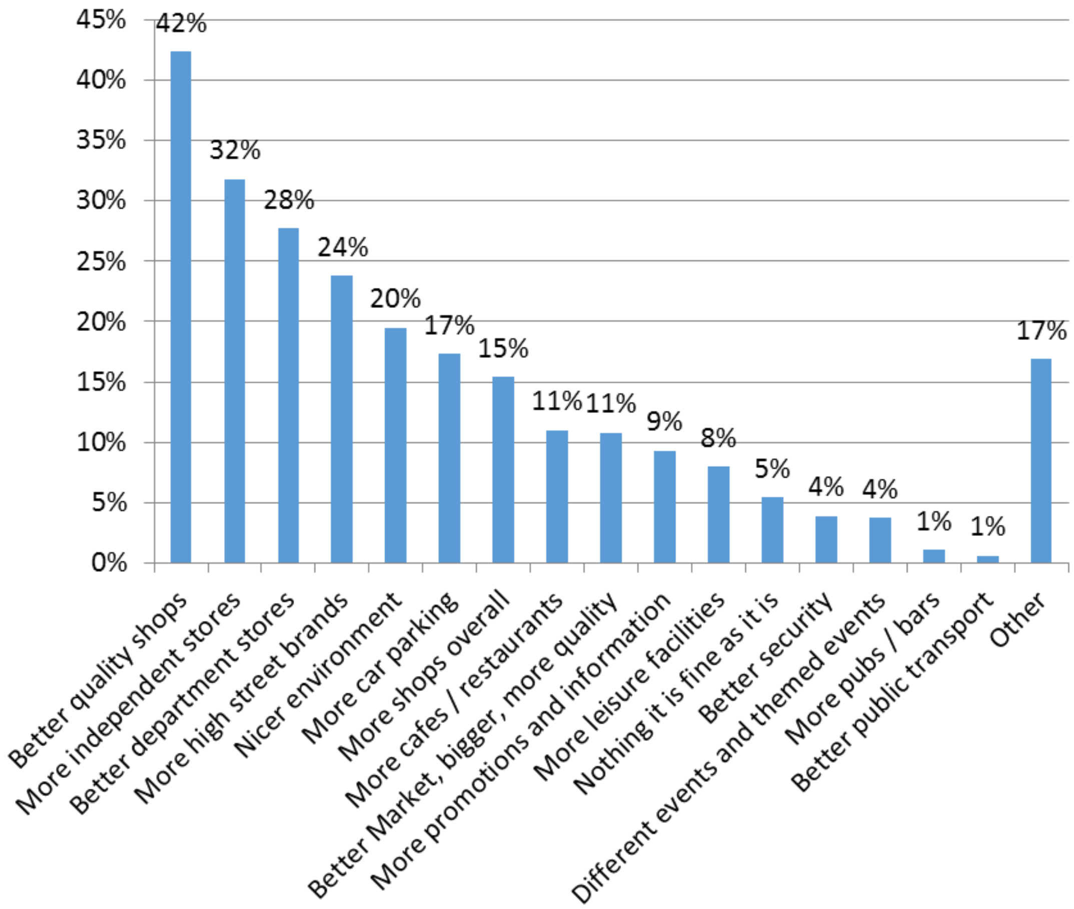

Fig (4) - What would make you visit Aylesbury Town Centre more often?

Aylesbury Town Centre Retail Capacity Update

3. Aylesbury Town Centre Review

3.8 The consumer demand for an improved offer in the town centre is mirrored by the businesses trading in the town centre. In August 2016 over 90 retailers and operators took part in a business survey; questionnaires were distributed by hand to store managers and owners and collated for analysis on a confidential basis. The detailed analysis of this research area is included in the Growth Assessment Report. We have summarised a number of relevant findings below.

3.9 The one single aspect most retailers would like to change was ‘more variety’ at 34%; parking changes / improvements were noted by 20%, with other aspects only achieving 10% or less. When pressed in detail the businesses identified more shops in general, more leisure, more aspirational brands, more anchors and more mid-market operators as aspects to improve.

3.10 In the main retailers are satisfied with their overall business performance; 70% being ‘satisfied’ or ‘very satisfied’. This compared to just 20% who are ‘dissatisfied’ or ‘very dissatisfied’. Current trading performance is evenly split with over 40% trading ‘up’ against last year and a similar figure trading down. 70% of retailers expect the outlook to remain constant or to improve. The majority (71%) expect to remain in their current premises with 14% looking to move or expand within Aylesbury.

3.11 In summary; the current Aylesbury Town Centre offer is succeeding on many levels. However it is also clear that there is much that needs to be improved in order for the town centre to achieve its potential and to meet the expectations of the available customer base.

3.12 The various research studies, the shopper survey, the customer profile analysis and the existing operators’ survey all identify a variety of qualitative improvement opportunities. These include expanding the retail offer, improving the choice, variety and quality of the offer, bigger stores, better anchors, more mid-market operators and more recognisable brands. In parallel to improving the core retail offer there is a need to improve the shopper experience through better catering / restaurants, improved environment, improved activity, critical mass and visibility, improved shopper facilities, access, routing and connectivity.

Aylesbury Town Centre Retail Capacity Update

4. Capacity Update Assumptions, Inputs and Methodology

4.1 The GL Hearn Aylesbury Vale Retail Study 2015 report is a thorough and professional report completed to high standards; it clearly sets out the retail modelling method adopted, the parameters and the assumptions used. The method is proven and robust. We have followed the method used by GL Hearn and have carried over the core assumptions using the base figures (except population) and applying the same growth ratios to any future figures. For clarity we have summarised and confirmed the various inputs below.

Survey Area

4.2 The survey area is the current defined catchment area as set out in Section 2 of this report. We have based the catchment area and therefore the resident population on the 1,000 postcodes collected in the town centre. The resident population we have used as the base level is 259,000. We are aware of further additional house build targets that are as a result of non-completions in other neighbouring areas, however for prudency these have not been factored in to the future capacity calculations.

4.3 This update capacity assessment is focused on the capacity for Aylesbury and the town centre and looks at both the convenience and comparison goods opportunities and floorspace requirements.

Expenditure

4.4 We have carried forward the expenditure data from the GL Hearn study to ensure that we have a comparable process and output. We have calculated a spend per household / population figure for the GL Hearn catchment population and then uplifted this to the catchment population identified for this study. Where GL Hearn has forecast increased expenditure across the relevant time periods we have applied the same uplift across the same time periods. The convenience expenditure split used by GL Hearn for top up and main food shopping has also been carried forward to this assessment.

Special Forms of Trading (SFT)

4.5 As GL Hearn has used the household survey to help define their market share calculations and these therefore take into account any SFT reductions, we have repeated this assumption and we have used the GL Hearn market share information and assumptions.

Sales Density

4.6 The sales density assumptions used by GL Hearn in their convenience and comparison goods capacity calculations have been used in this update assessment. The current retailer survey and the discussions with stakeholders including a food store manager, suggest that the town is performing well and that the assumptions made by GL Hearn are prudent and remain valid. In regard to future sales densities we have included them as constant market shares and applying advised growth ratios, as per the GL Hearn approach.

Aylesbury Town Centre Retail Capacity Update

4. Capacity Update Assumptions, Inputs and Methodology contd.

Existing Turnover and Inflow Assumptions

4.7 The GL Hearn study has allowed for relatively small levels of inflow expenditure when calculating the future available expenditure and therefore capacity to sustain additional floorspace. Based on the postcode survey information we have identified that just under 20% of shoppers in the town centre originate from outside the catchment area. Whilst it would not be prudent to expect a consistent inflow of 20% we do believe that Aylesbury could achieve circa 10% inflow subject to the quality, scale, content and format of its comparison goods and wider town centre offer. However in order to be prudent we have retained the inflow assumptions used by GL Hearn which are well within the 10% quantum.

Market Shares and Turnover

4.8 GL Hearn has completed a detailed analysis of the household survey, at sector level, to build up to an overall average market share figure for their defined survey area. They have completed separate exercises for both convenience and comparison goods expenditure. We have used these market share assumptions as the input to update the capacity modelling.

Retail Capacity Modelling

4.9 We have followed the same calculation process using the same assumptions, inputs and same growth rates as per the GL Hearn study. As previously stated the methodology used by GL Hearn is thorough and robust. The single point of difference in the capacity update stems from the updated catchment population. It should be noted that the increased catchment size does result in increased expenditure availability, which is then increased further as the forecast growth in population and expenditure is applied at target intervals.

4.10 The convenience floorspace capacity calculations have been completed for Aylesbury. The comparison floorspace has been assessed for the district, although any growth potential identified will be first utilised in Aylesbury Town Centre.

Aylesbury Town Centre Retail Capacity Update

5. Floorspace Capacity Update Calculations

5.1 This section reviews the qualitative retail capacity for convenience and comparison goods floorspace in Aylesbury (convenience) and across the district (for comparison). We have followed as closely as possible the methodology set out in the GL Hearn Aylesbury Vale Retail Study 2015 report. The methodology uses wherever possible the same assumptions and inputs as GL Hearn. The capacity assessments are for the same time periods; 2019, 2024, 2029 and 2033. The longer term projections for 2029 and 2033 should be viewed as indicative, as the factors influencing that capacity can be influenced by changes in macro-scale economic forces.

Convenience Capacity Modelling

5.2 GL Hearn has identified that the population in the catchment area as a whole is forecast to grow by 10.9% between 2014 and 2024 and by a total of 15% by 2033. This is in line with the Vale of Aylesbury Local Plan growth. Furthermore by applying spend per capita and forecast growth rates to the population figures, the total pool of available convenience expenditure will grow significantly. The table below uses the population growth rates adopted by GL Hearn and a calculated spend per head figure based on their application of expenditure growth forecasts. We have used the current catchment population figure as the base figure for 2014. Available expenditure increases by £99 million by 2014 and £183 million by 2033 (Fig. 5)

Population and Convenience Expenditure					
	2014	2019	2024	2029	2033
Population	259,000	273,400	287,300	299,100	307,200
Spend per head	£2,153	£2,217	£2,284	£2,353	£2,410
Total spend	£557.6m	£606.1m	£656.2m	£703.8m	£740.4m

Fig. (5)

5.3 The turnover of existing convenience stores has been calculated using the market share information derived from the household survey. The future anticipated Aylesbury turnover is based on market shares for three areas of influence; the in-centre offer (mainly top up shopping), the edge-of-centre offer (mainly Morrison's and Waitrose) and then the remaining out-of-centre offer. GL Hearn has allowed for growth in turnover at a level proportionately in line with the uplift in available expenditure. The future anticipated turnover figures are in the first row of the table below. In addition GL Hearn has calculated the likely potential turnovers in Aylesbury based on benchmark industry sales densities (row two in the table below). The difference between the anticipated turnover at constant market share and the benchmark sales density turnovers provides an indicative headroom of additional turnover that could be sustained by Aylesbury from convenience spend at existing market shares. Figure (6) below identifies potential retail headroom.

5. Floorspace Capacity Update Calculations contd.

Potential Retail Headroom along Forecast Timeline				
	2019	2026	2029	2033
Aylesbury Urban Area Future Anticipated Turnovers	£291.8m	£315.9m	£338.8m	£356.4m
Aylesbury Benchmark Turnover	£217.4m	£217.4m	£217.4m	£217.4m
Headroom	£74.4	£98.5m	£121.4m	£138.6m

Fig. (6)

5.4 GL Hearn identified a number of existing commitments (at the time of their report). These include the potential Sainsbury's store at Gatehouse Quarter, an Aldi at Rimmington Way and an extension to the Asda superstore. These commitments total 4,812m^2 of net convenience floorspace and will account for circa £68.8 million of convenience spend. It should be noted that the Aldi store and Asda extension are now trading, however for ease of comparison we have left them as pipeline. This will not affect the capacity conclusion below. The 1,500 m^2 convenience floorspace allocation at Berryfields is not included as a firm commitment as there has not been a planning application for the floorspace. However it remains an allocation from the 2004 Local Plan, this should be considered when reviewing future convenience provision proposals.

5.5 In order to identify the current floorspace capacity net of known commitments (and recent openings), we have reduced the headroom expenditure by the level of known committed expenditure and then applied a generic sales density to the balance, to identify any available floorspace capacity. The results are shown in the table below (Fig. 7).

Residual Available Convenience Expenditure and Capacity in Aylesbury				
	2019	2024	2029	2033
Headroom	£74.4m	£98.5m	£121.4m	£138.6m
Turnover of Commitments, including recent openings	£68.8m	£68.8m	£68.8m	£68.8m
Residual spend	£5.6m	£29.7m	£52.6m	£69.8m
Generic Sales Density	£10,000 / sq.m.	£10,000 / sq.m.	£10,000 / sq.m.	£10,000 / sq.m.
Convenience Floorspace Capacity	560 sq.m.	2,970 sq.m	5,260 sq.m	6,980 sq.m

Fig. (7)

Aylesbury Town Centre Retail Capacity Update

5. Floorspace Capacity Update Calculations contd.

Comparison Capacity Modelling

5.6 The table shows that based on the latest catchment population figures for the town, there is sufficient headroom to sustain the existing planned commitments over the short term horizon. Furthermore that by 2024 there will be the potential to sustain a further 2,970 sq.m of convenience space in Aylesbury. This rises to over 5,200 sq.m. by 2029 and to circa 6,980 sq.m. by 2033. Although the later figures should be re-assessed in circa 5 years' time. The Berryfields convenience floorspace allocation will need to be accounted for in the future capacity conclusions.

5.7 The future capacity for comparison goods floorspace is under-pinned by the future catchment population and the comparison goods spend it generates. The table below identifies the available spend across the forecast time periods. As with the convenience spend forecast we have calculated a spend per head figure using the GL Hearn assumptions (based on the previous catchment and spend figures). The calculated spend per head has been multiplied by the population as it grows, to provide the revised available comparison goods spend (Fig. 8). We have used the current 259,000 as the 2014 base figure.

Population and Comparison Expenditure					
	2014	2019	2024	2029	2033
Population	259,000	273,400	287,300	299,100	307,200
Spend per head	£3,713	£4,366	£5,133	£6,037	£6,877
Total spend	£961.7m	£1,193.7m	£1,474.7m	£1,805.7m	£2,112.6m

Fig. (8)

5.8 The results shown in Fig. (8) above show significant growth in the available comparison goods spend by 2033, more than double the current figure. The 2024 figure is over 50% up on the base level. Whilst these are large percentage improvements when shown as a total movement over a long period of time, they are as a result of very small increments to both population growth and expenditure growth on an annual basis. The typical population growth per annum over the study period is circa 1.1% for the catchment. The per annum expenditure growth rate used is as set out in Experian's Retail Planner briefing note, again at low per annum increments of circa 3%. When the individual annual increments are multiplied together (population growth by expenditure growth) and then accumulated for each five year period they result in fairly large increments of available expenditure. These large step changes over the study period are the same as shown by GL Hearn, and will be mirrored in all capacity studies.

5.9 The GL Hearn study has looked at the capacity for comparison goods at the district level, we repeat the process using the revised population and expenditure growth figures.

Aylesbury Town Centre Retail Capacity Update

5. Floorspace Capacity Update Calculations contd.

5.10 The pool of available comparison goods expenditure for the district will grow substantially over the study period. Therefore the anticipated comparison goods turnover at constant market shares (37.2% market share at district level) will grow in line with the increased available comparison goods spend. The table below (Fig. 9) shows the growth in anticipated comparison turnover and allows for a small inflow in the Aylesbury turnover. We have used the GL Hearn inflow figure to be prudent, although we expect a larger inflow figure to be achievable. Fig. (9) also provides the benchmark turnover using existing turnover of the current floorspace and increasing it incrementally by the same floorspace efficiency rate of 2%, as per GL Hearn, derived from the Experian Retail Planner Briefing Note (12.1 Addendum October 2014). As with the convenience calculations the difference between the anticipated turnover figures (based on constant market shares) and the benchmark turnover (based on sales densities that are incremental over the timeframe) provides an indication of the potential headroom turnover.

Anticipated Comparison Turnover, Benchmark Turnover and Potential Headroom at Constant Market Share of 37.2%				
	2019	2024	2029	2033
Turnover	444.1m	548.6m	671.7m	785.9m
Inflow	5.3m	6.6m	8.0m	9.4m
Total Anticipated Turnover	£449.4m	£555.2m	£679.7m	£795.3m
Benchmark Turnover	£353.8m	£392.9m	£438.1m	£477.9m
Headroom	£95.6m	£162.3m	£241.6m	£317.4m

Fig. (9)

5.11 In order to fully identify the floorspace capacity for comparison goods in Aylesbury and across the district, it is necessary to account for any known commitments. The GL Hearn study identifies circa 8,368 sq.m. of comparison floorspace and circa £60.7 million at 2019.

5. Floorspace Capacity Update Calculations contd.

5.12 The table below (Fig.10) identifies the residual available comparison expenditure and the floorspace capacity in Aylesbury based on constant market share retention, allowing for growth in sales density and also allowing for the known commitments, including the non-food elements of future known food stores.

Residual Available Comparison Expenditure and Floorspace Capacity for Constant Market Share of 37.2%				
	2019	2024	2029	2033
Identified Headroom	£95.6m	£162.3m	£241.6m	£317.4m
Turnover of Commitment	£60.7m	£67.4m	£75.2m	£82.0m
Residual Spend	£34.9m	£94.9m	£166.4m	£235.4m
Benchmark Sales Density	£5,949 / sq.m.	£6,807 / sq.m.	£7,367 / sq.m.	£8,037 / sq.m.
Floorspace Capacity	5,866 sq.m.	14,364 sq.m.	22,587 sq.m.	29,289 sq.m.

Fig. (10)

5.13 Aylesbury District has the floorspace capacity for 5,866 sq.m. of additional comparison goods in 2019 and for 14,364 sq.m. in 2024. To put this in context the additional floorspace in 2024 equates to circa 65% of the current town centre comparison floorspace. Whilst this may seem a substantial increment in percentage terms the floorspace figure of circa 22,500 sq.m is relatively small in terms of additional retail development. Furthermore a variety of retail studies have identified that Aylesbury has the qualitative potential to sustain significant additional provision, including anchor stores and many large multiple retail outlets. The Aylesbury Town Centre Growth Opportunity Assessment Study clearly sets out the types of retailers that are missing from Aylesbury Town Centre and the quantum of floorspace they might occupy. The capacity floorspace growth figures are based on achieving the same district-wide market share average of 37.2% as is currently achieved.

5.14 The qualitative research studies completed by TRG (The Aylesbury Town Centre Growth Opportunity Assessment Study) and by GL Hearn (Aylesbury Vale Retail Study 2015) have both identified the need to improve the scale, quantum, mix and quality of the Aylesbury retail offer. Assuming the above qualitative improvement is achieved it would be reasonable to expect the market share to increase across the district; as well as to improve the inflow. That is to say that given an improved offer in Aylesbury Town centre then more of the resident catchment spend will be retained in the Town Centre, the number of inflow shoppers might increase and they would also spend more.

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5. Floorspace Capacity Update Calculations contd.

5.15 We have completed a parallel comparison floorspace capacity assessment for a slightly improved district wide market share. See Fig 11 below. Increasing the market share by only 10% i.e. an increase of only 3.72% on the 37.2% would result in a new market share of circa 41%. An improved market share of 41% when applied to the capacity calculation process would result in increased floorspace capacity to the following figures; 15,129 sq.m. in 2019 and 24,686 sq.m. in 2024. The identified floorspace capacity for 2029 and beyond are based on the continued growth assumptions in population and comparison goods expenditure. It would be prudent to revisit these forecasts on a five year cycle. We have reviewed many capacity assessments over the years and as such the increase of market share assumption by only 10% is cautious and prudent; particularly given the identified need to improve the quality and quantity of the retail offer in Aylesbury Town Centre.

Residual Available Comparison Expenditure and Floorspace Capacity for Increased Market Share of 41% (uplift of 3.72%)				
	2019	2024	2029	2033
Total Anticipated Turnover including inflow	£504.5m	£623.4m	£761.2m	£890.3m
Minus Benchmark Turnover	£353.8m	£392.9m	£438.1m	£477.9m
Identified Headroom	£150.7m	£230.5m	£323.1m	£412.4m
Less Turnover of Commitment	£60.7m	£67.4m	£75.2m	£82.0m
Residual Spend	£90.0m	£163.1m	£247.9m	£330.4m
Benchmark Sales Density	£5,949 / sq.m.	£6,807 / sq.m.	£7,367 / sq.m.	£8,037 / sq.m.
Floorspace Capacity	15,129 sq.m.	24,686 sq.m.	33,650 sq.m.	41,110 sq.m.

Fig. (11)

5.16 Given the timescales involved in retail development it is unlikely that the new town centre offer will be in place for 2019, however the comparison floorspace capacity scenario with a modest improvement to the market share does demonstrate the sustainable floorspace potential for 2024 of circa 24,686 sq.m based on the latest catchment figures.

5.17 It should be noted that the floorspace capacity figures for comparison goods identified above are for the district, as in the GL Hearn study. However given the national planning policy and the priorities identified in the Vale of Aylesbury Local Plan we would expect that the lion's share of any additional development will take place in Aylesbury Town Centre, particularly in light of the identified Waterside North town centre development area and the existing Aylesbury Town Centre Vision.

Aylesbury Town Centre Retail Capacity Update

6. Conclusions and Recommendations

6.1 The purpose of this report has been to review the convenience floorspace capacity in Aylesbury and the comparison floorspace capacity for the district, in light of the latest available catchment information. Having reviewed the capacity calculations we have arrived at revised floorspace figures.

6.2 The fundamental driver for the increased floorspace capacity is the slightly increased catchment area and larger resident population, which accommodates circa 259,000 residents. Wherever possible we have followed the process and methodology set out and adopted in the GL Hearn Aylesbury Vale 2015 Study report. The process and assumptions used in that report are robust, reliable and remain relevant. We are grateful for having such a good quality report to work with.

6.3 The convenience floorspace capacity in the short term (up to and beyond 2019) is sufficient to accommodate the known pipeline commitments plus a little headroom. By 2024 the capacity floorspace moves to 2,970 sq.m. rising to 5,260 sq.m. by 2029. The 2029 and 2033 forecasts will need to be revisited in circa 5 years' time. The convenience offer in Aylesbury will have the potential for continued controlled growth subject to planning permissions and policy control.

6.4. The comparison floorspace capacity is established and proven on a constant market share basis. By 2019 circa 5,866 sq.m. of net additional comparison floorspace can be sustained and by 2024 this increases to 14,364 sq.m., rising to 22,587 sq.m. by 2029. Given the dominant position of Aylesbury in the district hierarchy and the identified need for an improved quality retail offer in the town centre we would recommend that Aylesbury Town Centre is the priority for retail development and the identified floorspace capacity.

6.5 We have also explored briefly the likely floorspace capacity for post improved quality retail offer scenario, at a modest increase in market share from 37.2% to 41%. This scenario would indicate a sustainable comparison floorspace of 24,686 sq.m. by 2024.

6.6 This capacity update assessment clearly identifies and supports the potential for additional comparison floorspace in Aylesbury Town Centre at 2019 and at 2024. In a number of instances the assumptions used have taken a cautious and prudent option. The small increase in the resident catchment population has resulted in different conclusions to the GL Hearn 2015 report, in as much that the identified floorspace capacity is earlier in the timeframe and ultimately at increased levels.

6.7 The qualitative conclusions and the rationale for development location, content and format, including an improved quality retail offer are detailed in the Growth Assessment Report.