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Hampton**

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Havering Retail & Town Centres Study

VOLUME A: MAIN REPORT

Prepared on behalf of

London Borough of Havering

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For and on behalf of Lambert Smith Hampton

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EXECUTIVE SUMMARY

- i. This report has been prepared by Lambert Smith Hampton on the instructions of London Borough of Havering Council and forms part of the evidence base to inform the Council's review of the local development plan. It provides an updated, robust and sound evidence base on retail and main town centre uses in Havering to help formulate strategies and policies in the emerging plan.
- ii. The Study updates the Council's current town centre evidence, the retail and Commercial Leisure Needs Assessment 2015 to reflect the major economic and social events (e.g. COVID-19, energy and cost of living crisis, inflation and a rise in interest rates) that have impacted on how we shop, work and use our town centres. It includes new research on shopping behaviour in the Borough and assessments of the health of the defined town centres. These, together with consideration of current and emerging market trends informs the advice we provide on possible town centre policy changes and other matters that the Council may wish to consider when reviewing their local plan, namely the Havering Local Plan 2016 – 2031, Site Specific Allocations 2008 and Site Specific Allocations in the Romford Action Plan 2008.

MARKET TRENDS

- iii. Towns, traditional high streets and shopping centres have been challenged for more than a decade by falling market demand, rising occupancy costs and increasing competition from online and out-of-centre shopping. These trends have been further accelerated and compounded by the COVID-19 pandemic and are resulting in an increase in vacant shop units, often in primary shopping areas. As a result, many of our traditional towns and shopping centres simply have too much retail space.
- iv. At the same time the commercial leisure sector, including food & beverage operators, is also facing considerable challenges and pressures but new activities and innovative offers continue to evolve and attract customers.
- v. The critical challenge therefore over the short, medium and long term will be how to retain existing town centre businesses, fill/replace the voids and attract new investment. Existing space therefore needs to be flexible and repurposed to meet changing requirements.

CAPACITY ASSESSMENT

- vi. Looking forward, the capacity assessment undertaken by LSH, shows that limited growth in retail expenditure and growing online sales reduces the need for additional retail provision in the borough during the period to 2033 and there is no requirement to allocate new sites for retail development during this period.
- vii. The projections for convenience goods suggest that 177 sqm net of additional convenience floorspace would be required by 2033, rising to 580 sqm by 2038.

Table ES1 Forecast Capacity for Convenience Floorspace in Havering (Table B5.13)

	2028	2033	2038
Romford Metropolitan Centre	-136	-84	-17
Collier Row District Centre	19	25	32
Elm Park District Centre	2	5	7
Harold Hill District Centre	0	0	1
Hornchurch District Centre	57	118	182
Rainham District Centre	13	30	51
Upminster District Centre	15	35	54
Elsewhere in LB Havering	-135	48	270
Total Convenience Goods Floorspace Capacity	-164	177	580

Note: Assumes Equilibrium at Base Year (2023) and Constant Market Shares

- viii. This is based on assuming that just two site allocations come forward including new convenience floorspace and does not allow for any additional convenience floorspace that could be provided in other committed developments. The assessment also does not allow for the reoccupation of floorspace that is currently vacant, which exceeds 22,000 sqm in Romford Town Centre alone.
- ix. As such, if a need for additional provision were to materialise, this could easily be accommodated within existing space or commitments. Therefore, there is no requirement to allocate sites for future convenience development.
- x. For comparison goods, the capacity assessment indicates a need for 1,173 sqm of additional floorspace by 2033 and 2,323 sqm by 2038. However, again this is before any allowance is made for the re-occupation of vacant floorspace, or retail floorspace proposed in committed developments, other than that at the former Ice Rink site, Romford.
- xi. Any emerging need could be accommodated within this space and therefore there is no requirement to allocate sites for future comparison development.

Table ES2 Forecast Capacity for Comparison Floorspace in Havering (Table B5.26)

	2028	2033	2038
Romford Metropolitan Centre	-264	279	762
Collier Row District Centre	9	27	41
Elm Park District Centre	0	14	24
Harold Hill District Centre	9	26	41
Hornchurch District Centre	16	116	197
Rainham District Centre	-5	33	66
Upminster District Centre	-10	59	108
Elsewhere in LB Havering	71	619	1,084
Total COMPARISON Goods Floorspace Capacity	-172	1,173	2,323

Note: Assumes Equilibrium at Base Year (2023) and Constant Market Shares

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- xii. Forecasting the need for new leisure uses is more problematic as the sector is highly complex and dynamic. The demand for existing and new leisure uses and facilities is particularly sensitive to changes in economic, demographic, lifestyle and fashion trends and those in the business are often unable to look more than a few months ahead.
- xiii. From a planning policy perspective therefore the key to meeting future, as yet unknown needs, will be the development of policies that can accommodate the changing needs of the sector and can operate in the real world.
- xiv. It is also the case that the recent changes to the Use Classes Order mean that the main commercial leisure sector in terms of spend – Food and Beverage, encompasses both Class E and Sui Generis uses. As a result, any changing demand for restaurant and café uses is likely to be met by changing uses within the existing or committed town centre floorspace.

POLICY RECOMMENDATIONS – BOROUGH WIDE POLICIES AND SITE ALLOCATIONS

- xv. Having reviewed the existing local plan policies in the light of this study's findings, we advise that:
- a) The current retail hierarchy with Romford town centre as the highest order centre in the borough and six district centres (Collier Row, Elm Park, Harold Hill, Hornchurch, Rainham and Upminster) remains appropriate.
 - b) There is no requirement to allocate new sites for future retail development as there is more than sufficient vacant floorspace in Romford alone to accommodate the forecast need for additional retail provision during the plan period.
 - c) Previously allocated but undeveloped sites for retail development may no longer be required based on quantitative need. However, when qualitative and other planning matters are considered, we would advise as follows:
 - **Elm Park Parades (Policy SSA 3)** which seeks the redevelopment of the Station and Tadworth Parades, remains appropriate in requiring any redevelopment to retain the commercial floorspace at ground floor level. However, we would suggest that the wording should be expanded to include other town centre uses.
 - **Romford Ice Rink (Policy SSA 7)** which only permits mixed use development comprising residential, leisure and retail facilities on the site, is treated as a commitment in the quantitative capacity assessment.
 - **Beam Park (Policy SSA 11)** includes a new local centre in the proposed development. A foodstore has been developed on this site and this has been included in the quantitative capacity assessment.

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- **Rainham – land between Railway and Broadway (Policy SSA 13)** encourages retail and leisure uses along the Broadway frontage as part of the proposed redevelopment. This site has been developed for residential purposes and therefore the site allocation should be removed.
 - **Rainham Central (Policy SSA 16)** which requires any redevelopment to, inter alia, better integrate the foodstore with the heart of the Village; provide a positive frontage to Bridge Street and improve the retail offer within the fringe and core retail areas along Broadway and Upminster Road. This scheme has not yet been delivered but the principle of better integration remains appropriate. It is also appropriate to continue to encourage the improvement of the current retail offer, as this does not necessarily require any increase in total floorspace. However, amending the policy to refer to town centre uses is recommended.
 - **Angel Way (Site ROMSSA1)** – allocated for a mix of residential, retail, leisure and commercial development and planning permission for a mixed use development including A1-A5 uses has been granted. If this permission is implemented it has the potential to absorb all remaining convenience and comparison capacity to 2038. If the current scheme is not progressed however, any future allocations for the site, may wish to reduce the quantum of Class E space, or consider the inclusion of more leisure uses.
 - The allocation of the following sites also remains appropriate:
 - Rainham West (Policy SSA 12)
 - Bridge Close (Site ROMSSA2)
 - Como Street (Site ROMSSA3)
 - 18-46 High Street (Site ROMSSA4)
 - 37-59 High Street (Site ROMSSA5)
 - Station Gateway and Interchange (Site ROMSSA6)
 - d) **Primary Shopping Areas (PSAs)** should be defined for Romford Town Centre and the six District Centres, based on the Primary frontage areas.
 - e) There is **no requirement to either extend or reduce the town centre boundaries or amend the identified frontages.**
 - f) The current **local impact threshold of 200 sqm remains appropriate.**

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- g) **Policy 1 Romford Strategic Development Area** – the policy could be updated to refer to other main town centre uses. Improvements to the environmental quality of the centre could also be included under ‘Commercial Development’.
 - h) **Policy 2 Rainham and Beam Park Strategic Development Area** – we would recommend that the current proposals for 3,500 – 4,000 sqm of retail and commercial floorspace be reviewed given the updated retail capacity forecasts provided in this report.
 - i) **Policy 3 Housing Supply** – we would suggest that the policy be amended to provide policy support for residential development in town centres but only where it does not prejudice the overall offer or attractiveness of the defined town centre.
 - j) **Policy 13 Town Centre Development** – we would suggest that part (iii) of the policy should be updated to refer to other main town centre uses, rather than specifically retail.

POLICY ADVICE FOR ROMFORD TOWN CENTRES AND DISTRICT CENTRES

- xvi. The final consideration in the report, is our policy advice for the seven main centres in Havering. This is based on the current role and health of the centres and the likely effect of changing market demand in the future.

Romford Metropolitan Town Centre

- xvii. Romford Metropolitan Town Centre has an extensive and varied retail and non-retail offer, serving an extensive catchment, as would be expected for the largest centre in the borough.
- xviii. Although it is facing the same challenges as the rest of the UK, it seems to have benefitted from the ‘working from home’ (WFH) trend, with more people staying local to home than it has lost from reduced commuter/works inflows. The centre has also benefitted from the opening of the Elizabeth Line.
- xix. The previous weakness of lack of green space and planting is being addressed in the short-term and longer-term reducing use of the private car could open up opportunities for more greening and public spaces in areas currently used for parking. Going forward, addressing crime and safety concerns will be important.
- xx. It will also be important to ensure that the benefits of an increased resident population are not diluted by inappropriate development that harms the offer or attractiveness of the retail and other town centre uses.
- xxi. Emerging plans from the key centre owners suggest there is an oversupply of retail floorspace and car parking at present and there is a need to consolidate the retail offer. This is likely to be centred on The Liberty Centre in the future, but with a greater mix of other uses supporting it.

Mixed uses including residential are being proposed at The Brewery and residential development at The Mercury.

- xxii. There is potential to build on the existing night time economy offer.
- xxiii. As the highest order centre in the borough, Romford should remain the main focus for retail, leisure and services uses that are intended to meet the needs of Havering's residents and the areas beyond.
- xxiv. The demand for retail space is in decline, but the identification of Primary Shopping Areas (PSA) as the focus for existing and new retail and other Class E uses remains appropriate. This would be expected to include the areas currently identified as Primary Frontage, including the Liberty Centre.
- xxv. Outside of these areas a wider mix of leisure, F&B and other main town centre uses will be appropriate, as will residential development in appropriate locations. This should include policy support for the night time economy given Romford's identification as a NT2 centre in the London Plan. Havering should continue to develop its strategy and there is potential to expand the offer which currently is relatively narrow and targeted at alcohol orientated entertainment. This has the potential to cause anti-social behaviours issues which affect the perception of the town centre.
- xxvi. Going forward it is envisaged that already declining rates of alcohol consumption may fall further and there is an opportunity to extend some daytime uses and activities both in terms of the offer and into later in the day to ensure that families and older residents feel a greater part of what is on offer.
- xxvii. This will require careful consideration on the interaction between evening and night time activities and residential development. Accessibility to late night public transport will also be a relevant consideration especially given the improved train service now operating to/from Romford.
- xxviii. This would seem to suggest that a strategy seeking to concentrate retail and Class E uses around South Street and the Liberty Centre; encourage a wider mix of leisure uses at the Brewery Centre and around Romford Station, to include evening and night time activities and residential around the Mercury Centre would be appropriate.
- xxix. Support is also required to build on the market and historic core. This could potentially be in the form of requiring any new development proposals within the town centre to avoid harm to the market and, where possible provide enhancements to the market itself or its setting.
- xxx. Finally, improved accessibility and signage should be promoted to ensure all areas can benefit from the overall draw of the centre. Improved public realm including places to sit should also be promoted.

Collier Row District Centre

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- xxxi. Collier Row District Centre is a typical and traditional district centre that primarily exists to serve the needs of its local population. Inflows of expenditure from the wider area are limited by the proximity of Romford town centre, which in turn also limits investment interest. The centre therefore depends on a small number of national multiples to anchor the centre and the wider independent offer.
- xxxii. The strength of the centre over the COVID-19 period suggests it is functioning well and meeting local needs.
- xxxiii. A Primary Shopping Area needs to be defined based on the existing Primary Frontage and policy support for a range of Class E uses in this area is recommended.

Elm Park District Centre

- xxxiv. Elm Park District Centre appears to have experienced a significant decline in footfall as a result of the pandemic period which is likely to put pressure on those businesses in the centre that rely on commuters or passing trade. However, at the present time vacancy levels are relatively low in the centre.
- xxxv. The physical division of the centre into two distinct areas, north and south of the railway line and the on-going opportunity to redevelop the southern parades offers potential to develop two areas with complementary offers. The potential to expand the F&B offer in the south should be supported, together with the retention of retail and other town centre uses at ground floor level.
- xxxvi. A Primary Shopping Area needs to be defined based on the existing Primary Frontage and policy support for a range of Class E uses in this area is recommended.

Harold Hill District Centre

- xxxvii. Harold Hill District Centre is a relatively small centre but provides a good mix of retail, community and service uses to meet the needs of the local population.
- xxxviii. As a more modern, purpose-built centre it is centrally located to serve its resident population and benefits from good access from the immediate area. Car parking is good and being in the ownership of the Council, there are opportunities for better centre management.
- xxxix. The planned investment in the centre is welcomed and provides opportunities to improve the public realm and green infrastructure, whilst maintaining the important, pedestrian only environment. Retaining the strong convenience, retail service and community facilities should be the priority but the introduction of a wider mix of uses should be encouraged.
- xl. Any redevelopment of the district centre should seek to replace the main town centre uses currently provided at ground floor level, maintaining a range of unit sizes to maximise the suitability for future tenants. Minor changes to the quantum of retail and town centre use floorspace would be acceptable.

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- xli. A Primary Shopping Area needs to be defined based on the existing Primary Frontage, although it needs to be noted that this may be subject to change once redevelopment proposals are brought forward.

Hornchurch District Centre

- xlii. Hornchurch District Centre is one of the larger centres in Havering and has an extensive draw. It has a strong leisure services offer, particularly in terms of its restaurant offer. It also contains the largest theatre in the borough and is identified as being in the NT3 night time economy classification in the London Plan.
- xliii. The centre also has high national multiple representation across the retail sectors and a very strong financial services offer. Vacancies are low.
- xliv. The centre appears to have a dual function, providing a retail and service offer to meet the needs of local residents, as well as a wider draw for its leisure offer, including cultural and F&B facilities.
- xlv. The recent decline in the comparison offer should not inconvenience local residents given the proximity of Romford, but there is a risk that too much concentration on the night time economy could result in a loss of activity during the day time.
- xlvi. Going forward, the aim should be to ensure that the centre continues to provide a balanced mix of uses meeting both the retail and service needs of residents and the cultural and entertainment needs of the wider area. Whilst the occupation of individual units cannot be guaranteed, a Primary Shopping Area needs to be defined based on the existing Primary Frontage and policy support for a range of Class E uses in this area is recommended. Further, it will be important to ensure that any redevelopment or change of use plans retain active frontages during daytime trading hours to support daytime activity.

Rainham District Centre

- xlvii. Rainham District Centre is a relatively small centre, but has many positives, including a strong convenience anchor and recent investment in cultural and leisure facilities. The historic part of the centre also provides an attractive setting including Rainham Hall.
- xlviii. However, the centre has recently seen the closure of the only bank and it seems that transport links between the centre and the key employment areas within the Riverside BID area are limited.
- xliv. Improvements to linkages within and between the centre and the surrounding residential and employment areas should be investigated, to enable the centre to benefit from the considerable recent residential and commercial investment in the area as well as the draw of Rainham Hall.
- I. A Primary Shopping Area needs to be defined based on the existing Primary Frontages and policy support for a range of Class E uses in this area is recommended.

Upminster District Centre

- li. Upminster District Centre is a popular and successful centre with a good range of retail, service and leisure uses and strong convenience anchors. The independent offer is also strong and includes the Roomes department store.
- lii. Access for those arriving by either public transport or the private car is good but through traffic detracts from the overall offer.
- liii. The centre is currently performing well and the good recovery seen since the COVID-19 pandemic suggests that it is well placed to adapt to future town centre changes.
- liv. A Primary Shopping Area needs to be defined based on the existing Primary Frontage and policy support for a range of Class E uses in this area is recommended. Measures to improve the public realm and pedestrian experience should also be supported.

1. INTRODUCTION

- 1.1 Lambert Smith Hampton (LSH) was instructed by London Borough of Havering Council ('the Council') in February 2023 to prepare the Havering Retail and Town Centres Study ('the Study'). The Study will specifically update the Council's current town centre evidence, the Retail and Commercial Leisure Needs Assessment 2015 ('2015 RCLNA') and the Town Centre Position Statement 2018 ('2018 TCPS').
- 1.2 Havering is a London Borough on the eastern side of London. It covers an area largely within the M25 and is bounded by the River Thames to the south, the London Borough of Barking & Dagenham to the west and the Essex authorities of Thurrock, Brentwood and Epping Forest to the east.
- 1.3 The Council is currently in the process of updating the adopted Local Plan for the Borough. This Study will provide the updated robust and sound evidence base that is needed to help formulate strategies and policies specific to retail and other main town centre uses in the new Local Plan.
- 1.4 Since the 2015 RCLNA and 2018 TCPS were prepared, the UK has experienced major economic and social events (e.g. COVID-19, energy and cost of living crisis, inflation and a rise in interest rates) that have impacted on how we shop, work and use our town centres. As such, there is a need to review the town centre evidence to ensure that recommendations contained within the studies are still relevant and reflect the current economic situation and align with new socio-economic forecasts and changes affecting town centre and employment markets.
- 1.5 As such, the new study will take account of current and predicted market trends, and the recent impact of the pandemic on town centres and high streets as places to shop, live, work, study and visit for a wide range of uses and activities. It has been carried out in accordance with current policy and guidance pertaining to retail and town centre uses at the national and local level, including the National Policy Framework (NPPF) and National Planning Practice Guidance (PPG).
- 1.6 Notwithstanding, the economic uncertainties highlighted above, this study does provide the robust evidence base and key findings to help inform and guide both plan-making and decision-taking across the Borough and its main centres up to the new Local Plan period. Whilst the study will assess outputs up to 2038, any findings beyond 2033 should be treated with caution on the basis that forecasts become less reliable after a 10-year period.
- 1.7 The study is presented in a series of inter-related Volumes.
 - **Volume B:** comprises the quantitative analysis and appendices that inform the economic capacity tables for retail and leisure needs over the 15 year period to 2038;
 - **Volume C** sets out the findings of the 2023 town centre health check assessments of Romford Town Centre and the six District Centres – Hornchurch, Upminster, Collier Row, Elm Park, Harold Hill, and Rainham; and

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- **Volume D** presents the weighted results of the household telephone interview survey conducted by NEMS Market Research (NEMS) for this study. Interviews were conducted with 1,100 households across the defined Study Area in May 2023.
- 1.8 This Volume A study draws on the evidence and research in Volumes B-D. It provides robust policy recommendations to help the Council prepare positive strategies, plans and policies for the growth, management and adaptation of the Borough's main town centres over the short, medium and long term to help ensure their future vitality and viability.
- 1.9 For ease of reference it is divided into the following inter-related sections:
- **Section 2** reviews the national, regional and local planning policy context;
 - **Section 3** reviews town centre and retail market trends;
 - **Section 4** reviews commercial leisure and other land use trends;
 - **Section 5** looks at retail and town centre provision in Havering
 - **Section 6** considers the catchment area, and trade draw;
 - **Section 7** summarises the key findings from the health check assessments;
 - **Section 8** provides the retail capacity and leisure assessment for the borough; and
 - **Section 9** sets out our town centre policy and strategy recommendations.
- 1.10 Aligned with the NPPF (paragraph 86), PPG, and The London Plan (TLP), this study specifically provides advice and recommendations on:
- The quantitative and qualitative need ('capacity') for new retail floorspace and leisure uses, "looking at least ten years ahead" (NPPF, paragraph 86d and TLP, Policies SD7 & E9). Longer term capacity forecasts are provided but are less reliable beyond ten years;
 - The retail hierarchy and whether the current hierarchy remains appropriate (NPPF, paragraph 86a and TLP, Policy SD8);
 - Town centre boundaries and Primary Shopping Areas (PSAs) (NPPF, paragraph 86b and TLP, Policy SD7);
 - Whether the current floorspace thresholds for triggering an impact assessment for proposals for town centre uses that are not within a defined centre are still appropriate (NPPF, paragraph 90);

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- How existing out-of-centre retail locations should be treated in policy terms (TLP, Policy SD7);
 - How to support and enhance Havering’s retail and leisure provision;
 - How the Borough should support the night-time economy (TLP, Policy HC6) and
 - Whether there is a need for Article 4 Directions.

1.11 It is important to state at the outset that the medium to long term capacity forecasts provided in this report should be treated with caution. They are based on the best information available at the present time and reflect past trends which recently have been influenced by the dynamic changes in economic, demographic, lifestyle and market trends, including the rise of online shopping over the last decade, the impacts of the COVID-19 pandemic, Brexit and the unfolding impact of the cost of living crisis.

1.12 However, there is inevitably a degree of uncertainty about the future and this uncertainty increases the further ahead forecasts look. This is recognised in the PPG which states that assessments “.... *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 (Source: Paragraph 004. Reference ID: 2b-004020190722, PPG). We therefore advise that the local planning authority should place greater weight on forecasts over the next five to ten-year period, up to 2033.

2. PLANNING POLICY CONTEXT

- 2.1 To help inform the preparation of this study, this section provides a summary of the key national, regional and local planning policies pertaining to retail, leisure and other main town centre uses. The review considers the use of Article 4 Directions to manage Permitted Development Rights (PDR), particularly in relation to PDRs that allow the conversion of buildings and units in commercial use to residential use.

NATIONAL PLANNING POLICY & GUIDANCE

National Planning Policy Framework (NPPF)

- 2.2 The NPPF was updated in July 2021 and sets out the Government's planning policies for England. Planning law requires that applications for planning permission be determined in accordance with the development plan¹, unless material considerations indicate otherwise². The NPPF must therefore be considered in plan-making and is a material consideration in planning decisions.
- 2.3 The NPPF states that the purpose of the planning system is to contribute to the achievement of sustainable development, which is defined as meeting the needs of the present without compromising the ability of future generations to meet their own needs³. The Framework (paragraph 11) sets out the Government's view of what the presumption in favour of sustainable development means in practice. For **plan-making**: "...plans should positively seek opportunities to meet the development needs of their area and be sufficiently flexible to adapt to rapid change" (paragraph 11a).
- 2.4 Chapter 3 ('**Plan-Making**') of the Framework provides guidance to local authorities on preparing local plans. Paragraph 20 states that policies should set out an overall strategy for the location, scale and quality of development, and make sufficient provision for new sustainable development. It requires that strategic policies should look ahead over a minimum 15 year period from adoption, **except in relation to town centre development** (see below). In preparing development plans, "*policies should be underpinned by relevant and up-to-date evidence*" (paragraph 31). To ensure the local plans and spatial strategies are relevant they should be reviewed at least once every five years and updated as necessary (paragraph 33).
- 2.5 Chapter 7 ('**Ensuring the vitality of town centres**') provides guidance on plan-making and decision-taking for retail and other main town centre uses. Paragraph 86 states that "*planning policies and decisions should support the role that town centres play at the heart of local communities*" and sets out criteria that local authorities should consider when preparing planning policies. These include: (a) defining a network and hierarchy of centres; (b) defining the extent

¹ This includes local and neighbourhood plans that have been brought into force and any spatial development strategies produced by combined authorities or elected Mayors.

² Section 38(6) of the Planning and Compulsory Purchase Act 2004 and section 70(2) of the Town and Country Planning Act 1990.

³ Resolution 42/187 of the United Nations General Assembly

of town centres and Primary Shopping Areas (PSAs); (c) retaining and enhancing existing markets; and (d) allocating a range of suitable sites in town centres to meet the sales and type of development likely to be needed, **“looking at least ten years ahead”**.

- 2.6 Paragraphs 87-91 specifically set out the requirement to apply the sequential and impact tests to determine applications for new retail, leisure and main town centres that are neither in an existing centre, nor in accordance with an up-to-date development plan.
- 2.7 Other Chapters in the NPPF are also relevant to the preparation of this study, and to the Council’s plan-making and decision-taking policies for its network and hierarchy of centres. For example, Chapter 8 (‘Promoting healthy and safe communities’) sets out the need to achieve healthy, inclusive and safe places; including the need to plan positively for the provision and use of shared spaces, community facilities (such as local shops) and other local services to enhance the sustainability of communities and residential environments (paragraph 93a).

Planning Practice Guidance (PPG)

- 2.8 The Planning Practice Guidance (PPG) provides specific guidance on plan-making and decision taking for retail, leisure and other main town centre uses, including guidance on Permitted Development Rights (PDR), Article 4 Directions, and the new Use Classes Order (‘UCO’) that came into effect on 1st September 2020⁴ (discussed later in this section). The Guidance supports the policies and provisions of the NPPF, placing significant weight on the development of positive plan-led visions and strategies for town centres.
- 2.9 In terms of planning for town centres, the PPG states that a wide range of complementary uses can, if suitably located, help to support the vitality and viability of town centres. These include residential, employment, office, commercial, leisure/entertainment, healthcare and educational development. Evening and night-time activities also have the potential to increase economic activity within town centres and provide additional employment opportunities.
- 2.10 The PPG (paragraph 004) sets out the importance of evidence-based strategies and visions for town centres to help establish their role and function over the plan period, the need for new retail, leisure and other main town centre uses, and other interventions. However, given the uncertainty in forecasting long-term retail trends and consumer behaviour, the PPG states that forecasts **“...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”**⁵. In those cases where development cannot be accommodated in town centres, the PPG requires planning authorities to plan positively to identify the most appropriate alternative strategy for meeting the identified need, having regard to the sequential and impact tests⁶. The PPG also

⁴ Paragraph: 007 Reference ID: 2b-007-20190722. Also refer to: Town and Country Planning (General Permitted Development) (England) Order 2015, as amended.

⁵ Paragraph: 004 Reference ID: 2b-004-20190722

⁶ Refer to Paragraph: 005 Reference ID: 2b-005-20190722. Paragraph 010A ID: 2b-010-20190722 also provides a checklist for local planning authorities to consider when applying the sequential test.

sets out several Key Performance Indicators (KPIs) that “may be relevant in assessing the health of town centres, and planning for their future”⁷.

Use Classes Order & Permitted Development Rights

- 2.11 The Government has issued a series of reforms to the planning system since 2020 that are relevant to this study. The reforms principally relate to Permitted Development Rights (PDR) and the Use Classes Order (UCO), alongside the Government’s White Paper “Planning for the Future” (published in August 2020) and the 2021 Planning Reform Bill.
- 2.12 The new UCO came into effect from 1st September 2020 and is relevant to the Council’s plan-making and decision-taking on new retail, leisure and other main town centre uses. The new UCO amended and revoked a number of use classes under the 1987 Order and has replaced them with much broader use classes. In summary, the main reforms introduced by the new UCO include⁸:
- a new **Class E (commercial, business and service uses)**: which subsumes the former Use Classes A1 (shops), A2 (financial and professional services) and A3 (restaurants and cafés). It also incorporates: the former Class B1 (commercial, business and service uses), comprising office, research and development and light industry; Class D1 (non-residential institutions) in part, comprising medical or health services, clinics, crèches, day nurseries and day centres; and Class D2 (assembly and leisure) in part, comprising gyms or areas for indoor recreation.
 - a new **Class F.1 (learning and non-residential institutions)**: which includes some of the former uses under Class D1 (non-residential institutions), including museums, public libraries, art galleries, schools, and places of worship.
 - a new **Class F.2 (local community uses)**: which comprises (former Class A1) shops defined as being “...not more than 280 sqm mostly selling essential goods, including food, and at least 1km from another similar shop”. This Use Class also includes former Class D2 (assembly and leisure), such as meeting places/halls, indoor/outdoor swimming baths, skating rinks, and outdoor sport and recreation.
 - an extension to the Sui Generis uses (which fall outside the specified use classes) to include the former Use Classes A4 (pubs and drinking establishments) and A5 (hot food takeaways). It also incorporates some uses previously classified under D2 (assembly and leisure), including cinemas, concert halls, live music venues, bingo and dance halls.
- 2.13 As the Town and Country Planning (Use Classes) Order 1987 makes it clear that ‘*where a building or other land is used for a purpose of any class specified in the Schedule, the use of that building or that other land for any other purpose of the same class shall not be taken to involve development of the land*’ the effect of the 2020 changes has been to make it possible to

⁷ Paragraph: 006 Reference ID: 2b-006-20190722

⁸ It should be noted that reference is also made throughout this study to classifications defined by the previous 1987 UCO.

change the use of many retail units to other Class E uses without the need for planning permission.

- 2.14 At the same time the changes have introduced more controls over some uses by making them 'sui generis', i.e. 'in a class of their own'. This includes uses such as pubs and drinking establishments and hot food takeaways, where it was recognised that that changes of use to or from these uses can give rise to important local considerations, including the need to protect local pubs, prevent a proliferation of hot food takeaways or ensure that uses which could be 'bad neighbours' cannot be introduced without the need for planning permission.
- 2.15 The introduction of Class F introduces greater controls over the use of learning and other specified non-residential institutions and community uses. As the Explanatory Memorandum published at the time set out, the purpose of introducing Class F was to protect those uses which are important to local communities through the planning system.
- 2.16 The Government also issued the new PDR on 1st August 2021⁹ that permits the change of Class E to Class C3 (residential), subject to prior approval applications. This PDR replaces the two existing commercial to residential PDRs under Class O (office to residential) and Class M (conversion of shops, financial services, betting offices and pay day loan or mixed uses to residential), with a new Class MA. In launching the PDR the Government stated that the regulations will give "...greater freedom for buildings and land in our town centres to change use without planning permission and create new homes from the regeneration of vacant and redundant buildings"¹⁰. The PDR (Class MA) does contain some conditions and limitations, such as: (i) it only applies to buildings that have been vacant for a least three continuous months; and (ii) it does not apply to buildings with a cumulative floorspace of more than 1,500 sqm. Although it does not apply to Listed Buildings, it can be applied in a Conservation Area (subject to an impact assessment if it involves converting the ground floor). Since it was introduced, we are aware some local authorities are planning to bring in new Article 4 restrictions under the GPDO to prevent parts of their area from being converted (including, for example, Westminster City Council and a number of other London Boroughs).

Article 4 Directions

- 2.17 Article 4 Directions are a tool used by local authorities to remove national permitted development rights, if warranted and supported by robust evidence.
- 2.18 The Government supports the use of Article 4 Directions in a "highly targeted way" to protect core high street areas whilst not restricting the ability for much needed housing to be delivered.
- 2.19 The July 2021 update to the NPPF provided more detail on Article 4 Directions in paragraph 53. Of relevance, the NPPF states that Article 4 Directions should only be used to "avoid wholly unacceptable adverse impacts" such as "the loss of the essential core of a primary shopping

⁹ Town and Country Planning (General Permitted Development etc.) (England) (Amendment) Order 2021

¹⁰ PM: Build, Build, Build - PM Boris Johnson has announces the most radical reforms to our planning system since the Second World War (Prime Minister's Office, 10 Downing Street, 30/06/2020)

area which would seriously undermine its vitality and viability” but discourages against the use of Article 4 Directions across the entirety of a town centre. The NPPF also advocates the use of Article 4 Directions to protect the local amenity or well-being of an area, particularly where there could be a potential loss of local facilities.

- 2.20 A provision is stated in paragraph 57 that any case made for Article 4 Directions must be based on robust evidence and should apply to the smallest area possible. This means Local Planning Authorities will need to be very careful in where Article 4 Directions are used, that they are necessary and there is a strong evidence base to underpin them.

DEVELOPMENT PLAN CONTEXT

- 2.21 Development Plan Documents (DPDs) are defined in the Local Plan Regulations 2012 (as amended). The DPDs guide the development and use of land, allocate sites for development and provide strategic and development management policies to support and manage growth. The adopted DPDs for the London Borough of Havering are as follows and are reviewed below:

- The London Plan 2021;
- Havering Local Plan 2016 – 2031;
- Site Specific Allocations 2008; and
- Site Specific Allocations in the Romford Action Plan 2008.

- 2.22 However, it is important to recognise that these documents will be replaced by the emerging Local plan for which this study provides a key part of the evidence base.

The London Plan (2021)

- 2.23 The London Plan 2021 is the Spatial Development Strategy for Greater London which sets out an integrated economic, environmental, transport and social framework for London over the next 20-25 years. Chapter One sets out the Mayor’s vision for “Good Growth”, which is defined as “growth that is socially and economically inclusive and environmentally sustainable”. The London Plan Key Diagram presents the spatial vision, covering London’s growth corridors, Opportunity Areas, town centres, Green Belt and Metropolitan Open Land. Chapter Two sets out the overall spatial development pattern for London, focusing on the growth strategies for specific places in London and how they connect with the wider South East region. Chapters 3-12 provide the topic-specific policies that are required to deliver the “Good Growth” objectives.
- 2.24 The plan includes a number of policies which relate to retail and town centres. The London Plan (Annex 1 and Table A1.1) defines Romford as a Metropolitan centre, which typically contains at

least 100,000 sqm of retail, leisure and service floorspace with a significant proportion of high-order comparison goods¹¹ relative to convenience goods¹².

- 2.25 The London Plan also identifies six District Centres in Havering – Collier Row, Elm Park, Harold Hill, Hornchurch, Rainham and Upminster. These are seen as centres that provide convenience goods and services and social infrastructure for more local communities.
- 2.26 Romford Town Centre is identified as part of the Romford Opportunity Area and Rainham District Centre is part of the London Riverside Opportunity Area.
- 2.27 Romford Metropolitan Centre has also been identified as being in the NT2 night-time economy classification, meaning the centre is of regional or sub-regional significance. Hornchurch is identified being in the NT3 night-time economy classification.
- 2.28 Various centres are seen as having growth potential in terms of commercial uses, which includes town centres with moderate levels of demand for retail, leisure or office space and with physical and public transport capacity to support it. Centres with potential for growth from residential development are also identified. For Havering this can be summarised as follows:
- **Romford** is a Metropolitan centre, with high potential for commercial growth and high potential for residential growth. It is also within a Strategic area for regeneration. The centre has a B grade for Office Guidance which means it has the capacity, demand and viability to accommodate new office development, generally as part of mixed-use development.
 - **Collier Row** is a District Centre with low potential for commercial growth potential and potential for incremental residential growth.
 - **Elm Park** is a District Centre with low potential for commercial growth potential and medium potential for residential growth.
 - **Harold Hill** is a District Centre with medium potential for commercial growth potential and potential for incremental residential growth. It is also within a Strategic area for regeneration.
 - **Hornchurch** is a District Centre with low potential for commercial growth potential and medium potential for residential growth potential.

¹¹ Comparison goods expenditure is spend on items not obtained on a frequent basis, and is defined by Experian as including spend on: clothing and footwear; furniture and furnishings; carpets and other floor coverings; books; jewellery; major and small appliances; games, toys and hobbies; DIY; etc.

¹² Convenience goods expenditure is spend on “essential” day-to-day items and is defined by Experian as including spend on: food, alcohol, tobacco, newspapers and periodicals, and household cleaning materials.

- **Rainham** is a District centre with low commercial growth potential and has incremental potential for residential growth potential. The centre sits within the NT3 night time economy classification.
- **Upminster** is a District centre with low commercial growth potential and medium residential growth potential.

2.29 The relevant London Plan policies are set out below.

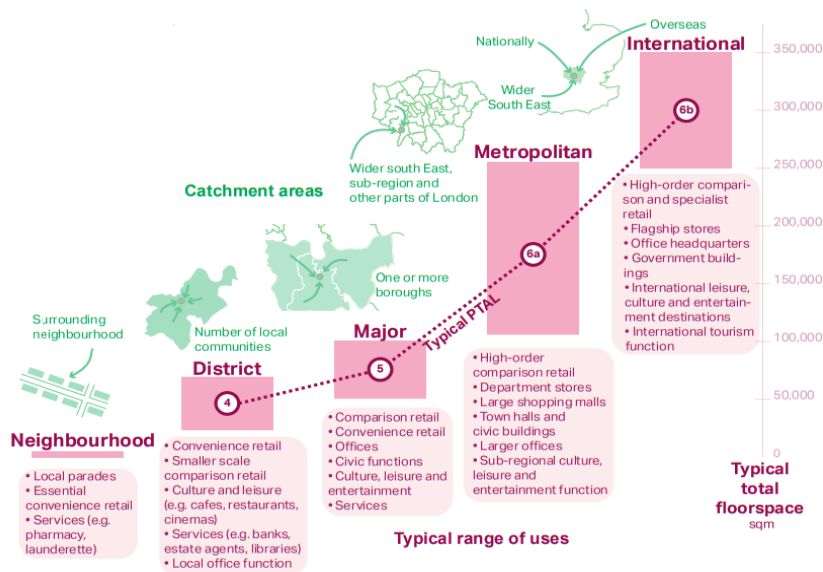
2.30 **Policy GG5 Growing a Good Economy** states that those in planning and development must promote the strength and potential of the wider city region and ensure that the London's economy diversifies.

Policy SD6 Town Centres and High Streets Policy SD6 Town Centres and High Streets supports the vitality and viability of London's town centres. The key themes in Policy SD6 include encouraging strong, resilient, accessible and inclusive hubs with a diverse range of uses that meet the needs of Londoners, including main town centre uses, night-time economy, civic, community, social and residential uses (A(1)). The role of town centres as a main focus for Londoners' sense of place and local identity should be strengthened (A(4)) and town centres should be the primary location for commercial activity beyond the CAZ (A(5)). Part B supports the need for "adaption and diversification" and the management of vibrant daytime, evening and night-time economies should be promoted (Part F). The potential for new housing is also recognised,

2.31 **Policy SD7 Town Centre: Development Principles and Development Plan Documents** takes a town centres first approach and discourages out-of-centre development of main town centres uses through the application of the sequential and impact tests. It includes that Development Plans should assess need for main town centre uses, allocate sites to accommodate identified need within town centres and should allocate appropriate edge-of-centres sites if suitable and viable town centres sites are not available. Development Plans should also define the detailed boundary of town centres in policy maps, consider the protection of out-of-centre high streets and develop policies through strategic and local partnerships approaches, in accordance with other town centre policies. Development Plans should also develop policies for edge-of-centre areas, revising shopping frontages where required and identify centres that have particular scope to accommodate new commercial and housing growth. The policy requires that regard be given to Annex 1 of the London Plan which sets out the town centre classifications within London and provides growth potential indicators for individual centres.

2.32 **Policy SD8 Town Centre Network** recognises that the roles of town centres are changing and require active management in relation to the town centre network as a whole (Figure 2.17 and Annex 1). The classification of higher order centres can only be changed through the London Plan (which defines Romford as a Metropolitan Centre) but district, local and neighbourhood centres can be brought forward through Local Plans. The role of different types of centres is set out and summarised in Figure 2.18 – Town centre classifications (reproduced below) and the broad policy guidelines for individual centres is set out in Annex 1.

Figure 2.1: Town Centre Classifications



Source: London Plan 2021, Figure 2.18

- 2.33 **Policy SD9 Town Centres: Local Partnerships and Implementation** states that strategic and local partnerships should be supported and encouraged to develop strong, resilient and adaptable town centres. Part B encourages the development of Town Centre Strategies with particular emphasis placed on centres undergoing transformative change, have projected declining demand, have significant infrastructure planned or are identified as future potential centres in Table A1.1. Part C states that regular town centre health checks should be undertaken to inform policy; and Part D covers the introduction of Article 4 Directions where appropriate and justified to remove PDR to sustain town centre vitality and viability.
- 2.34 **Policy SD10 Strategic and Local Regeneration** provides mayoral support for regeneration and requires Boroughs to (1) identify strategic areas for regeneration in Local Plans (as illustrated in Figure 2.19) and (2) to identify Local Areas of Regeneration, taking into account local circumstances.
- 2.35 **Policy E9 Retail, markets and hot food takeaways** states that in preparing or reviewing Development Plans, Boroughs should: (i) identify future requirements and locations for new retail development; (ii) identify areas for consolidation of retail space where this is surplus to requirements; and (iii) set out policies and site allocations to secure an appropriate mix of shops and other commercial uses, informed by local evidence and town centre strategies.
- 2.36 Part C sets out further requirements for Development Plans and proposals, namely (1) bringing forward capacity for additional comparison good in Metropolitan town centres; (2) supporting convenience retail in all town centres and particularly District, Local and neighbourhood centres; (3) providing a policy framework to enhance local and neighbourhood shopping facilities and preventing the loss of essential retail facilities; (4) identifying areas that are under-served and supporting the provision of additional facilities; (5) supporting London's markets; (6) managing existing edge-of-centre and out-of-centre retail (and leisure) by encouraging comprehensive

redevelopment for a diverse mix of uses in line with Policies SD6-SD9 and (7) managing cluster of retail and associated uses having regard to their positive and negative impacts.

- 2.37 Parts D and E state that where development proposals contain hot food takeaway uses, these should not be permitted within 400 metres of entrances/exits to schools, or a locally determined boundary. Boroughs should also manage the over-concentration of A5 hot food takeaway uses within town centres and elsewhere through the use of locally defined thresholds. Where permitted hot food takeaways should be encouraged to comply with the Healthier Catering Commitment standards. Finally, Part F states that development proposals involving the redevelopment of surplus retail space should support other planning objectives and include alternative town centre uses on the ground floor where viable (in accordance with Policy SD7).
- 2.38 **Policy E10 Visitor Infrastructure** seeks the strengthening of London's visitor economy and associated employment. This includes conserving, enhancing and promoting the special characteristics of major clusters of visitor attractions; ensuring a sufficient supply of serviced accommodation; the provision of high quality convention facilities in town centres and in and around the CAZ; promoting strategically important serviced accommodation in Opportunity Areas and smaller-scale provision elsewhere in the CAZ and town centres.
- 2.39 **Policy HC6 Supporting the night-time economy** states that Boroughs should develop a vision for the night-time economy, supporting its growth and diversification, in particular within strategic areas of night-time activity (Zone NT1 and NT2), building on the Mayor's vision for Labour as a 24 – hour city. Within the policy it also states that NT3 areas are areas with more than local significance. Part B states that Development Plans, town centre strategies and planning decisions should:
- Promote the night time economy, where appropriate, particularly in the CAZ, strategic areas of night-time activity and town centres where public transport is available;
 - Improve access, inclusion and safety, to make places more welcoming for all night-time economy users and workers;
 - Diversify the range of night-time economies, including extending the hours of existing daytime facilities;
 - Address the issues arising from cumulative impacts including anti-social behaviour;
 - Ensure night-time venues are well-served with safe and convenient night-time transport; and
 - Protect and support evening and night-time cultural venues.

- 2.40 The current Local Plan was adopted in November 2021 and sets out planning policy to support sustainable and inclusive growth across the borough over a 15 year period. Key features of the Plan include encouraging economic growth, including:
- The regeneration of Romford Town Centre, to provide a more diverse and higher quality retail, leisure, cultural and employment offer; and
 - Directing an appropriate scale of retail, culture, service industries and office to the borough's network of town centres, which comprise:
 - Romford Metropolitan Centre
 - Collier Row District Centre
 - Elm Park District Centre
 - Harold Hill District Centre
 - Hornchurch District Centre
 - Rainham District Centre
 - Upminster District Centre.
- 2.41 The main provisions and policies relevant to this study are briefly summarised below.
- 2.42 **Policy 1 (Romford Strategic Development Area)** which seeks to strengthen Romford's role as a metropolitan centre and to realise its potential as one of Outer London's largest and most successful town centres. The policy supports development proposals within the town centre boundary that (i) reinforces South Street as the main shopping street within the town centre; (ii) diversifies and improves the quality of the retail, cultural and leisure offer both in terms of the day-time and night-time economies (iii) provides new modern retail units or refurbishment of existing retail units: (iv) positively transforms the Market Place into a high quality civic space, including a market, public space and an enhanced retail and restaurant offer; (v) creates a vibrant mix of commercial uses adjacent to the station; (vi) accommodates mixed uses (subject to providing ground floor activity); (vii) provides new, fit-for-purpose offices and (viii) affordable office accommodation.
- 2.43 **Policy 2 (Rainham and Beam Park Strategic Development Area)** which includes a proposal for the delivery of a new local centre adjoining Beam Park Station of between 3500 – 4000 sqm of retail and commercial floorspace. The policy also supports the redevelopment of undesignated sites in Rainham District Centre.
- 2.44 **Policy 13 (Town Centre Development)** which seeks to enhance the vitality and vibrancy of Havering's existing town centres.
- 2.45 Applications for new main town centre uses will be subject to the sequential test as defined in the NPPF and an impact assessment will be required for retail, leisure and office developments of over 200 sqm in edge or out of centre locations.

- 2.46 Proposals within town centres will be supported where (i) they are appropriate to the scale and function of the town centres; (ii) does not harm the town centre's vitality and viability; (iii) promotes a wider retail offer and consumer choice; (iv) enhances and diversifies the borough's hotel offer; (v) provides high quality shop front design and signage; (vi) provides active frontages at ground floor level; and (vii) makes effective use of upper floors.
- 2.47 Proposals for single use retail developments which do not optimise the development potential of a site will not be supported and changes from A1 and A2 uses will only be permitted where development complements the other shopping uses in the town centre, does not reduce the A1 and A2 primary frontages to less than 60%; does not have a significant adverse impact on amenity and prevents an overconcentration of non-A1 and A2 uses.
- 2.48 The supporting text sets out the gross retail and leisure floorspace needs for the period 2017 – 2031, as identified in the Council's 2018 Retail Study update. This is reproduced below.

Figure 2.2: Gross Floor Space Needs from 2017 to 2031

Year	2017	2021	2026	2029	2031
Comparison	-3,724	-3,345	8,179	15,303	20,722
Convenience	8,235	5,822	8,299	9,829	10,851
Commercial Leisure	14	2,426	6,403	8,921	10,619

Source: Havering Local Plan, Table 9

- 2.49 Map 1 also sets out the Havering Town Centre Hierarchy, identifying the 75 local centres and one new local centre, in addition to the six district centres and Romford Metropolitan centre in the hierarchy. Local centres are the smallest centres in the retail hierarchy and provide day to day shops and services for residents, especially the borough's elderly and those less mobile. They are outside the scope of this study.
- 2.50 **Policy 14 (Eating and Drinking)** supports the diversification of Havering's town centres and recognises eating and drinking establishments as important in creating attractive places where people enjoy their leisure time. When considering proposals for restaurants, pubs and micro-brewery uses, the Council will consider (i) the contribution the proposal will make to town centre diversification; (ii) the impact on amenity; (iii) the cumulative environmental impact of the use; and (iv) the possible impact of the design and location of the building.
- 2.51 **Policy 15 (Culture and Creativity)** seeks to sustain and enhance the borough's cultural offer. It proposes to safeguard existing facilities, requiring new development that results in any losses to provide equivalent or greater/better provision, or to demonstrate that there is no demand for a similar use on the site. Development which enhances or diversifies the cultural borough in Romford metropolitan centre or the six district centres is supported and temporary uses are encouraged where they contribute positively to regeneration, vitality and the character of the

area. A diverse range of evening and night time activities are encouraged and planned improvements to existing arts, cultural and performance spaces is supported.

- 2.52 **Policy 19 (Business Growth)** sets out the Council's commitment to building a strong and prosperous economy. This includes directing office developments to Romford Town Centre and the district centres as part of mixed-use development and supporting the London Riverside and emerging Romford Town Centre Business Improvement Districts (BIDs).
- 2.53 **Annex A.7 Town Centres** defines the primary and secondary frontages in the main town centres (Table 16) and the 76 Local Centres (Table 17).

Site Specific Allocations Development Plan Document (Adopted 2008)

- 2.54 Havering Council adopted this document in 2008. It sets out the specific site allocations for development within the Borough apart from Romford Town Centre, which is considered separately.
- 2.55 Key site allocations relevant to this study, comprise:
- **Elm Park Parades (Policy SSA 3)** which seeks the redevelopment of the Station and Tadworth Parades, requiring the retention of retail floorspace at ground floor level;
 - **Romford Ice Rink (Policy SSA 7)** which only permits mixed use development comprising residential, leisure and retail facilities on the site.
 - **Beam Park (Policy SSA 11)** which is one of the London Riverside sites within a London Plan Opportunity Area. Residential and mixed commercial and community uses are proposed, including a new local centre;
 - **Rainham West (Policy SSA 12)** which is another of the London Riverside sites in the Opportunity Area. Community, leisure and recreation facilities and ancillary retail floorspace is proposed to meet the needs of the new residents;
 - **Rainham – land between Railway and Broadway (Policy SSA 13)** which encourages retail and leisure uses along the Broadway frontage as part of the proposed redevelopment. The loss of the existing library will only be permitted if a suitable replacement facility is provided;
 - **Rainham Central (Policy SSA 16)** which requires any redevelopment to, inter alia, better integrate the foodstore with the heart of the Village; provide a positive frontage to Bridge Street and improve the retail offer within the fringe and core retail areas along Broadway and Upminster Road.
- 2.56 The progress made in bringing forward these site allocations is considered later in the study.

2.57 The Romford Area Action Plan DPD was adopted by the Council in 2008 but remains part of the Local Development Plan in terms of the Site Allocations set out in it, until a new masterplan for the area is adopted. These comprise:

- **Angel Way (Site ROMSSA1)** – allocated for a mix of residential, retail, leisure and commercial development;
- **Bridge Close (Site ROMSSA2)** – allocated for residential development with commercial (A3) uses;
- **Como Street (Site ROMSSA3)** – allocated for residential development with ancillary fringe retail uses along North Street;
- **18-46 High Street (Site ROMSSA4)** – allocated for residential, retail and commercial uses;
- **37-59 High Street (Site ROMSSA5)** – allocated for residential, retail and commercial uses; and
- **Station Gateway and Interchange (Site ROMSSA6)** – allocated for a major transport interchange and residential, retail, leisure and commercial uses.

2.58 Again, the progress made in bringing forward these site allocations is considered later in the study.

OTHER MATERIAL CONSIDERATIONS

2.59 The town centre related policies contained in the adopted Local Plan were informed by the Havering Retail and Commercial Leisure Needs Assessment 2015 ('2015 RCLNA'), the 2018 Quantitative Update Addendum (QUA) and the Town Centre Position Statement (March 2018), which together formed part of the Local Plan evidence base.

2.60 The 2018 retail capacity forecasts were included in the Local Plan (see above) and the relevant findings for the individual centres are considered in more detail within the Health Checks, which are provided in Section 5 of this Volume and Volume C.

SUMMARY

2.61 This policy review has considered both what is required of the London Borough of Havering Council as a local planning authority in terms of developing local planning policies, and the current policies that apply to town centres and main town centre uses including retail.

2.62 In summary, national and local plan policy and guidance seeks to maintain and grow the vitality and viability of centres over time by, amongst other measures, directing new investment and

development to town centres first and promoting a diverse mix of sustainable uses that meet the needs of all those who live, work, shop and visit centres for a wide range of activities.

- 2.63 The focus for new development and investment within Havering includes Romford ‘Metropolitan’ Town Centre and the six District Centres, with sufficient investment to ensure the Borough’s smaller centres continue to meet the day to day needs of local residents.
- 2.64 This emphasis on ‘town centre first’ has not changed since the adoption of the Havering Local Plan, but the pace of change on Britain’s high streets and the shifting nature of retail and leisure, combined with the impacts of the pandemic and the cost of living crisis, means that it is appropriate to update the evidence base to see how these very recent changes have impacted on Havering’s town centres.
- 2.65 There is also a need to revise the Council’s existing planning policies, given recent changes by central Government to the Use Classes Order (UCO) and Permitted Development Rights (PDR).
- 2.66 These changes support two of the Government’s development priorities, namely to increase housing provision and encourage the reuse of redundant retail space. Although there are restrictions on when PDR apply to a change from Class E to a dwelling house (Class C3), the pressures for such changes are likely to be felt more in areas where housing costs are high, including the LB of Havering.
- 2.67 This report therefore provides an update to both the quantitative and qualitative retail and town centre evidence base to inform the Council’s Local Plan review and provides advice on what changes or new policies may be required. Specifically:
- The new quantitative and qualitative assessments of capacity / need for retail and other main town centre uses, will inform the quantum of new floorspace required over the next 15 years (to 2038);
 - This in turn will inform our advice as to the need to amend centre designations, town centre boundaries and Primary Shopping Areas;
 - It will also inform our advice as to the requirement for sites to be allocated for development, and the type of development that should be supported;
 - The need to change policies in the light of changes to the UCO and PDR will be considered; and
 - The current status of the borough’s four out-of-centre retail parks will be reviewed.
- 2.68 This follows our review of town centre and retail market trends.

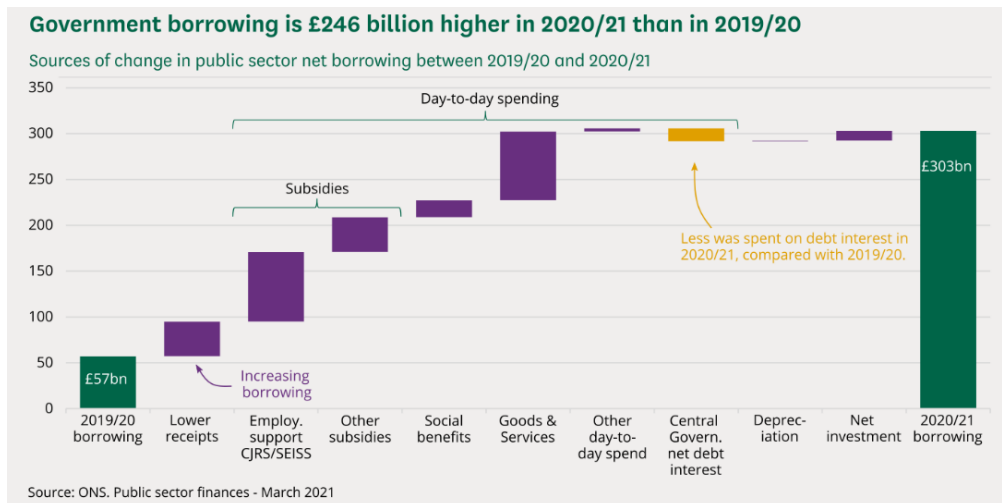
3. TOWN CENTRE AND RETAIL MARKET TRENDS

- 3.1 This section summarises some of the key economic, consumer and property market trends that have driven the changes in the retail and leisure sectors over the last decade and how town centres can respond to these dynamic trends to remain competitive and enhance their overall vitality and viability in the future.
- 3.2 The pandemic created one of the toughest trading environments for the retail and leisure sectors and the post pandemic phase has been characterised by low growth, rising inflation and the cost of living crisis. This section details the impact of these factors on the commercial retail and leisure market.

UK ECONOMIC OUTLOOK

- 3.3 The government’s decision to close non-essential retail and leisure outlets in spring and autumn of 2020, followed by a third national lockdown from January 2021, had a significant impact on a wide range of formats: from leisure and hospitality sector to fashion retailers and department stores.
- 3.4 A weak consumer economy born out of the response to the COVID-19 pandemic caused widespread disruption to the UK’s economy. The impact of the COVID-19 pandemic in 2020 saw the UK economy experience its biggest annual decline in GDP (-9.9%) for over 300 years. Britain’s budget deficit (i.e., the gap between public spending and income from taxes) has also reached the highest levels experienced since the Second World War. Government borrowing climbed to a record £303 billion (or 14.5% of GDP) in 2020/21.

Figure 3.1: Government Borrowing: 2019/20 compared with 2020/21

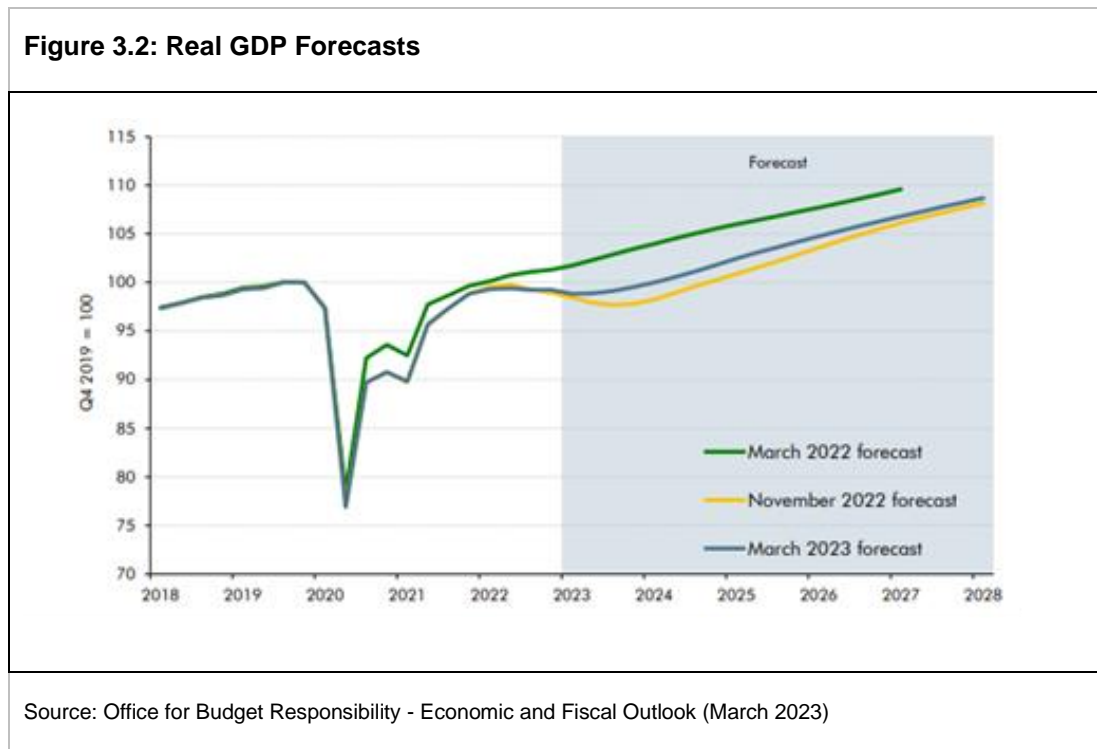


Source: House of Commons Library: Government borrowing: Peacetime record confirmed (23/04/2021)

- 3.5 The UK economy continues to face significant headwinds in the form of surging inflation, high energy costs and supply chain disruptions. Even as the impact of the COVID-19 pandemic eases, the economic consequences of the Ukraine conflict continue to reverberate in impact in

the form of high energy prices which affects the economic outlook. GDP is expected to contract by 0.4% in the first quarter of 2023 to 0.6% below its recent peak in the second quarter of 2022.

- 3.6 According to the Office of Budget Responsibility (OBR)¹³, the near-term economic downturn is set to be shorter and shallower; medium term output to be higher; and the budget deficit and public debt to be lower. But this reverses only part of the costs of the energy crisis, which are being felt on top of larger costs from the pandemic.



- 3.7 Consumer Price Inflation (CPI) peaked at a 40-year high of 11.1% in October 2022¹⁴ (well above the Bank of England target rate of 2%). Twelve-month CPI inflation fell from 10.5% in December 2022 to 10.1% in January 2023 but then rose to 10.4% in February 2023 before falling again to 8.7% in May 2023¹⁵.
- 3.8 Hence there are macroeconomic shifts unfolding. A 'cost of living crisis' has emerged, hitting the least affluent households the hardest, sparking recessionary behaviours, weaker spending and softer confidence. Real household disposable income (RHDI) per person – a measure of real living standards – is expected to fall by a cumulative 5.7% over the two financial years 2022-23 and 2023-24. This would be the largest two-year fall since records began in 1956-57¹⁶. The fall in RHDI per person reflects the rise in the price of energy and other tradeable goods of which

¹³ Office for Budget Responsibility - Economic and Fiscal Outlook (March 2023)

¹⁴ Office for Budget Responsibility - Economic and Fiscal Outlook (Ibid)

¹⁵ Bank of England: Monetary Policy Summary and minutes of the Monetary Policy Committee meeting ending on 22 March 2023 and Monetary Policy Summary and minutes of the Monetary Policy Committee meeting ending on 21 June 2023

¹⁶ Office for Budget Responsibility - Economic and Fiscal Outlook (Ibid)

the UK is a net importer, resulting in inflation being above nominal wage growth. The squeeze on real household incomes is anticipated to drag down consumption in 2023/2024.

- 3.9 Experian Business Strategies (Experian) predict in their latest Retail Planner Briefing Note 20 (February 2023) ('RPBN 20') that "recovery over the coming years will be shaped by the after-shocks from the pandemic the extent of potential scarring to the UK's longer term economic potential and the supply chain disruption due to shutdowns and continued Brexit impacts". According to Experian spending growth over the course of 2023 is clouded by consumers' wider economic woes, namely a cost of living squeeze underpinning a decline in real personal disposable incomes and a curbing of consumer spending.
- 3.10 The implications are that this will result in a decline in real disposable incomes in 2023 and beyond over the short term to 2024. Against this backdrop the latest average GDP forecasts (May 2023) show a 0.2% growth for 2023 and a projected moderate growth to 1% in 2024 according to HM Treasury¹⁷ estimates.

RETAIL SPENDING

- 3.11 Spending growth over the course of 2023 is impacted by consumers' wider economic factors including the cost of living squeeze.
- 3.12 The latest Experian¹⁸ forecasts for **retail spend per head** show:
- **Convenience goods:** The impact of COVID-19 resulted in a significant +10.2% surge in spend per head in 2020 but a contraction of -1.4% in 2021. This followed negative growth of -1.4% between 1997 and 2021. The overall level of negative growth in convenience goods spending has had a significant impact on the grocery sector and on retailer business models. Experian predict a fall in convenience spend in 2023 (-2.4%), and annual (per capita) growth over the medium to long term "flatlining" at around +0.1% to 2029 and +0.2% up to 2040.
 - **Comparison goods:** the figures show year-on-year growth rates recovering from a low of 0.9% in 2012, to a high of +6.7% in 2021. This followed a contraction of -6.8 in 2020. Experian predict that (per capita) growth will settle at around +2.5% to 2029 and +3% up to 2040. The longer term growth forecast is higher than the historic long term trend (1997-2021) of +2.6% per annum.
- 3.13 These expenditure growth trends and forecasts have informed the updated assessments of retail capacity. Clearly any further dampening of growth rates over the short to medium term due to rising inflation and the cost of living crisis will have implications for the viability of existing retail businesses and the demand for new space, whilst any further unexpected global events could

¹⁷ HM Treasury Forecasts for the UK economy: a comparison of independent forecasts No. 430 (May 2023)

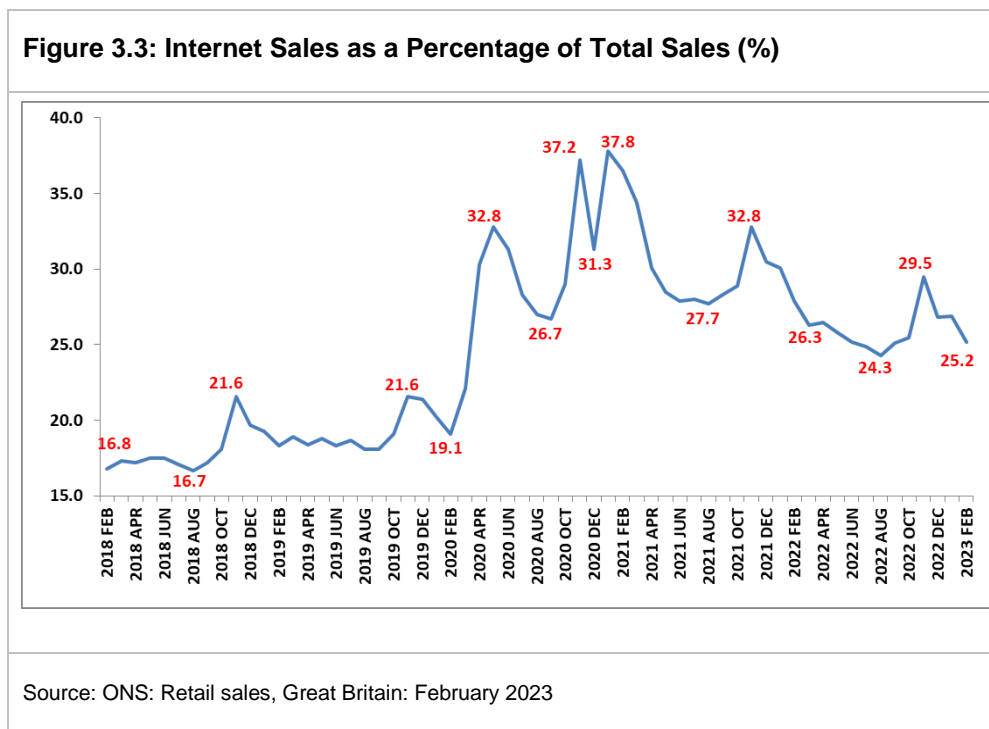
¹⁸ Source: Experian Retail Planner Briefing Note 20 (February 2023) Figures 1a and 1b.

affect future spending trends. Should this happen though it would be expected that the effect would be to delay the growth currently being predicted to a later date.

3.14 These expenditure growth trends and forecasts have informed the updated assessments of retail capacity. Clearly any further dampening of growth rates over the short to medium term due to rising inflation and the cost of living crisis will have implications for the viability of existing retail businesses and the demand for new space.

ONLINE SHOPPING

3.15 The growth in non-store¹⁹ retail sales has undoubtedly had the most significant impact on consumer spend and behaviour over the last decade, and on our High Streets and traditional shops. ONS figures show that as a percentage of total sales, online retail sales accounted for up to 25.2% of sales in February 2023 compared with a peak of 37.8% in January 2021. The graph also shows the steep increase from 19.1% in February 2020 to 32.8% in November 2021. Overall, the trend suggests that online accounts for almost a third of the amount spent on retail goods.

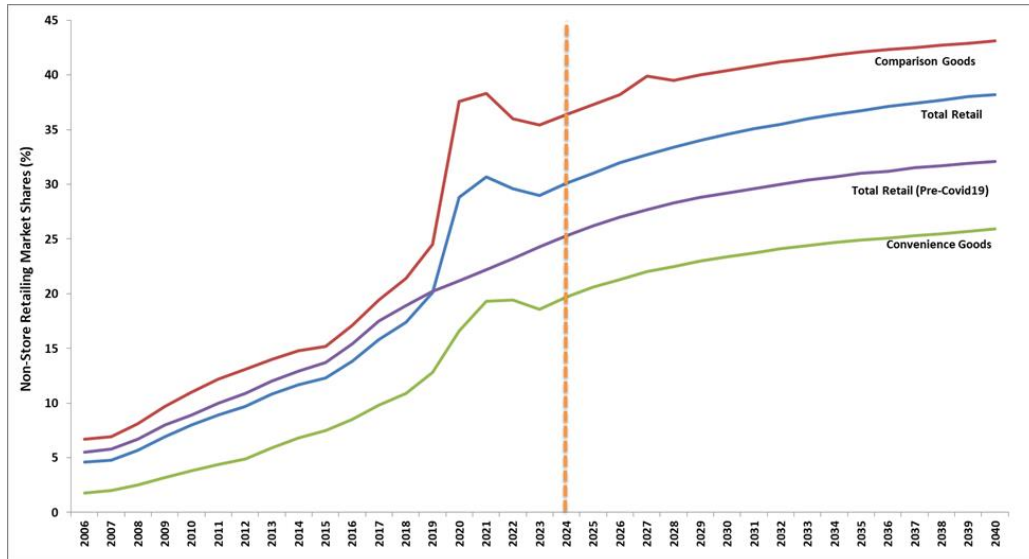


3.16 As the figure below shows, SFT's overall market share (as a proportion of total UK retail sales) increased from 5.4% in 2006 to 28.1% in 2020. In other words, online accounted for almost one in every three pounds spent on retail goods in 2020. Of this total non-store retail sales, Experian

¹⁹ Non-store retailing is commonly referred to as Special Forms of Trading (SFT). This comprises all non-store retail sales made via the internet, mail order, stalls and markets, door-to-door and telephone sales. On-line sales by supermarkets, department stores and catalogue companies are also included in the data collected by the Office for National Statistics (ONS).

estimate that comparison and convenience goods retailing achieved market shares of 34.1% and 18.0% respectively in 2020.

Figure 3.4: Estimated and Projected Market Shares of Non-Store Retail Sales (SFT), 2006-2040 (Adjusted)



Source: Experian Retail Planner Briefing Note 20 (February 2023) Appendix 3 and Experian Retail Planner Briefing Note 17 (February 2020); Appendix 3

- 3.17 The latest Experian forecasts indicate that total SFT market shares will increase to 38.2% by 2040. Comparison and convenience goods non-store retail sales are forecast to reach 43.1% and 25.9% respectively by 2040.
- 3.18 Experian predict that the pace of e-commerce growth will moderate over the long term as internet use is now almost at capacity. ONS statistics showed in 2020 some 92%²⁰ of all UK adults have internet access and almost all of those aged between 16-44 years. Hence, Experian expect that the growth of the internet user base will be less of a driver than it has been in the past decade. Instead, generational differences in internet use will increasingly drive growth. For example, the 'Millennials' (defined as anyone born between 1981 and 1996) and 'Generation Z' (anyone born between 1997 and 2010) generations have grown up in digital environments and use technology more intensively. These groups will account for half of the adult population by the end of the 2020s (compared to 39% in 2019) and the bulk of retail and leisure spending. Their preference for online shopping could well represent the "tipping point" for the retail industry as a whole, and this will have been further accelerated by the impact of the pandemic.

²⁰ Source: ONS: Internet users, UK: 2020 (Release date 06/04/2021)

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- 3.19 Whatever the forecast growth in online sales and market shares, it is clear that high streets, town centres and physical retailers will need to work even harder to retain their existing customer base and attract new customers over the short (post-pandemic), medium and long term.
- 3.20 In terms of forecasting the potential capacity for new physical retail floorspace, Experian estimate that approximately 25% of all SFT sales for comparison goods and 75% for convenience goods are still sourced through traditional ('bricks-and-mortar') retail space, rather than through 'virtual' stores and/or 'dot com' distribution warehouses. On this basis, Experian adjust their SFT market shares downwards for total retail to 18.6% in 2023, 19.8% by 2025, 22.3% by 2030 and 24.5% by 2040²¹. These market shares are higher than Experian's pre-COVID-19 forecasts²² of 15% in 2022, increasing to 25.4% by 2040. In line with standard approaches these adjusted/recalibrated market share figures are preferred for retail capacity assessments and used in this assessment.
- 3.21 It is clear that the "*digital revolution*" and growth of online retailing has, and will continue to have, a significant impact on Britain's retailers, sales and high streets. Digital trends are constantly developing and 2023 has already been a big year for new technologies from better online gaming to Artificial Intelligence (AI)-powered tools. Some online stores have started to experiment with augmented reality (AR). The "*digital revolution*" is also impacting on how and where people choose to spend their leisure time. The adoption of digital technology in the leisure and entertainment industry is part of this wider trend. Consumers are increasingly turning to digital platforms for entertainment, including video games, streaming services, and social media. This trend has been further accelerated by the COVID-19 pandemic, as people were forced to spend more time at home and turned to digital entertainment to pass the time.
- 3.22 Streaming services are another major contributor to the growth of the digital leisure market. Platforms such as Netflix, Amazon Prime Video, and Disney+ have seen a surge in subscribers in recent years, and this trend is expected to continue. Furthermore, social media is also a significant contributor to the growth of the digital leisure market. Platforms such as Facebook, Instagram, and TikTok have become a major source of entertainment for many people, particularly younger generations. These platforms have also become important channels for advertising and marketing as companies seek to reach consumers where they spend their time.
- 3.23 In summary, both retailers and high streets will need to compete for shoppers and expenditure through a variety of means including creating experiences that will attract the interest and attention of potential consumers across all age and socio-economic groupings.

STREET AND COVERED MARKETS

- 3.24 Another form of SFT are street markets, and market provision is an important element of the offer in a large number of centres in London and can play a significant role in the success of town centres.

²¹ Experian Retail Planner Briefing Note 20 (February 2022)

²² Experian Retail Planner Briefing Note 17 (February 2020)

3.25 According to Mission for Markets²³ there are 1,173 markets in the UK, which includes traditional and specialist markets. 32,400 businesses trade on these markets and in 2017-18, had a collective turnover of over £3.1 billion - an increase of £200 million year on year since 2012.

3.26 The organisation also found that:

- 82% of markets are run by local authorities, 10% by private companies and the remainder are made up of trader cooperatives, social enterprises, and community interest companies;
- 81% of businesses in the sector are not registered for VAT and 77% are sole traders; and
- 48% are led by women (UK Government, 2017) compared with 21% of SMEs in the UK.

3.27 In London markets are considered “*part of the fabric of London life. They are at the heart of our communities and local places, and offer Londoners a diverse range of economic, social, and environmental benefits, collectively known as ‘social value’.*”²⁴

3.28 The report noted that:

- The number of markets in London had risen to 280 in 2017 from 163 in 2010;
- Around 13,250 people worked in London markets, accounting for 2.8% of all jobs in London’s retail sector.
- Markets contributed £247.6 million to London’s economy in terms of gross value added, i.e. 1.3 per cent of London’s retail sector;
- There is increasing public investment in markets;
- Markets are significant asset to town centre’s vitality and support local businesses. They can generate footfall increases of around 25% for town centres and increase retail sales, with significant numbers (55% to 71%) of market visitors’ spending money in other shops - calculated to be worth £752 million a year to London’s shop-based retailers;
- Markets are affordable and flexible workspaces for many Londoners. Markets are a great and unique opportunity to trade, test business ideas, or showcase new products. On a per square foot basis markets provide more jobs than supermarkets;

²³ Mission for Markets is run by NABMA and the NMTF, two trade organisations which, respectively, represent the interests of those who run markets and those who trade on them. They collect data on traditional retail and specialist markets in the UK and offer advice and support to members. <https://www.mission4markets.uk/#rt-feature>

²⁴ GLA “Understanding London’s Markets”

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- Markets are a great place to gain experience and offer a wide range of job opportunities to all Londoners. In 2017 London markets saw 2,500 new employees coming into the markets sector. In the same year 12% of markets have taken on apprenticeships. Markets also create opportunities for people to access, or return, to work;
 - Markets help build the distinctive identity of a neighbourhood. From feeding the first settlers in an area, to becoming major centres of commerce in themselves, markets inject distinct character into different parts of London’s fabric. These specialisms have also helped to build a sense of belonging within communities;
 - Markets are places of social cohesion. Regular encounters in markets can help break down stereotypes and bridge differences, enabling long-term cohesion within a diverse area; and
 - Markets are often the best place for Londoners, including those on low incomes, to access fresh and healthy food.
- 3.29 The important role markets can play in town centres was also recognised in recent research by LSH and Revo²⁵. Street markets were cited by 23% of survey respondents as being part of the optimum critical mix of uses and services in centres that will best help to underpin their success and support viable regeneration and development initiatives. This placed them 8th in the top 10 list, above food grocery stores and health centres.
- 3.30 Indoor and street markets have also provided the basis for new businesses to become established for a considerable period. The first M&S famously opened in Newcastle’s Grainger Market in 1895, for example. However, there has recently been a new emphasis on empowering younger people to start out in businesses as market traders.
- 3.31 One initiative, Teenage Markets, was created to give young people a free platform to showcase their creative talents. There is now a fast-growing network of traders and performers taking part in Teenage Market events all across the UK. In October 2023, there were 56 UK locations being used for Teenage Markets, with venues including market halls, street markets and events.
- 3.32 The Teenage Market website summarises the benefits to young people and the wider community, noting “*When combined, the creative fusion of specialist retail and live performance creates a thriving and bustling marketplace which succeeds in attracting a new generation of shoppers and visitors to our nation’s local markets.*”²⁶
- 3.33 The High Street Task Force²⁷ is actively supporting Teenage Markets.

²⁵ From Recession to Renaissance: What is the future for our towns, high streets and shopping centres?’

²⁶ <https://theteenagemarket.co.uk/>

²⁷ <https://www.highstreettaskforce.org.uk/>

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- 3.34 Markets can therefore play an important part in supporting the local economy and community and assist small businesses, including those led by women, young people and minority groups.
- 3.35 However, just like other retail businesses, markets need to adapt to meet present day needs. Traditional markets need to be modernised to make them fit-for-purpose, including meeting the hygiene standards now required for food preparation and sale.

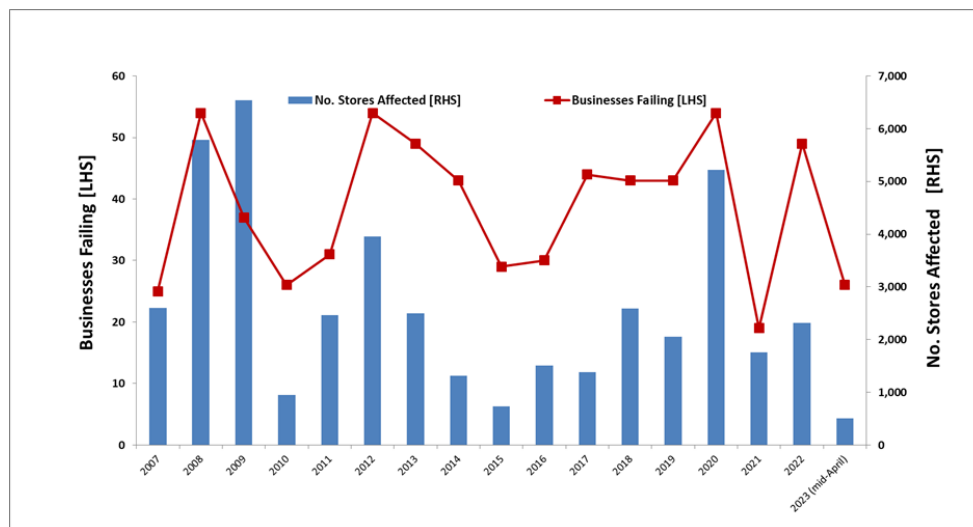
RETAILER BUSINESS MODELS AND REQUIREMENTS

- 3.36 The challenging economic conditions and growth in online sales have had a significant and permanent impact on consumer shopping and spending behaviour. Retailers have faced challenges across the supply chain, inflationary pricing, economic uncertainty and geo-political factors.
- 3.37 This has created significant challenges for traditional “bricks-and-mortar” retailing and the high street. Consequently, national multiple retailers are having to constantly review and rapidly adapt their business strategies, requirements and store formats to keep pace with the dynamic changes in the sector and consumer demand. As retailers adjust to a “new normal”, a seamless experience and hybrid shopping are shaping the future of retail; the key trends that will impact the industry include:
- Hybrid or ‘Phygital’ (physical and digital) shopping – Retailers want to deliver a seamless experience across all shopping methods, including online, in-store, mobile devices, social media, and live streaming.
 - Social media sentiment monitoring is collecting and analysing information about a retailer or brand on social media. Actively engaged on social media, retailers are able to better understand data about their customers' sentiments, preferences, and attitudes toward their company and its competitors.
 - Physical retail stores and websites are becoming increasingly crucial as sources for additional advertising revenue for retailers.
 - Changes to retail formats and design – retailers are testing different formats as well as including new offerings on the click and collect such as IKEA opening a store on Oxford Street.
 - Changes in Consumer behaviour – the growing trend in repair, recycling, reuse, and thrifting is set to grow. This is seen in the rise of the popularity of second hand shops, vintage markets, and charity shops once again. Additionally, more and more brands are championing sustainability such as:
 - IKEA has recently launched its buy-back and re-sale scheme, in an attempt to reduce the number of products going to landfill.

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- For the venture, the George at Asda brand has joined forces with specialist wholesaler Preloved Vintage Kilo. The supermarket's clothing brand, George, will be selling second hand clothing in 50 UK stores after a successful trial in Leeds in 2021.
 - H&M were the first fashion brand to launch a global garment collection initiative in 2013, allowing customers to hand in any unwanted clothing to a H&M store.
 - Decathlon's Second Life initiative, where repaired products (e.g. bikes, fitness equipment, kayaks, tents) are sold.
- 3.38 These dynamic trends are best illustrated by the changes in the grocery sector over the last decade. Since 2010, the top-5 main grocery operators have been Tesco, Sainsbury's, Asda, Waitrose and Morrisons who have dramatically changed their business models; their focus has been on growing market share through online sales and new smaller convenience store formats (including Tesco Express, Sainsbury's Local and Little Waitrose)²⁸. As a consequence, applications for large store formats have slowed to a virtual standstill over the last decade and extant permissions have not been implemented.
- 3.39 Previously outside of the so-called top-5 grocers, the 'deep discount' food operators (namely Aldi and Lidl) have significantly increased their respective market shares through new store openings. As of September 2022, Aldi overtook Morrisons to become the UK's fourth largest supermarket for the first time, as grocery inflation hit a new record of 12.4% in August 2022. Notwithstanding this the grocery and convenience sector has had buoyant sales during the pandemic, particularly in town, district and local centres as many households have been forced to work from home and only the foodstores and 'essential stores' have been open during the series of lockdowns, including local independents.
- 3.40 The non-food retail sector has also experienced a significant impact from the rise of online shopping over the last decade, which has impacted on business models and store viability. Many well-known retailers have either closed or have significantly reduced their store portfolios.
- 3.41 Although Covid pressures on the economy may have eased, the challenges facing consumers, businesses and town centres continue to intensify. The latest industry research shows that over 2,000 closed stores in 2022 due to administration, with almost 35,000 jobs lost. This compared with 5,200 store closures in 2020, and over 109,000 job losses.

²⁸ Convenience stores are generally small shops of up to 280 sqm (i.e. they fall outside the Sunday trading legislation). They usually stock and sell a limited range of small convenience and food goods that meet the more regular day-to-day needs of households (such as, for example, bread, milk, tinned products, etc.). They also generally sell personal care products, newspapers, tobacco, alcoholic beverages, etc.; and may include ancillary services such as a post office counter, ATM, etc.

Figure 3.5: Major Retail Failures (2007 – 2023 (mid-April))



Source: Centre for Retail Research (2023)

- 3.42 The pandemic has accelerated the demise of a number of high profile retailers that were already struggling due to falling sales and increasing costs/debt, including Debenhams, Oasis, Warehouse, Laura Ashley, the Arcadia Group and Cath Kidston. John Lewis also announced the closure of four department stores and four ‘At Home’ stores.
- 3.43 National retailers with extensive high street store portfolios are struggling to maintain market shares and remain profitable in the increasingly competitive environment. The higher costs of trading from high streets compared with online and out-of-centre retailing, also means that it is not a “level playing field”. This is a further contributing factor to the significant number of store closures that have occurred over recent years.
- 3.44 In summary, although some retailers are better positioned to cope with the growth in online shopping and the shifts in consumer behaviour and preferences, many are struggling to position themselves quickly enough to absorb rising costs and engineer the vital transition to a more technology-focussed business model.

RISING OCCUPANCY COSTS

- 3.45 ‘Bricks and mortar’ retailers are having to absorb higher than inflation increases in year-on-year occupancy costs (for example, rents, business rates, service charges, utility bills, staff costs, etc). This outpaces sales growth for many retailers, eroding profitability and resulting in more store closures.
- 3.46 As described above it is not a “level playing field” between high street and online retailing, or between high street and out-of-centre retailing. In response to the budgetary challenges from

rising costs and tight margins, retailers will need to drive up efficiencies and productivity from existing floorspace to remain viable.

- 3.47 It is standard practice for retail planning assessments to make a reasonable and robust allowance for the year-on-year growth in the average sales densities of existing and new (comparison and convenience) retail floorspace for it to remain vital and viable. However, there is limited evidence detailing actual changes in the turnover and profitability of retailers over time. The latest Retail Planner Briefing Note (RPBN 20) (February 2023) provides forecasts of annual floorspace productivity growth rates based on two different scenarios: (i) the 'constant floorspace scenario', based on limited potential for new retail development, resulting in greater efficiency of existing floorspace; and (ii) the 'changing floorspace scenario', which takes account of the impact of new retail development on average retailer sales performance. The table below sets out the differences between the two scenarios.

Table 3.1: Floorspace Productivity Growth Rates (year-on-year growth %)

	2021	2022	2023	2024	2025-2029	2029-2040
CONSTANT FLOORSPACE						
Convenience Goods	-7.2%	-7.7%	-1.8%	-0.3%	0.2%	0.4%
Comparison Goods	5.2%	3.4%	-0.5%	-0.4%	2.1%	3.0%
CHANGING FLOORSPACE						
Convenience Goods	-7.2%	-7.7%	3.4%	2.8%	0.1%	0.0%
Comparison Goods	5.3%	3.4%	-0.1%	-0.4%	2.0%	2.8%

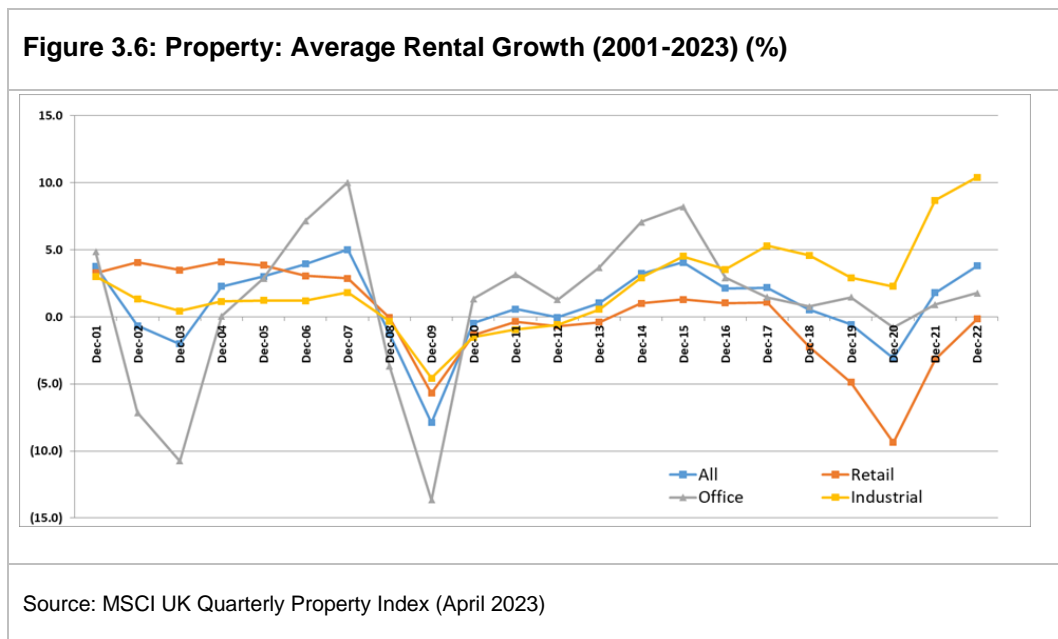
Experian Retail Planner Briefing Note 20 (February 2023); Figures 3a/3b and 4a/4b

- 3.48 As Experian explain the volatility in sales densities in 2021 and 2022 have been driven by sharp swings in retail spending due to temporary business closures during the pandemic and subsequently the impact of high inflation. Sales density growth rates are expected to be weak in 2023 and 2024 given the poor near term outlook for retail sales volumes. Budgetary challenges from rising costs and tight margins will be a key factor underpinning floor space efficiencies over the coming years. These results reflect national trends and there will be marked differences between local areas.
- 3.49 On this basis, budgetary pressures mean that retailers will have to increase efficiencies from current floorspace including through redevelopment/repurposing of existing floorspace; adoption of new technology and innovations; more effective marketing strategies; and adopting an 'omni-channel'²⁹ strategy that uses internet sales to increase the sales performance of physical shops. This is against a backdrop of weak demand for retail property, high vacancy levels and a significant fall in new retail-led development in centres across the UK.
- 3.50 For these reasons we prefer to test higher 'constant floorspace productivity' growth rates for retail planning assessments, as they better reflect national trends and the need for existing retailers to increase their sales potential and profit margins to remain viable.

²⁹ 'Omni-Channel retailing' refers to the integration of different methods of shopping available to consumers (e.g. via the internet, in a physical shop, or by phone).

3.51 Outside of the top 50 it is the more secondary towns and shopping locations that potentially remain vulnerable to further reductions in their existing retail and commercial offer. This is against the backdrop of limited and falling demand for new shops and commercial space.

3.52 Demand for retail space in centres across the UK has fallen dramatically since 2007 and is currently at an all-time low. In turn this fall in demand is impacting on property values and rents. For example, LSH research conducted before the pandemic showed that the retail sector recorded a 4.9% year-on-year fall in rents in December 2019; fell further in December 2020 by 9.4%; by 3.2% in December 2021 and by 0.2% by December 2022³⁰. As shown below the retail sector has performed poorly compared with the other property sectors with its origins back to the economic crisis in 2007/08. This trend has been further exacerbated by the pandemic and current cost of living crisis.



3.53 One of the obvious impacts of the difficulties experienced within the retail sector is the fall in retail rental values. The larger retail groups have enjoyed a particularly strong negotiating position and lease events represent an opportunity to reduce costs and increase flexibility. Over the past year we have experienced multiple retailers seeking some or all the following lease provisions when agreeing lettings:

- An increase in rentals linked to turnover as opposed to contracted rents linked to market rental value.
- Where rent reviews are to market value a cap as to the quantum of any future increase.
- Shorter leases and regular tenant break options.
- Capped increases to service charge.

³⁰ LSH Research (2023) using MSCI data

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- Pandemic clauses with rent cessation provisions in case of forced closure.
 - Larger incentive packages, including capital contributions, enhanced handover specifications and extended rent free periods.
- 3.54 Overall, many centres and shopping locations across the UK simply have too much retail floorspace stock, or they have the “wrong type” of retail floorspace that does not meet the needs of modern national retailers for larger format shop units. Some analysts indicate that there may be as much as 30% too much physical space in the retail sector. Our recent research together with REVO³¹ indicated that the oversupply of retail floorspace has overtaken business rates as the main challenge identified by our survey respondents. It was mentioned by 42.7%, up from 36.1% in 2022.
- 3.55 This over-supply of retail floorspace and limited market demand is placing further pressures on the viability of existing stores and shopping centres. In turn, this makes it difficult for landlords, investors and retailers to justify additional capital expenditure. However, in some places plans are already coming forward to remove some of the surplus space. This can be in the form of small-scale developments / changes of use, or major redevelopment proposals, one of the best known being the demolition of the Castlegate Shopping Centre in Stockton-on-Tees. There the Council acquired the centre with the intention of demolishing it and removing the town’s surplus retail space. The area is now being landscaped and a new riverside park will allow the river frontage to be opened up and access between the river and the High Street provided.

OUT-OF-CENTRE RETAILING

- 3.56 The development and take-up of food and non-food out-of-centre space has also slowed over recent years, in line with the trends impacting on high streets and town centres. The main grocery retailers have pulled back from new larger format superstore openings in edge and out of centre locations to focus on maintaining and increasing market shares through online sales and opening smaller convenience outlets. The exception to this is the discounters, Aldi and Lidl, who continue to seek new sites in mainly edge and out-of-centre locations.
- 3.57 Vacancy levels in out-of-centre retail warehouses and parks have also increased over the last decade following the closure of major operators (such as, for example, Toys R Us, Poundworld, Office Outlet, etc.), and a reduction in the store portfolios of other major out-of-centre retailers (such as, for example, B&Q and Homebase). There are likely to be further increases in closures, particularly in the poorly performing “first generation” and secondary shopping locations, as leases come up for renewal and more retailers go into administration. As a result, a number of out-of-centre foodstore and retail warehouse sites are being repurposed and/or redeveloped for alternative uses, including logistics and residential uses.
- 3.58 Notwithstanding this, most out-of-centre shopping locations retain their significant competitive advantages over town centres and high streets in terms of their supply of larger format modern outlets, ease of access and ability, their lower occupancy costs, extensive free parking as well

³¹ LSH / REVO Survey 2023

as their ability to serve as last-mile delivery hubs. This remains an attractive proposition for those retailers that are still seeking space in the current market. For example, as part of its revised business model Marks & Spencer has closed a number of its traditional high street stores and “replaced” these with ‘Simply Food/Food Hall’ branded stores in out-of-centre locations.

VACANCY RATES

- 3.59 At the end of 2022, the GB average ‘All Vacancy Rate’ (retail and leisure combined) according to LDC stood at 13.8%. The current rate is still higher than the pre-pandemic (H2 2019) level of 12.1%, so the sector has yet to fully recover.
- 3.60 The sharpest increase in vacancy rates was seen in Shopping Centres category, rising from 14.4% at the end of 2019; 17.1% at the end of 2020; 19.1% at the end of 2021 and 18.2% at the end of 2022. Shopping centres saw the largest increase in long-term vacant space over 2022, rising to 6.5% from 6.1% in 2021.
- 3.61 LDC estimate that by the end of 2024 the retail vacancy rate reaching 14.9%; leisure 10.2%; with the combined rate falling to 13.4%.

USE CLASSES ORDER & PERMITTED DEVELOPMENT RIGHTS

- 3.62 The Government issued a series of reforms to the planning system since 2020. Effectively, changes to the use classes were brought in to provide a more flexible approach to controlling commercial land uses. This saw the replacement of Use Class A1 to A5, D1 and D2 replaced with E Classes (Commercial), F1 (Learning and Non-Residential) and F2 (Local Community Uses) and the restructuring of sui generis uses (public houses, hot food takeaways, cinemas, music venues, bingo etc.).
- 3.63 The result of these changes is that what would previously be a change of use under the subsumed use classes is no longer considered development under the Planning Acts, and accordingly is no longer subject to planning control. In launching the reforms, the Government announced that the regulations will give “...greater freedom for buildings and land in our town centres to change use without planning permission and create new homes from the regeneration of vacant and redundant buildings”³².
- 3.64 The impact of the changes will still require the definition of a town centre boundary and a primary shopping area, or a primary ‘commercial’ area to be the foci for E and F Classes. Also, in most instances the former use classes can be ‘translated’ into the equivalent categories within the new E and F Classes. This can assist with the interpretation of policy wording and the effective use of conditions. It is worth noting that under the previous use-class system such categories as convenience, comparison (and bulky) goods fell within the A1 use-class and there is a long established planning pedigree of reflecting these A1 retail categories effectively in planning conditions.

³² Prime Minister’s Office Press Release (30/06/2020) ‘Build, Build, Build’

- 3.65 The changes have implications for primary and secondary shopping frontages, as the control of shopping and service uses is legally less enforceable in commercial areas, as a change of use between Class E does not constitute development and will therefore not require planning permission. It should be noted that the effectiveness of frontage policies was declining before the pandemic and previous changes to the UCO. However, there may still be a role to control some sui generis uses in key town centre locations, such as provision of fast food takeaways, betting shops, payday loan shops or other uses that are justified to be subject to planning control.
- 3.66 Hence beyond 2023, town centres are likely to consolidate their retail and shopping role with more emphasis on place and non-transaction uses, this could include high activity based land uses such as health, education being located in more central locations and stem previous trends of decentralisation.
- 3.67 The increase in city living and residential development in town centres is likely to be a growth area in the next 10 years and could be a positive regenerative mandate. We also expect more emphasis on residential upper floor living accompanying ground floor commercial uses.
- 3.68 The introduction of Class AA and AB in August 2020³³ (under the Permitted Development Changes (Amendment No. 2) (2020)), allowing new residential on detached or terrace buildings in commercial or mixed use areas could potentially lead to the loss of commercial floorspace to residential.
- 3.69 Furthermore, the Town and Country Planning (General Permitted Development etc.) (England) (Amendment) Order 2021 (Order) that came into force in April 2021 created a new class of permitted development right (Class MA) into the Town and Country Planning (General Permitted Development) Order 2015 (GPDO) authorising changes of use from Use Class E commercial uses to Use Class (C3) residential. The changes within the Order authorise a change in the permitted use of a property or land from a use falling with Use Class E to Use Class C3 residential use where the property has:
- been in Class E use for 2 years (including time in former uses i.e. A1, A2, A3, B1, D1 or D2 now within that Class); and
 - has been vacant for at least 3 continuous months.
- 3.70 These changes will replace existing retail, light industrial and office to residential rights with rights applying to all of the relatively recent Use Class E in which those uses now sit. Exercise of the right is subject to prior approval by the local planning authority and therefore would be subject to some planning control. Details must be submitted relating to flooding, transport, contamination, noise amenity, natural light, fire safety and agent of change issues. The area that can be converted is capped, with a maximum size limit of 1,500 sqm of floorspace capable of conversion using the right.

³³ The Town and Country Planning (General Permitted Development) (England) (Amendment) (No. 2) Order 2020.

LEVELLING UP & REGENERATION BILL

- 3.71 The long-awaited Levelling-up and Regeneration Bill received Royal Assent at the end of October 2023 and officially became the Levelling-up and Regeneration Act 2023 (LURA 2023). The government proclaimed that LURA 2023 will “*speed up the planning system, hold developers to account, cut bureaucracy, and encourage more councils to put in place plans to enable the building of new homes*”.
- 3.72 In relation to town centres specifically, the Act enables “*local authorities’ powers to instigate auctions to rent vacant commercial properties in town centres and on high streets, for leases from one to five years to attract new tenants*”. These rules “*can be exercised at the discretion of local authorities, based on their local context and need, but only on properties which have been vacant for over 12 months*”. The rules apply to commercial premises (other than premises last used as a warehouse, which are specifically exempt) and which satisfy the following criteria:
- situated in an area which a local authority has designated as being a high street or town centre. These will be areas with a high concentration of premises with high street uses. These uses include “traditional” uses associated with a high street, like shops, restaurants and pubs, as well as offices and public entertainment spaces, communal halls. Manufacturing processes are even included in high street uses as long as they are carried on near to, and compatible with, other high street uses. A local authority is required to maintain and make available to the public a list describing, and a map showing, any designations that are in force in its area;
 - unoccupied for the last year or for 366 days in the last two years;
 - suitable for high street use; and
 - considered by the local authority to benefit the local economy, society or environment if occupied for high street use.
- 3.73 The general consensus is that LURA provides the potential to redefine our high streets and town centres through a collaborative process in which both the local authority and property owners will need to work together especially where premises have remain unoccupied for a specified duration and in combating long-term vacancies. It remains to be seen whether Local Authorities have the resources to execute the powers given and the extent to which they will be utilised and whether they are successful in revitalising high streets and town centres. Overall, these should be part of a mix of initiatives to revitalise high streets and town centres.
- 3.74 However, it should be noted that not all the sections of the Act come into force immediately as they require secondary legislation and changes to national policy.

SUMMARY OF TRENDS

- 3.75 Our towns, traditional high streets and shopping centres have been challenged for more than a decade by falling market demand, rising occupancy costs and increasing competition from

online and out-of-centre shopping. These trends have been further accelerated and compounded by the COVID-19 pandemic; and are resulting in an increase in vacant shop units, often in primary shopping areas, as retailers and occupiers either choose to downsize and/or close stores in some locations (e.g., Marks & Spencer, John Lewis), or they are forced out of business altogether due to failing business models and unmanageable debts (e.g., the Arcadia Group).

- 3.76 Today, many of our traditional towns and shopping centres simply have too much retail space. The critical challenge over the short, medium and long term will be how to retain existing businesses, fill/replace the voids and attract new investment. The danger is that an increase in long-term vacancies in centres will lead to a 'spiral of decline', which will further engender feelings of neglect and lack of investment confidence in town centres, and "push" more people to shop online.
- 3.77 Residential provision in centres is already being encouraged, including by previous national planning changes (such as office to residential conversions through prior approval, and permitted development for two flats above a shop), and through emerging local development plan policy. In those cases where retail vacancies are long-term and more often than not concentrated in secondary shopping streets/pitches, it will be necessary to plan for alternative uses and/or consider options for redevelopment. As a result of the increasing drive towards more flexible planning through changes to the Use Classes Order and Permitted Development Rights, there will inevitably be more mixed-uses within centres particularly residential, and this should be encouraged and planned for through enabling planning policies.
- 3.78 It will be important to maximise intergenerational residential provision in the most sustainable locations, particularly in centres, as part of a balanced mix of uses. Therefore, consideration needs to be given to planning policies and allocations enabling the growth of other uses, such as education, leisure and recreation, within centres, which, along with residential, are particularly positive in terms of enhancing the vitality of centres.

IMPLICATIONS FOR HAVERING

- 3.79 The trends outlined above will have affected and continue to affect the town centres within Havering, but to a varying degree.
- 3.80 All centres will have seen the decline in demand for retail space and increasing vacancies, with the trend likely to be most obvious in centres with a higher proportion of national multiples. However, those centres with a strong convenience offer are likely to have fared better than those without a strong convenience anchor, as foodstores are an important generator of regular footfall.
- 3.81 In terms of the reuse of vacant space, and diversification of a town centre's offer, the demand from other town centre uses wanting to occupy space is likely to be greatest in the higher order centres, or centres with an established specialist offer.

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- 3.82 On top of this, the relative impact of the pandemic and WFH trend will depend on the extent to which a particular town centre is also a major employment hub or provides a public transport link to major employment areas such as Central London.
- 3.83 As a Metropolitan Centre Romford would be expected to remain an important target location for many retailers and a location of interest to new tenants looking to enter the market. It is also likely to benefit from its proximity to Central London and accessibility from Essex.
- 3.84 The success of the District Centres will depend on their ability to adapt to the changing needs of their local catchment area and their previous reliance on commuters. This is examined further as part of the centre health checks.

4. COMMERCIAL LEISURE AND OTHER LAND USE TRENDS AND OPPORTUNITIES

- 4.1 Having considered how retail and shopping in town centres has changed in recent years in the previous section, this section focuses on the changing trends within the commercial leisure sector that may affect the demand for new leisure uses and facilities in Havering over the plan period. This assessment necessarily focuses on the main leisure, entertainment and cultural uses identified as town centre uses in the NPPF (Annex 2), namely:

“...leisure, entertainment and more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres and bingo halls); ... and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).” (NPPF, Annex 2)

- 4.2 The starting point for this assessment is a consideration of the relative importance of various types of activity in terms of likely spend and expected growth. We then consider the key town centre uses in more depth.
- 4.3 The final consideration relates to the evening and night time economy, the strength of which usually depends on a combination of leisure facilities and trading offer.

LEISURE EXPENDITURE

- 4.4 Expenditure on leisure items and activities is an important element of a household budget and it is estimated that in 2021, UK households spent in excess of £158 billion on such items including:
- **Recreational and sporting services** - i.e. services provided by sports stadia, racecourses, rinks, golf courses, pools, courts, bowling alleys, gyms, fairs, parks, dancing and skating;
 - **Cultural services** – i.e. cinemas, theatres, concerts, circuses, TV rental, satellite subscription, video hire, hire of musicians, clowns, performers, photographers, film processing;
 - **Restaurants, cafes etc (F&B)** – i.e. catering services, meals, alcohol, snacks and drinks sold by restaurants, pubs, cafes etc;
 - **Accommodation services** – i.e. accommodation in hotels, motels, inns, “bed and breakfast” establishments, caravan sites, youth hostels, boarding schools, universities and other educational establishment accommodation; and

- **Hairdressing salons & personal grooming** – i.e. hairdressers, barbers, beauty shops and salons, men's personal grooming centres, massage parlours, saunas, tanning centres.

4.5 Not all this expenditure will relate to town centre activities, nor could a town centre be expected to accommodate all leisure outlets. However, a review of expenditure by Havering residents shows the relative importance on key town centre uses:

TABLE 4.1: LEISURE EXPENDITURE PER HEAD (2021 prices)

	Hotels, B&Bs, etc	Culture	Games of chance	Personal Grooming	Recreation & sport	Restaurants, cafes etc	Total 2021	Total 2023
Zone 1 Romford	£240	£364	£163	£88	£279	£1,578	£2,712	£3,290
Zone 2 Hornchurch	£232	£360	£172	£90	£299	£1,457	£2,610	£3,166
Zone 3 Rush Green	£169	£295	£121	£64	£200	£1,410	£2,259	£2,741
Zone 4 Elm Park	£195	£320	£154	£84	£235	£1,346	£2,334	£2,831
Zone 5 Upminster	£251	£389	£189	£101	£331	£1,470	£2,731	£3,313
Zone 6 Harold Hill	£166	£297	£162	£64	£221	£1,291	£2,201	£2,670
Zone 7 Collier Row	£194	£322	£163	£76	£227	£1,331	£2,313	£2,806
Zone 8 Chadwell Heath	£146	£251	£106	£50	£155	£1,335	£2,043	£2,478
Zone 9 Dagenham	£129	£237	£118	£44	£150	£1,233	£1,911	£2,318
Zone 10 Rainham	£173	£307	£150	£73	£232	£1,266	£2,201	£2,670
Zone 11 Brentwood	£271	£369	£229	£95	£190	£1,582	£2,736	£3,319

4.6 The frequency with which activities are undertaken is also influenced by the overall level of spend, as shown by the household survey results:

Table 4.2: Frequency with which Leisure Activities are undertaken

Leisure Uses - Frequency Activity undertaken	Bingo/ Casino/ Bookmaker	Cinema	Gym/ health club/sports facility	Theatre/ concert/ music venue	Museum/ gallery/ place of historical/ cultural interest	Pub/ bar/ nightclub	Restaurant/ café	Family Entertainment
More than once a week	1.4%	0.6%	17.1%	0.7%	0.0%	3.0%	6.0%	0.5%
Once a week	2.0%	1.5%	5.5%	1.5%	0.8%	8.4%	13.2%	2.2%
Sub-total - At least once a week	3.4%	2.1%	22.6%	2.1%	0.8%	11.4%	19.2%	2.7%
Once a fortnight	1.2%	3.9%	2.2%	2.1%	1.7%	11.6%	19.8%	3.1%
Once a month	2.3%	9.7%	2.1%	7.4%	4.8%	12.7%	22.5%	7.5%
Sub-total - At least once a month	6.9%	15.7%	26.9%	11.6%	7.3%	35.7%	61.5%	13.3%
Once every two months	1.5%	16.0%	2.1%	13.0%	10.3%	9.4%	13.5%	7.9%
Once every six months	2.7%	17.3%	0.9%	15.9%	13.8%	6.9%	6.2%	8.2%
Once a year	1.4%	4.7%	0.7%	9.5%	9.2%	2.5%	1.4%	5.3%
Less often than once a year	2.5%	6.1%	2.4%	5.8%	6.1%	2.3%	1.0%	3.9%
Never	82.8%	38.0%	63.9%	41.8%	50.8%	41.1%	13.7%	58.9%
(Dont know / varies)	2.3%	2.1%	3.0%	2.5%	2.4%	2.1%	2.6%	2.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

4.7 From a planning perspective this clearly shows the potential importance of spending on Food & Beverage (F&B) for town centres, given much of that spend will, or has the potential to be spent in defined centres at all levels of the retail hierarchy. It is also an activity that is undertaken regularly, with 19% of respondents visiting restaurants and cafes at least once a week and over 60% visiting at least once a month. Cultural spend will be important for the larger centres, at the top of the hierarchy, whilst hairdressing and personal grooming services may generate less expenditure per head but are more likely to be spent locally.

4.8 Spend on accommodation generated by the residents of Havering is not likely to be spent within the Borough but spend from visitors will be an important part of the Borough's overall economy. Spend on recreational & sporting activities is likely to be less important for town centres as is spend on games of chance (bingo, bookmakers, football pools and lottery) – the former due to the scale on expenditure on activities that will not be town centre activities and the latter due to the significance of online spend.

- 4.9 Going forward, leisure spend nationally is expected to increase by around 2.7% per head per annum between 2022 and 2031 and by 0.8% per annum to 2040³⁴, which equates to an average of 1.8% per annum across the whole period. This represents a significant increase over time, with the period 1997 to 2021 having experienced a decline of -2.4% per annum. However, expenditure for different types of leisure will experience different rates of growth during this period, with varying degrees of spend being made online.
- 4.10 As a result, the relevance of different leisure uses to town centres varies, as does the planning policy response:
- Most, if not all hairdressing and personal grooming premises will be considered as Class E uses, and therefore will be subject to the same planning policies as retail uses both within and outside town centres; and
 - Demand for the development of new cultural and intensive sports uses will be market led and is likely to be linked to identified needs in a catchment area that will be defined by industry specific factors. As such borough boundaries may or may not be a consideration.
- 4.11 However, a review of sector trends and information on the current position in Havering is provided below for:
- Eating out /Food & Beverage (F&B) uses
 - Cultural services
 - Recreational and sporting services

EATING AND DRINKING OUT

- 4.12 The food and beverage (F&B) sector includes restaurants, cafés, bars and pubs (former use Classes A3-A5). These uses are an integral part of a town centre's wider offer and economy. A good choice and quality of F&B uses can help to complement other town centre uses, by generating trips, stretching 'dwell times' (i.e. the time people spend in centres), increasing 'linked' expenditure to other shops and businesses as part of the same trip, and strengthening both daytime and evening economies.
- 4.13 As identified above, the F&B sector dominates average household expenditure and participation in leisure and in theory, this expenditure growth should be available to enhance the scale, quality and choice of F&B uses across the Borough. In reality though, this growth will be determined by current and future trends in the sector and market demand. The table below summarises some of the current trends that are driving changes in the food and beverage sector.

³⁴ Experian Retail Planner Briefing Note 20, Figure 2

Table 4.3: Key trends in the food and beverage sector

Use:	Headline Market Trends:
Restaurants	<p>Notwithstanding the impacts of the pandemic, this sector had experienced mixed fortunes up to 2020 before the pandemic. Over investment in some casual dining brands led to their collapse before or directly after the pandemic as sales dropped while those carrying debt are vulnerable. The pandemic accelerated the popularity of 'eating at home', with restaurants entering the home delivery market using online third-party delivery companies (such as Just Eat, Deliveroo and Uber Eats). Post Covid, restaurants are now facing further challenges associated with rising operating costs, rising supply costs, staff shortages, and cost of living factors (e.g. potential that customers will cut back on dining out).</p>
Pubs and Wine Bars	<p>Pub operators have widened their food and non-alcoholic beverage offer the last decade, resulting in the growth of so-called "gastro-pubs" and, most recently, the rise in 'micro' and 'craft' pubs. Notwithstanding this trend, the sector has also been characterised by increasing consolidation and closures. This is mainly explained by high occupancy costs (e.g. business rates) and beer duty, and changes in consumer demand and drinking habits. As a consequence, there has been a significant increase in the conversion and/or redevelopment of pubs to alternative uses over the last decade; including for residential uses and/or convenience retailing.</p> <p>Research by CAMRA indicated that some 854 pubs closed in 2018, although this was a reduction on the 980 seen in 2017, which most likely reflected the impact of new planning policies and the recognition of pubs as 'Assets of Community Value' (ACV). However, closures are continuing and 400 pubs closed in England and Wales in 2022. Similar pressures to the restaurant sector will apply, particularly regarding rising operating and supply costs, and more customers drinking at home due to the cost of living crisis. Many pubs are focusing dining offer to widen their customer base but still face issues around cost and labour supply.</p> <p>Recent years have also seen a rise in licenced premises also providing an active leisure offer, with activities such as darts, bowling and table tennis all being provided in bar settings. Such activities however are likely to require a large catchment population and so are only looking to locate in the higher order centres.</p>
Cafés and Coffee Shops	<p>This sector has experienced strong growth over the last decade. Latest figures show that the UK coffee shop market comprises some 25,500 outlets and is valued at £10.1bn. Costa Coffee, Starbucks and Caffè Nero are the three largest chains in the UK, with 2,655 outlets and a total market share of 53%. The UK branded coffee shop market is estimated to exceed 10,000 outlets by 2023, equivalent to a 5-year compound annual growth rate of 5%. Notwithstanding the rise of the multiples, this sector has also been characterised by growth in independent and specialist cafés and coffee houses; particularly those serving a more luxury or specialist offer (e.g. organic, in-house roasted beans, and Fairtrade). In the specialty segment, artisan concepts continue to grow (such as 'Department of Coffee' and 'Social Affairs'). Others include London-based 'Grind' and 'Caravan', which have the potential to expand to regional centres, particularly centres within the London commuter belt. The strong independent coffee sector has also fuelled many new</p>

	<p>start-up businesses in local centres. The continued growth of this sector has been one of the most successful in the UK economy.</p> <p>However, some rationalisation of company portfolios can be expected where demand may have fallen as a result of WfH and there is also an increasing emphasis on drive-thru operations, which tend to orientated to out-of-centre locations.</p>
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- 4.14 Research shows that the multiple chains mainly dominated the expansion of the F&B sector up to 2017 when they accounted for almost half of all net new business openings. However, since 2017 a number of multiples in the casual dining sector have struggled against a backdrop of increased competition, rising costs and a tightening of consumer spending due to wider Brexit and economic concerns.
- 4.15 The reality is that too many F&B operators expanded too quickly into increasingly marginal locations, funded by private equity, and the market became saturated and unsustainable. The growth in the availability, convenience and speed of home deliveries driven by new technology and apps represents a further significant challenge to more traditional F&B operators. These challenges have been further accelerated by the impact of the COVID-19 pandemic while sharp rises in energy prices and more difficulties in recruiting service workers is now impacting on the viability of many F&B businesses.
- 4.16 These new challenges and pressures have resulted in a radical restructuring of businesses across the sector, resulting in the closure of many loss-making branches. Pre-pandemic the biggest impact to the market was experienced in the 12 months to June 2019 when an estimated that some 1,412 UK restaurants closed. This represented a +25% increase in restaurant closures compared to the previous year and the highest number of insolvencies recorded since 2014, when approximately 750 restaurants closed. Causalities were primarily felt in the casual dining market which saw many brands exit the market either completely or saw their portfolio shrink considerably (e.g. Strada, Jamie's Italian, Byron Burger, Carluccio's and Prezzo).
- 4.17 However, the impact of the pandemic has created even more difficult trading conditions that have persisted. In April 2021 there were 9.7% fewer restaurants trading in the UK compared to the year before, of which the biggest decline was in the casual dining market where the number of restaurants fell by almost 20%. By the end of 2022, there was a 1,611 net reduction in licensed premises from the year before³⁵. A "shakeout" in the sector will leave the proactively managed multiple and independent businesses that have strong brand loyalty and/or a clear differentiated offer as the main "winners". Brands such as Nando's, Greggs, Domino's Pizza, Five Guys, and Honest Burgers are performing well revenue-wise and are continuing to expand, which provides hope for the sector. Key trends predicted for the hospitality sector 2023 by industry expects, particularly the dining market include:
- A greater move towards a more cost-effective restaurant models and brands.

³⁵ <https://www.bighospitality.co.uk/Article/2023/01/20/independent-restaurants-battered-as-cost-pressures-drive-hospitality-closures-above-covid-hit-years>

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- Collapse or sale of brands that are overleveraged and carrying debt, which are likely to be purchased by stronger performing brands.
 - Opportunities for new businesses where landlords offer concessions on rent and premiums.
 - Continued growth in customer demand for 'quick service restaurants' (QSR), brand franchising and drive-through formats.
 - Increase in demand for sustainable dining, such as vegan or vegan friendly restaurants, and others that promote sustainable credentials (e.g. slow food, low carbon footprint, etc).
- 4.18 There is also the potential for restaurants and pubs to tap more into the growth in home deliveries following the impact of the pandemic; with the potential to reach new audiences and increase turnover at quieter times. The growth in use of delivery apps such as Deliveroo, Uber Eats, and Just Eat has helped many restaurant businesses reach more customers. Although the affordability of these services can be prohibitive, particularly for independent businesses, and it remains to be seen whether the cost-of-living crisis will dampen demand given the associated price premium for this form of take out service.
- 4.19 The popularity of street food, market halls and markets, and “meanwhile”/“pop-up” restaurants and bars has opened more opportunities for start-up hospitality brands and have served as a launch pad for many successful F&B brands (e.g. Honest Burger and Franco Manca). These more informal drinking and eating venues fulfil their desire to experiment and explore different styles of drink, food and new cuisines in exciting new and more informal environments. Trialling a “pop-up” site also represents an opportunity to test a new concept, gain a following, fine-tune details and secure investment before making a long-term commitment. The pop-up concept is also attractive to landlords and property companies who are increasingly nervous about signing long leases following numerous high profile restaurant closures.

Food And Beverage Provision in Havering

- 4.20 The food and beverage offer in Havering varies by centre as would be expected given the different sizes and functions of the centres.
- 4.21 As the highest order centre and the focus of evening and night time activity in the borough, Romford has the most extensive offer with 9.4% of town centre outlets being restaurants / cafes. However, this is slightly below the UK average of 9.9%. The public house, bars and wine bars is also slightly below the UK average at 2.4% compared with an average of 4.9%³⁶.
- 4.22 In comparison, provision in Hornchurch is significantly above the UK average with 18.6% of town centre outlets being occupied by restaurant and café operators (average 9.9%) and 5.5% by public houses and bars (average 4.9%). Similarly, the restaurant / café offer in Upminster is

³⁶ See Romford Health check

relatively extensive with 16.3% of units in these uses, although the public house / bar provision is below average (1.6%).

- 4.23 The F&B provision within Collier Row is also above the UK average and Rainham appears to have a reasonable offer. It is more limited in Harold Hill and Elm Park, in the case of the latter, possibly reflecting the proximity of Hornchurch and good accessibility to Central London.

Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
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- 4.24 The distribution of facilities is reflected in the household survey results which indicate a high number of visits to locations in Romford and Hornchurch town centres., with the latter also drawing significant trade from Zones 4 (Elm Park) and 10 (Rainham) as well as its 'home' zone.

- 4.25 The main draws outside of Havering are Brentwood town centre, Central London and Lakeside.

CULTURAL SERVICES

Cinemas

- 4.26 The UK cinema sector has evolved dramatically since the 1990s when it was largely dominated by a handful of national multiples. Today the sector offer ranges from larger multiplexes to smaller independent operators and 'pop up' venues. The following table sets out some of the main cinema operators in the UK. Notwithstanding the greater variety and choice in the cinema sector, the three largest cinema operators still account for around 70% of total UK screens. The six largest operators are collectively responsible for about 85% of the sector.

Table 4.5: Main cinema operators in the UK

Operator/ Brand:	No. of Cinemas	Position	Description:
Cineworld	116	Multiplex	Established in 1995. Cineworld is the leading cinema operator in the UK by box office market share (based on revenue). However, the business announced in August 2022 its intention to file for bankruptcy and it entered administration in July 2023. There are currently no plans to close any of its outlets.
Odeon/UCI	120	Multiplex	Established in 1930s. In July 2016, Terra Firma sold Odeon/UCI to the Chinese-owned AMC Entertainment group for £921m.
Vue	93	Multiplex	Established in 2003, following the acquisition of Warner Village for £250m. It has since grown through new development and acquisitions
Showcase	19	Multiplex	Established in 1986. Owned by National Amusements Inc

Operator/ Brand:	No. of Cinemas	Position	Description:
Empire	14	Multiplex	Established in 2005 but has its origins in the Empire on Leicester Square, which opened in 1884.
Picturehouse (Cineworld)	25	Independent	Established in Oxford in 1989. Differentiated by its unique locations, homely atmosphere, and art-house film choices. Cineworld acquired the entire chain for £47.3m in December 2012.
Reel	10+	Independent	Established in 2001, following the purchase of Curzon in Loughborough. Independently owned and branded as Reel Cinemas Ltd in 2005. Vue sold four cinemas to Reel (Fareham, Port Talbot, Burnley and Morecombe).
Everyman	35	Independent	Established in 2000. Acquired the Screen Cinemas chain in 2008 and 4 cinemas from Odeon in 2015. Increased its revenue by 27% in 2018 and opened 7 cinemas in 2019.
The Light	9	Independent	Established in 2007. Have multiplexes in Wisbech, Cambridge, Walsall, Bolton, Sheffield, Stockport, Bradford and Addlestone. Has trialed its first non-multiplex, 3-screen cinema in Thetford, Norfolk, which opened in 2016.
Merlin	17	Independent	Established in 1990. Operates 12 cinemas in Devon and Cornwall, and 5 others in Gloucestershire (Coleford), Norfolk (Cromer), Somerset (Wellington), Scotland (Thurso) and Wales (Prestatyn).
Movie House	3	Multiplex	Established in 1990. Based in Northern Ireland and acquired the UGC (ex MGM/Virgin) multiplex in Belfast City Centre. Also owns two other multiplexes in Northern Ireland.
Curzon	13	Independent	Established in 1934. Operates 7 luxury 'art house' cinemas in London: Aldgate, Bloomsbury, Mayfair, Richmond, Soho, Victoria and, most recently, Wimbledon. Other cinemas in Canterbury, Colchester, Knutsford, Oxford, Ripon and Sheffield.

Source: Various

4.27 The following provides a snapshot of the growth in the cinema market over the last 10-15 years and the impact of the COVID-19 pandemic based on current research:

- Total admissions in 2019 stood at 176.1 million. This was slightly down on 2018 (177m) but was still the second highest recorded admissions since 1970 (193m). Admissions in

2020 fell to 44m due to the impact of the COVID-19 pandemic, a reduction of 75% from 2019 (176.1 million) and the lowest level since records began (dating back to 1935).

- UK box office receipts consistently reached their highest recorded levels in 2017 (£1.278bn), 2018 (£1.277bn) and 2019 (£1.251bn) but fell to £297m in 2020.
 - The number of cinemas has increased from 697 in 2006, to 801 in 2017 and 840 in 2019.
 - The number of cinema screens has increased from 3,741 in 2010, to 4,564 in 2019.
 - Approximately three-quarters (78.2%) of the screens are in multiplexes.
 - The average population per screen in 2019 was estimated to be 14,529.
 - Average annual spending per head on cinema trips has increased steadily from £12.93 per capita in 2005 to £18.72 per capita in 2019, before falling to £4.37 per capita in 2020.
- 4.28 Although year-on-year admissions and box-office takings are notoriously volatile — driven by the appeal of individual films and Hollywood ‘blockbusters’ — the long-term trend since the mid-1980s has been upward and has principally been driven by the development of new cinemas. The growth in the cinema sector over the last 10-20 years is even more impressive when one considers that this has occurred alongside the increase in new and sophisticated in-home entertainment, driven by new technology, choice and flexibility (including, for example, Sky, Netflix and Amazon, and in 2020 the launch of Apple and Disney platforms).
- 4.29 As the competition in the sector has increased, cinema operators have responded by introducing changes to the cinema experience, including new innovations in technology, improvements to the auditoriums and the introduction of higher quality refreshments, alcohol and food. For example, Odeon has introduced their luxury ‘Luxe’ branding into a number of converted and new cinemas since 2017, and this evolved into the opening in 2019 of its premium ‘Luxe & Dine’ concept in London, which is specifically aimed at adults. Showcase also introduced their ‘Cinema De Lux’ branded multiplexes in 2014, with emphasis on customer service, lush décor, high quality food and other high-end amenities. However, demand for luxury end cinema venues are at present largely confined to London.
- 4.30 There has also been a growth in smaller (Digital) cinemas serving smaller catchment areas. These Digital cinemas are more flexible and less “space-hungry”, as they do not require the large auditoriums needed to accommodate traditional projectors. There are therefore opportunities to provide a modern cinema offer in existing (repurposed) buildings and shopping centres, or as part of a mixed use offering. Other trends in the sector include the growth of ‘pop-up’ and community cinemas.
- 4.31 The COVID-19 pandemic had a significant impact on cinema attendances and sales in 2020, which led to a period of restructuring and consolidation across the industry. There is evidence that the cinema market is now recovering, with the UK Cinema Association recording 7 million admissions in June 2021 alone. However, the sector is still vulnerable. For example, Cineworld

entered administration in July 2023; although we understand that their Picturehouse brand remains solvent in the UK.

- 4.32 Going forward, we would expect cinema trips to remain a significant and popular leisure activity for all age groups. Notwithstanding this, the competition from home entertainment and alternative at-home film channels will intensify and cinema operators will have to keep updating and adapting their offer to respond to consumer needs.

Theatres

- 4.33 Although the provision of new theatre space is a relatively rare occurrence, the most recent information available from the Society of London Theatre³⁷ suggests that theatre attendances are generally returning to pre-Covid levels. In 2022:

- Attendances exceeded 16m (up 7.21% from 2019)
- Total capacity was up 7.9% from 2019, with more venues having fewer dark weeks in 2022 compared to 2019; and
- Performances were up 4.7% from 2019.

Music Venues

- 4.34 Music venues provide a wide range of facilities and experiences for visitors and range considerably in size, from a room within a different form of venue to large purpose-built concert halls or the occasional use of a large sporting or other venue.

- 4.35 The Covid pandemic saw a significant decline (58%) in the overall number of live events organised in 2021 when compared to 2019³⁸ but some growth sectors were noted (see Figure 4.5).

- 4.36 In 2022 there was a significant recovery in live music performances and attendances, but grassroots music venues are continuing to struggle like many other service providers, and it has been forecast that around 10% of all such venues could close in 2023³⁹.

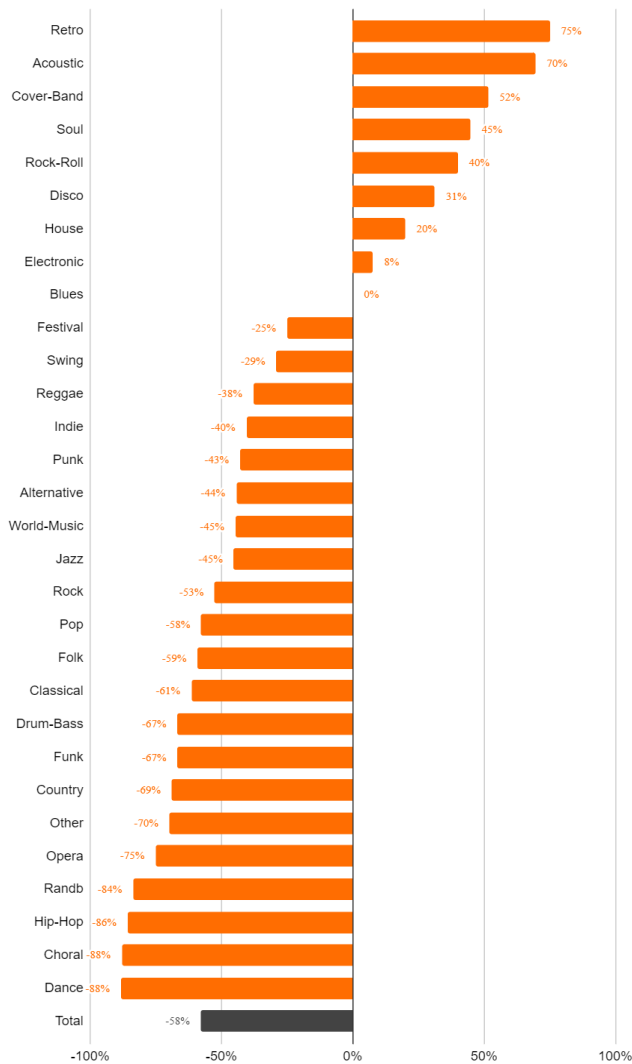
³⁷ <https://solt.co.uk/data-and-research/>

³⁸ <https://www.ticketsource.co.uk/blog/live-music-report-2021>

³⁹ <https://www.nme.com/news/music/uk-to-lose-10-per-cent-of-grassroots-venues-in-2023-as-calls-grow-for-rest-of-industry-to-invest-3499727>

Table 4.6: Change in Live Music Events 2019 - 2021

Genre Count Growth



Source: <https://www.ticketsource.co.uk/blog/live-music-report-2021>

Gambling Venues

4.37 Spend on gambling ('games of chance') represents a relatively small proportion of the overall spend on leisure activities but includes a number of sectors that can be represented in town centres - bingo clubs, casinos, betting shops and amusement arcades. The latest research⁴⁰ figures show that the gambling industry in Great Britain generated a Gross Gambling Yield (GGY) for the year end to March 2021 of £12.7bn. This represented a decline of 11% on the

⁴⁰ The Gambling Commission – Industry Statistics (April 2015 to March 2021)

previous year (to March 2020), which in turn was slightly lower than seen in 2017 to 2019. Remote (online) gambling significantly increased during the year as a result of the pandemic.

4.38 The period from 2017 to March 2021 also saw a decline in the number of premises used for gambling purposes. Between March 2020 and March 2021, the overall number of premises decreased by 1,502 (-14.8%) from 10,127 to 8,625. The majority of these (1,221) were as a result of a decline in non-remote betting but the period also saw the closure of 149 casinos, 82 arcades and 50 bingo venues. Between March 2017 and March 2021, the total number of licensed premises decreased by 2,779 (-24.4%) from 11,404 to 8,625.

4.39 In terms of the different types of gambling:

- **Bingo Halls** - in response to falling admissions over a number of years bingo operators are increasingly taking advantage of the online market and embracing smart-phone technology through new 'app' development. This forms part of a wider trend and growth in 'remote/online' gambling, which includes gambling activities through the internet, telephone, radio, etc. Bingo operators are also increasingly looking to diversify their customer profile, and are marketing their clubs at a younger, predominantly female audience. As a result, there has been an increase in the number of younger and more affluent bingo players over recent years, particularly as deregulation has enabled clubs to offer bigger (national) prizes. At the opposite end of the scale, research shows that the 55-64 age group has generated the biggest growth in online gambling as more mature bingo players switch to online bingo sites, as they grow in confidence with the new technology. These trends have resulted in the closure of many bingo halls in centres across the UK with just 246 operating in March 2021 compared with 684 in 2017.
- **Casinos** – There has also been a significant decline in the number of casinos operating in the UK as a result of the growth of on-line activities. Of the 1,164 casinos operating in March 2017, only 117 remained by March 2021.
- **Betting Shops** – The number of high street betting shops has declined significantly in recent years, reflecting the increase in online betting and the merger and subsequent rationalisation of outlets by the main operators. As gambling activities continue their shift to online channels, so the demand for physical outlets will inevitably dampen in the future and betting shops will inevitably close. Notwithstanding this, the presence of betting shops in high streets is a contentious issue in any case due to the perceived social and economic impacts on households. The Government has recognised that betting shops have specific impacts and in 2016 reclassified their use from Class A2 to 'Sui Generis' and remain so under the new Use Class Order. This reclassification means local authorities have greater planning powers to manage the number of outlets and therefore greater potential to limit impacts.

Cultural Services in Havering

4.40 Within Havering the main cultural offer is provided in Romford and Hornchurch. The borough's cinemas are located in Romford, but the main theatre (Queen's Theatre) is in Hornchurch town centre. Romford has the smaller Brookside Theatre.

- 4.41 Usage of both the theatres and cinemas is relatively good, although Central London is a major draw for the theatre, as would be expected.

Table 4.7: Main Destinations for Theatre Visits (from Household Survey Q38)

Location	Total	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11
		Romford	Hornchurch	Rush Green	Elm Park	Upminster	Harold Hill	Collier Row	Chadwell Heath	Dagenham	Rainham	Brentwood
Queen's Theatre, Billet Lane, Hornchurch	20%	21%	44%	16%	38%	37%	18%	14%	4%	13%	37%	1%
Brookside Theatre, Eastern Road, Romford	4%	2%	0%	5%	0%	0%	8%	0%	12%	13%	0%	4%
Other Havering	3%	3%	0%	4%	0%	0%	0%	15%	5%	6%	0%	1%
Central London / West End (Oxford Street / Regent Street / Bond Street, Knightsbridge, Tottenham Court Road, Soho, Covent Garden)	62%	71%	56%	69%	57%	61%	56%	58%	59%	42%	52%	77%
Other	11%	3%	0%	5%	6%	2%	18%	12%	19%	26%	11%	17%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 4.8: Main Destinations for Cinema Visits (from Household Survey Q38)

Location	Total	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11
		Romford	Hornchurch	Rush Green	Elm Park	Upminster	Harold Hill	Collier Row	Chadwell Heath	Dagenham	Rainham	Brentwood
Vue, The Brewery Shopping Centre, Romford	45%	43%	52%	74%	57%	35%	81%	59%	52%	17%	17%	32%
Premiere Cinema, Mercury Gardens, Romford	16%	30%	29%	7%	12%	2%	13%	30%	9%	13%	12%	5%
Other Havering	2%	6%	0%	0%	0%	0%	4%	2%	0%	4%	0%	0%
Vue, Dagenham Leisure Park, Cook Road, Dagenham	10%	0%	0%	9%	5%	5%	0%	0%	13%	56%	25%	0%
Vue, Lakeside Shopping Centre, West Thurrock	11%	12%	15%	0%	13%	50%	1%	0%	4%	1%	35%	7%
Other	17%	9%	4%	10%	14%	8%	1%	8%	23%	9%	10%	56%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

RECREATIONAL AND SPORTING SERVICES

Health and Fitness Facilities

- 4.42 For town centre and urban areas the key recreational and sporting services likely to be provided relate to health and fitness centres.
- 4.43 Pre-pandemic, the health and fitness market was going from strength-to-strength, with the number of facilities in the UK increasing to 7,239 over the year to March 2019 (compared with 6,435 in 2016), and total membership growing by 4.7% to 10.4 million⁴¹. However, the pandemic had a significant impact on the health and fitness market when establishments were required to close during lockdown periods or operated at low capacity to meet social distancing requirements.
- 4.44 This resulted in the number of UK gyms declining from a 10-year peak of 3,674 in 2020 to an estimated 3,060 in 2021⁴². The impact is even more pronounced on the sector's market value. Pre-pandemic the sector market value was steadily increasing annually; peaking at £2.25 billion compared to £1.49 billion in 2012. The impact of the pandemic led to market value dropping to £1.32 billion in 2021. However, early figures for 2022 indicate that market value has risen to £1.8 billion while the number of gyms has risen to 3,720, which is higher than pre-pandemic levels. This is a positive sign that the market is recovering⁴², although, there are now uncertainties on how much the sector will grow in light of the current cost of living crisis.

⁴¹ State of the UK Fitness Industry Report (2019). Leisure DB (formerly the Leisure Database Company). The research is compiled by independent leisure market analysts,

⁴² www.statista.com

- 4.45 Nonetheless, gyms and health/fitness facilities make an important contribution to the health and well-being of the population across all age levels. The table below shows the top 10 operators in the health and fitness sector in 2020, ranked by number of facilities.

Table 4.10: Main gym operators in the UK

Operator/Brand:	UK Facilities	Position	
Pure Gym	250+	Budget	Established in 2009. Acquired all gyms from LA Fitness in 2015. Most locations are open 24 hours and offer cardio equipment, fixed/free weights and exercise classes.
Anytime Fitness	166	Budget	24-hour health and fitness club. Membership rates vary by club. Operates on a franchise system.
The Gym Group	159	Budget	Established in 2007. 24-hour access. No fixed contract; membership starts from £10.99/month.
Snap Fitness	123	Mid-Market	Established in 2003. A privately owned and operated club. Operates on a franchise system.
David Lloyd Leisure	112	Premium	Established in 1982. Provide a family-orientated, high-quality fitness and leisure facility. Whitbread PLC acquired the company in 1995 for £182m. It is now owned by TDR Capital.
Nuffield Health	111	Mid-Market	Acquired 35 Virgin Active clubs in 2016 at a reported cost of £80m. Membership rates vary by club and locations but start from circa £60/month.
Energie Group	100+	Mid-Market	Established in 2003. Clubs are typically between 5,000-25,000 sqft and comprise a café/ lounge area, fitness area, studio, locker rooms and showers. Many include spa areas, swimming pool, treatment rooms and spinning studios. Operates on a franchise system.
Bannatyne's	70	Premium	Established in 1997. Growth driven by new openings and acquisitions; including the purchase of the LivingWell Premier Health club chain from the Hilton Hotel UK Group in 2006. Also operates 37 spas and five hotels across the UK
Exercise4Less	50+	Budget	Gyms are mainly located in the Midlands and North. Gyms in South are in Hounslow, Harlow, Southend, Milton Keynes, Bath and Bristol. Offer a full boxing ring and combat classes. Membership starts from £9.99/month off-peak.

Source: Various

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- 4.46 Other major operators just outside the top 10 include Virgin Active, JD Gyms, Sports Direct and Total Fitness.
- 4.47 The structure of the UK health and fitness industry has evolved significantly over the last decade to reflect changes in consumer choice and trends, with value and budget gym operators having experienced the most significant growth in the sector in recent years.
- 4.48 According to figures by *Leisure DB* budget gyms now account for over one-third of gym memberships in the UK. The growth of the budget gym operators has resulted in the increasing polarisation of the gym sector between the budget operators at the value end of the spectrum, and the more exclusive health and fitness centres at the higher, more expensive end. As a result, analysts predict that those mid-market gym operators that are neither very cheap nor particularly exclusive will struggle to maintain market share in the competitive market place unless they revise their business models. Furthermore, as operators compete against the “*at-home fitness*” revolution (e.g. Peloton), boutique studios and tech-enabled fitness, they will need to evolve to be more than “*just gyms*”. As with trends in the retail sector, experiences and entertainment will be important to attracting and retaining customers. For example, there has been continued investment into ‘*fitness-tainment*’ over the last few years and analysts predict that there is plenty of opportunity for future growth.
- 4.49 London is the launch pad for many new fitness formats, both those established the UK and imported from overseas. More recent examples include dedicated gyms for high intensity training, rowing, paddle tennis, and non-competitive boxing. Many of these formats are operating in Havering.

Health and Fitness provision in Havering

- 4.50 The nature of the health and fitness market means that facilities tend to be relatively small and dispersed, allowing people to use a facility local to home or work. This is reflected in the household survey responses which show good use of facilities in Romford town centre, but otherwise a very varied response, reflecting the range of potential activities as well as use of local facilities.

Table 4.11: Main Destinations for gym/health centre/sports facility (from Household Survey Q37)

Location	Total	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11
Romford Town Centre (including The Liberty, The Mall and The Brewery)	24%	67%	29%	49%	4%	14%	20%	58%	31%	1%	12%	0%
Other Romford	8%	16%	0%	0%	2%	0%	38%	16%	5%	0%	0%	13%
Hornchurch Town Centre	2%	0%	11%	0%	4%	0%	0%	0%	0%	0%	12%	0%
Harrow Lodge Leisure Centre, Hornchurch Road, Hornchurch	11%	9%	40%	4%	51%	12%	0%	2%	6%	0%	25%	0%
Other Hornchurch	2%	0%	9%	10%	0%	17%	4%	0%	0%	0%	0%	0%
Other Havering	5%	1%	9%	2%	12%	29%	7%	9%	0%	0%	2%	3%
Other	48%	7%	2%	35%	26%	29%	31%	16%	58%	99%	50%	84%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Other Commercial Leisure

- 4.51 Other commercial leisure facilities are often classified as ‘family entertainment venues’ (FEVs), which include paid activities that appeal to adults and children (such as, for example, tenpin bowling, roller skating, ice skating, and similar uses).
- 4.52 **Tenpin bowling** is possibly the most popular activity in the ‘family entertainment’ sector. After a period of decline in the 1970s, there are now 316 venues in the UK according to Mintel figures. The UK tenpin bowling market was valued at £285m in 2017. This represented a +9.7% year-on-year growth and represented the fifth consecutive year of growth. A number of the successful bowling facilities opened over the last 15-20 years (e.g. Hollywood Bowl and Ten Entertainment)⁴³ tend to form part of larger leisure complexes that include multi-screen cinemas, restaurants and nightclubs. The critical mass of leisure uses “*under one roof*” help to underpin the viability of tenpin bowling centres, as they tend to struggle as standalone destinations. The sector is evolving from old-style bowling alleys, to modern, multi-generational entertainment centres where bowling is blended with other forms of activity alongside an enhanced dining offer, along with smaller independent specialist bowling facilities (such as, for example, All Star Lanes and Bloomsbury Bowl)⁴⁴.

⁴³ Hollywood Bowl is the market leader in the tenpin bowling sector. It operates 59 venues under the Hollywood Bowl, AMF and Bowlplex brands. Its expansion has been driven by opening new sites, including recently in Dagenham and Yeovil. Ten Entertainment operates 44 venues and its growth strategy is focussed more on acquisitions of distressed assets than opening new venues, and then modernising the facilities to drive growth and value.

⁴⁴ All Star Lanes operates five bowling venues, including four are in London (Brick Lane, Holborn, Stratford City and White City) and is largely targeted at the corporate/private hire market. Bloomsbury Bowl also operates from smaller venues with sites in Bloomsbury (8 lanes) and Bristol (5 lanes).

4.53 Over recent years there has also been growth in other more specialist commercial leisure attractions, such as **trampoline parks**. Trampolining has become one of the UK’s fastest growing sport and leisure trends. It is estimated that there were some 150 parks in the UK in 2017/18, with the potential capacity for between 250-300 parks before saturation is potentially reached. The main operators in this sector include Oxygen Freejumping⁴⁵, Ryze⁴⁶, and Gravity Active Entertainment⁴⁷. There is also an emerging market in **multi-activity leisure venues** promoted by niche operators that offer a range of activity leisure uses under one roof. Examples include venues that include skateboard, snowboarding, BMX, free Ski, parkour, and climbing activities, alongside other activities. Active leisure venues such as those described above typically attract wider families and groups, who are generating ‘spin-off’ expenditure to other uses and facilities both within and outside the venues.

4.54 More recently new activities are emerging and locations with access to large catchments such as within London are likely to see proposals for innovative uses and the good use of facilities in Romford town centre for more family orientated activities, means it is also likely to be a popular location for more new types of entertainment.

Table 4.12: Main Destinations for family entertainment (from Household Survey Q42)

Location	Total	Zone	Zone	Zone	Zone	Zone	Zone	Zone	Zone	Zone	Zone	Zone
		1	2	3	4	5	6	7	8	9	10	11
Romford Town Centre (including The Liberty, The Mall)	40%	50%	77%	84%	43%	33%	36%	46%	35%	25%	0%	16%
Collier Row Town Centre	2%	0%	0%	0%	0%	0%	23%	0%	0%	0%	0%	0%
Other Havering	14%	17%	0%	5%	4%	6%	2%	25%	30%	9%	11%	26%
Central London / West End (Oxford Street / Regent Street / Bond Street, Knightsbridge, Tottenham Court Road, Soho, Covent Garden)	10%	0%	0%	0%	17%	0%	0%	6%	25%	14%	9%	26%
Other	35%	33%	23%	11%	36%	61%	39%	22%	11%	52%	81%	32%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Summary

4.55 This section has shown that the commercial leisure industry faces considerable challenges and pressures. It is clear that consumers are becoming increasingly selective in terms of where and how they spend their discretionary leisure spending, but new activities and innovative offers will continue to evolve and attract people.

4.56 However, there will also be a continued increase in at-home activities due to the advances in computers, tablets, television, gaming, and audio technology. The challenge for town centres and leisure operators in the future will be how to attract customers away from their homes.

⁴⁵ Oxygen Freejumping has parks in Acton (West London), the O2 in Greenwich, Croydon, Derby and Southampton. It also acquired Air Space in 2017, a subsidiary of the high wire adventure company Go Ape. However pre-pandemic Oxygen closed parks in East Kilbride (June 2018) and Wolverhampton (December 2018) due to reported “trading difficulties”.

⁴⁶ Ryze is a Scotland-based operator with three parks in Edinburgh, Glasgow and Dundee. These parks range in size from 929 sqm (10,000 sqft) to 1,208sqm (13,000 sqft).

⁴⁷ Gravity Active Entertainment is a Castleford-based operator with 11 parks, mainly as part of existing shopping or adventure centres. Its venues include the Xscape in Castleford and Milton Keynes, Bluewater Shopping Centre and Riverside Entertainment Centre (Norwich).

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- 4.57 Overall, it is likely that Romford and potentially Hornchurch will be well placed to attract and build on their current leisure offer, with the emphasis in Hornchurch on the F&B market. However, as with the retail sector business closures will continue and space will need to be repurposed to meet changing requirements.

NIGHT TIME ECONOMY

- 4.58 An active and successful night time economy is increasingly seen as important part of a town centre's offer and, whilst the individual uses will normally be a combination of those leisure uses outlined above, to be successful centres also need to be able to provide good accessibility, a sufficiently wide catchment, given that participation rates are low, and an environment people feel safe in.

- 4.59 In London, the importance of developing a night time economy and strategy to support that economy has been recognised by the GLA, with their guidance 'Developing a Night Time Strategy' confirming that the majority of Londoners are active at night. The period after 6pm is critical in terms of socialising, eating out, playing sports and exercising, and running errands. The guidance also finds that:

"1.6 million Londoners also work during the evening and night time. They create internationally renowned art, and perform for, serve, transport, look after, protect and nurse local and visitors. They sort and deliver goods and help clean, maintain and prepare spaces and infrastructure, ready for the next day."

- 4.60 Havering has been actively promoting a vibrant but safe evening and night time economy for over a decade now, with initiatives in the area being recognised by the GLS as far back as 2012, when it was noted that Romford's pubs and clubs were being visited by 11,000 people on Friday and Saturday nights seeking out a variety of pubs, clubs and restaurants.

- 4.61 Romford's experience led to the development of a night time economy strategy that has been instrumental in the town attaining Beacon status. The strategy comprises a number of strands, including a police plan, an alcohol harm reduction strategy, a tourism and culture strategy, a licensing policy, and a community safety plan. The strategy takes a zero tolerance policy to theft, pickpocketing and any behaviour that causes offence to staff and customers. Havering continues to develop its strategy and acknowledges that change does not happen overnight – it has to be a long term commitment, with strong partnerships and member support⁴⁸.

- 4.62 The offer in Romford however is relatively narrow and targeted at alcohol orientated entertainment, which has the potential to cause anti-social behaviours issues which affect the perception of the town centre. These are being addressed in various ways, including the application of a Public Space Protection Order across and beyond the town centre. However, going forward it is envisaged that already declining rates of alcohol consumption may fall further

⁴⁸ Tackling alcohol problems in the night time economy – GLA et al, July 2012

and there is an opportunity to extend some daytime uses and activities to later in the day to ensure that families and older residents feel a greater part of what is on offer.

- 4.63 The popularity of Romford for this type of activity could build on its current usage for family entertainment and this appears to be the focus for the major shopping centre owners.
- 4.64 The household survey confirms the importance of Romford as a destination for evening/ night time activities, with a draw from across the study area. However, it also shows the importance of the offer in Hornchurch for many of Havering's residents. Upminster also has a small but significant draw.

Table 4.9: Main Destinations for Pub / bar/ nightclub/music visits (from Household Survey Q40)

Location	Total	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11
Romford Town Centre (including The Liberty, The Mall and The Brewery)	19%	25%	7%	27%	8%	6%	43%	35%	8%	37%	17%	10%
Hornchurch Town Centre	21%	13%	63%	12%	67%	19%	3%	11%	7%	11%	39%	0%
Upminster Town Centre	6%	1%	4%	0%	2%	54%	6%	4%	2%	0%	10%	0%
Other Havering	11%	18%	9%	27%	13%	5%	16%	24%	15%	2%	14%	0%
Central London / West End (Oxford Street / Regent Street / Bond Street, Knightsbridge, Tottenham Court Road, Soho, Covent Garden)	10%	16%	8%	21%	6%	7%	5%	11%	13%	13%	8%	9%
Brentwood Town Centre	9%	4%	1%	5%	0%	0%	0%	4%	0%	0%	0%	52%
Other	23%	22%	8%	8%	4%	9%	26%	10%	55%	38%	13%	29%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

- 4.65 However, whilst extending activities and footfall into the evenings and later can be a benefit for businesses, it must be recognised that this additional activity can also cause problems and have negative impacts on residential amenity. Some of these conflicts will be controlled by the licensing process and policing, but considerate planning can also seek to minimise problems by directing development to the appropriate locations.

5. RETAIL AND TOWN CENTRE PROVISION IN HAVERING

- 5.1 The retail hierarchy in Havering comprises Romford Metropolitan Town Centre, six district centres (Collier Row, Elm Park, Harold Hill, Hornchurch, Rainham and Upminster) and 75 local centres.
- 5.2 The borough's population also has access to a range of out of centre retail destinations, local parades of shops and free-standing stores, as well as shopping facilities outside of the borough. The key retail provision is described below, with more information on the seven main centres provided in Volume C of this report.

TOWN AND DISTRICT CENTRE PROVISION WITHIN HAVERING

Romford Metropolitan Town Centre

- 5.3 Romford is defined as a Metropolitan Centre in both The London Plan 2021 and Havering's Local Plan (adopted 2021) and is the highest order centre within the London Borough of Havering. It is the principal shopping centre for the borough's residents and visitors from further afield including east London and Essex.
- 5.4 The defined town centre of Romford comprises the area within the A125/A12451 Ring road, along with an area to the north east (which includes the Mercury Shopping Centre, an Asda foodstore and various public and civic buildings).
- 5.5 It has a strong retail offer, anchored by the three shopping centres (The Liberty, The Mercury and The Brewery) and Romford Shopping Hall:
- The Liberty Centre is a covered shopping centre built in 1968 providing 432,000 square feet (40,100 m²) of floorspace in 100 units and an 800 space car park;
 - The Mercury Centre is an enclosed shopping centre which opened in June 1990 providing 188,000 square feet (17,500 m²) of floorspace; and
 - The Brewery Centre is a large mixed-use retail and leisure park extending to 530,000 sqft on a 7.56ha site. It includes both surface and multi-storey parking and uses include food stores, retail units, restaurants, a cinema, petrol station, tenpin bowling and games centre and a fitness & wellbeing gym.
- 5.6 Romford is also an important office and leisure destination with an evening and night-time offer. Romford Market operates four days a week from Market Place with over 150 stalls on offer.
- 5.7 Romford has a distinctive historic core, focussed around the Market Place, which is an important part of its overall attractiveness as a commercial centre and much of the area this area is within the Romford Conservation Area.

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- 5.8 The mix of uses in Romford town centre offer is relatively close to the UK, providing a good range and mix of retail and services uses and supported by additional cultural, civic and public services. The centre has a good offer in terms of national multiples in the retail and other sectors, although the food & beverage offer is slightly below average. Experian Goad vacancy rates (July 2022) in the centre are close to the UK average; being slightly above average in terms of units but below in terms of floorspace. This suggests that vacant units tend to be smaller in Romford than elsewhere.
- 5.9 Many of the vacancies in Romford town centre over the past few years can be attributed to store closures by some key multiples, including BHS, Debenhams, Topman/Topshop and Aldi since the HRCLNA was prepared.
- 5.10 More recently Wetherspoons has also closed The World's Inn outlet. There have also been closures amongst independents.
- 5.11 The household survey indicates that the main reason for visiting Romford is for shopping (66%), followed by visiting leisure/entertainment venues (5%) and food & beverage (F&B) outlets (4%).

Collier Row District Centre

- 5.12 Collier Row is defined as a District Centre in The London Plan 2021 and the Havering Local Plan 2016-2031. It is located in the north west of the borough and serves a distinct residential area to the north of the A12.
- 5.13 The centre is a traditional linear centre, concentrated around the junction of the B174 and B1459 and consists of approximately 80 commercial units.
- 5.14 It is anchored by a Tesco supermarket and a small number of national multiples, although banking & financial provision is limited.
- 5.15 The retail, service and leisure offer provided in Collier Row is similar to what would be expected in a smaller district centre, serving a defined residential area, with reliance on a few anchor national multiples and a varied independent sector. The comparison offer is relatively limited but the centre has a high proportion of Fast Food & Takeaway outlets. The offer does not appear to have changed significantly since 2019.
- 5.16 Experian Goad vacancy rates (July 2022) in the centre are close to the UK average in terms of the proportion of units that are not occupied, but vacant floorspace is considerably below the average, suggesting the vacant units are generally smaller than seen elsewhere.
- 5.17 Vacancies are dispersed throughout the centre and there is no obvious cluster that could point to failing part of the centre.
- 5.18 The household survey indicates that the main reason for visiting Collier Row is shopping (77% of respondents using the centre), with nearly half of all respondents referring to food shopping.

Non-food shopping is limited, reflecting the retail offer but the importance of retail services for a minority of respondents is clear.

Elm Park District Centre

- 5.19 Elm Park is defined as a District Centre in The London Plan 2021 and the Havering Local Plan 2016-2031. It is located in the south western part of the borough and serves a residential area located between Hornchurch, Rainham and Dagenham. The retail offer is focussed along The Broadway.
- 5.20 Elm Park District centre comprises of two distinct areas separated by the railway line and station.
- 5.21 The northern part is the larger of the two and includes the east-west areas along Elm Park Avenue. This area includes the main convenience offer.
- 5.22 The area to the south comprises the Station and Tadworth Parades. These form part of the primary frontage but are separated from each other by The Broadway and the parking areas associated with each of the parades.
- 5.23 The variety of the retail, service and leisure offer provided in Elm Park is relatively limited and would seem to be geared to the needs of local residents, despite the high footfall associated with the use of the tube station by commuters,
- 5.24 Council data indicates that vacancy levels in the centre are generally low.
- 5.25 The household survey indicates that the main reasons for visiting the centre are related to shopping. However, access to public transport services is also an important draw.

Harold Hill District Centre

- 5.26 Harold Hill is defined as a District Centre in The London Plan 2021 and the Havering Local Plan 2016-2031. It is located in the north-east of the borough and comprises a purpose-built centre, with retail on the ground floor and residential above. There is a small arcade of shops on the western side of Farnham Road but otherwise unit sizes are varied.
- 5.27 The centre is served by surface car parks to the front and rear of the centre and on-street parking.
- 5.28 Although Harold Hill is the smallest of the district centres in Havering, it provides a good mix of retail, service and community facilities for the local population. It has a strong convenience and retail service offer but more limited comparison and leisure provision.
- 5.29 Experian Goad vacancy rates (July 2022) are significantly above the UK average in terms of the number of units that are vacant (22.0% compared with a UK average of 13.8%) but many of these units are small and therefore vacancy rates by floorspace are slightly below average.

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- 5.30 This is likely to reflect the concentration of vacant units within The Arcade. There is also a higher vacancy rate to the south of the centre, away from the main parking areas.
- 5.31 The household survey indicates that the convenience offer in the centre is the primary draw for residents, followed by shopping in general and then non-food shopping. The community services are also an important draw for a minority of respondents.

Hornchurch District Centre

- 5.32 Hornchurch is defined as a District Centre in The London Plan 2021 and the Havering Local Plan 2016-2031. It is a large centre located in the centre of the borough, with its focal point being along the A124 and the junction of High Street, Station Lane and North Street. The defined centre extends northwards to include Billet Lane and North Street.
- 5.33 Primary frontages are concentrated along High Street and around the junction with North Street and Station Lane. Secondary frontages continue along eastern part of High Street and west of and including parts of Billet Lane.
- 5.34 The retail offer is provided in a range of building types of differing ages, including some modern units and much of the centre, north of High Street is within the Langtons Conservation Area, while the area to the east is within the St Andrews Conservation Area.
- 5.35 Queen's Theatre is a 500+ seat venue that falls within the Langtons Conservation Area. Fairkytes Arts Centre is located opposite Queen's Theatre and offers a wide range of activities for people of all ages.
- 5.36 Hornchurch has a good convenience and comparison retail offer for a district centre, including a number of national multiples, but its primary function is as a service centre. It has a particularly strong leisure offer, including 60 F&B outlets and also a good range of financial and business services. Service uses have declined slightly since 2019 but convenience provision has increased.
- 5.37 Experian Goad vacancy rates (October 2022) in the centre are considerably lower than the UK average both in terms of the number of units and the floorspace affected. This has been the case since at least 2015. The Goad plan for the centre also shows that these are dispersed throughout the centre and there is no obvious cluster that could point to a failing part of the centre.
- 5.38 The household survey indicates that shopping is the main reason for visiting the centre with equal proportions of respondents (30%) indicating that the main reason for visiting is food shopping or shopping in general. Financial services, non-food shopping and the F&B offer are also important draws.

Rainham District Centre

- 5.39 Rainham is defined as a District Centre in The London Plan 2021 and the Havering Local Plan 2016-2031. It is a small district centre located in the south of the borough and is anchored by a Tesco Extra supermarket which provides a range of retail services from within the store. The store is relatively separate from the rest of the centre but is linked by a clear pedestrian route with a crossing point across Viking Way.
- 5.40 The rest of the centre and Primary frontage is concentrated on Upminster Road South. Much of the centre is within the Rainham Conservation Area.
- 5.41 The retail, service and leisure floorspace provided in Rainham is dominated by the Tesco Extra which provides a significant convenience offer in the centre. In contrast comparison provision is limited but the services offer is high. Other town centre uses provide an important draw.
- 5.42 Vacancy data provided by the Council indicates that vacancies are below average.
- 5.43 The household survey indicates that the main reason for visiting Rainham is food shopping, reflecting the large Tesco store located there. However, the F&B offer is also a key draw followed by the shopping offer in general.

Upminster District Centre

- 5.44 Upminster is defined as a District Centre in The London Plan 2021 and the Havering Local Plan 2016-2031. It is located in the south eastern part of the borough and is focused around the junction of the A124 and B1421 to the south of the rail and underground station.
- 5.45 The main retail frontage extends south along the B1421 from the station, with secondary frontages at the far south and along St Marys Lane.
- 5.46 The centre is relatively large and includes areas of surface car parking and Upminster Park.
- 5.47 The centre has a good and diverse retail and service offer, with the convenience and F&B offer being particularly strong. The draw of the independent Roomes department store is likely to be particularly important in that it provides the centre with a unique offer.
- 5.48 Other town centre uses within the centre are relatively limited. There is a library at the southern end of the centre and Upminster Park provides outdoor sports and leisure facilities.
- 5.49 Experian Goad vacancy rates (September 2022) in the centre are very low both in terms of the number of units and floorspace. Current levels are close to those seen in 2019, although vacancies increased during 2020 - 2021 in line with national trends.
- 5.50 Vacancies are dispersed throughout the centre and there is no obvious cluster that could point to a failing part of the centre.

5.51 The household survey indicates that the main reason for visiting Upminster is for shopping purposes, with the food shopping the main draw. However, a significant minority of respondents also visit the centre to access the public transport services, reflecting the central location of the rail and underground station.

5.52 Visits to access the F&B offer and services are also important.

Out of Centre within Havering

5.53 Out of centre shopping facilities were originally developed to accommodate the largest food superstore offers and larger item comparison goods, with restrictions often imposed on the latter to limit the types of goods sold to 'bulky' goods such as DIY items, furniture and carpets etc.

5.54 Over time, many of the original businesses located on retail parks and as standalone outlets have ceased trading, or like other retailers have consolidated their offer into a reduced number of outlets to reflect the move away from traditional shopping in stores to online purchases. At the same time, retail parks have become popular with a wide range of retail and leisure operators, as they offer larger footprint units, on-site car parking and lower operating costs. As a result, recent years have seen more units being occupied by mixed goods retailers such as The Range and B&M. They are also popular locations with more traditional 'high street' retailers such as Marks & Spencer and Next.

5.55 These locations are also attracting complementary F&B operators such as the coffee shop and sandwich operators such as Costa, Starbucks, Greggs and Subway, with many of these increasingly looking at seeking a drive-thru format.

5.56 There have also been changes in the foodstore offer, with the original out of centre superstores continuing to trade well but with space in the largest units increasingly being occupied by retail or service concessions rather than providing the food operator's own brand comparison goods. At the same time the discount food retailers (Aldi and Lidl) have pursued aggressive new store opening programmes, opening new and larger outlets in vacated units on retail parks or developing their own standalone outlets. Smaller units have also been taken over by Marks & Spencer to provide their 'Simply Food' offer and Iceland has developed its own larger format with The Food Warehouse selling an increased range of fresh and ambient groceries as well as frozen goods.

5.57 Leisure providers also favour such locations, with cinema and bowling uses often now complemented by gyms and more varied uses such as indoor climbing centres and childrens indoor play centres.

5.58 The combined effect of these changes is that there is less distinction in the retail and leisure offer provided in town centres and out of centre locations and there is competition between the locations for both customers and tenants. Like town centres they are likely to evolve over time to meet changing customer needs and any strategy for town centres needs to understand their role and offer.

5.59 In Havering the main out of centre provision is provided in four main retail parks around Romford. These are listed below, with the occupiers in 2015⁴⁹ and 2023 provided:

Location	Main Occupiers 2015	Main Occupiers 2023
Gallows Corner Retail Park	Argos, Halfords, Harvey's, DFS, Furniture Village, Next	Argos, Halfords, Benson's/Natuzzi, DFS, Furniture Village, Next/Next Home/Costa, Pets at Home
Rom Valley Way Retail Park	Carpetright, Dreams Bed Superstores, Pets at Home, Mothercare World	Carpetright, B&M, Pets at Home, Vets 4 Pets, Costa, Pizza Hut, Aldi
Eastern Avenue Retail Park	PC World, Curry's, Poundstretcher	Curry's, Wren Kitchens, Home Bargains, Burger King, Costa
Roneo Corner	B&Q, Tesco Extra	B&Q, Tesco Extra

5.60 It is known that there are emerging plans to redevelop the Rom Valley Way Retail Park and replace it with a residential-led mixed use development that would see the demolition of the existing retail floorspace (Application Ref: P2072.22). This has still to be determined but the proposal illustrates both that some out of centre retail locations are struggling to attract new occupiers and the redevelopment potential of some of these sites.

5.61 Other key out of centre convenience retail provision is as follows:

- Aldi, Collier Row Road, Romford
- Aldi, Marlborough Road, Romford,
- Tesco, Gallows Corner, Romford
- Tesco Superstore, Airfield Way, Hornchurch

Outside of Havering

5.62 There are also a number of important shopping locations outside the borough that provide additional facilities for Havering residents, and to varying degrees compete with Romford and the district centres in the borough. With food shopping usually undertaken closer to home, these

⁴⁹ PBA HRCLNA, Table 3.11

centres provide more competition to comparison businesses in Havering and include Central London, Westfield Stratford, Lakeside and Bluewater. Of these Lakeside is the major draw.

- 5.63 **Lakeside Shopping Centre** is a large out of town shopping centre located in West Thurrock, Essex, approximately 7kms east of Rainham and 12kms south east of Romford Town Centre. It opened in 1988 and provides over 250 shops, restaurants and leisure attractions.
- 5.64 The surrounding area has also been developed for retail purposes and together with the shopping centre they provided around 240,000 sqm of floorspace on a site of 200 acres. Key occupiers include Ikea and various leisure businesses as well as the major national comparison multiples.
- 5.65 The household survey response indicate Lakeside is an important shopping and leisure destination for a minority of respondents in the study area, and is a particular draw for clothes, audio visual, furniture / furnishings and 'other' goods purchases.
- 5.66 **Bluewater Shopping Centre** is another large out of town purpose built shopping centre located to the south of the Thames, approximately 16kms south of Romford. It opened in 1999 and provides 154,000 sqm of floorspace in 210 units. This includes a large number of cafes and restaurants and a 17 screen cinema.
- 5.67 Use of the centre by respondents in the Havering Study Area is very limited, given it is considerably less accessible than Lakeside.
- 5.68 **Westfield Stratford City** is a purpose built shopping centre located in Stratford, East London, which in 2011. It provides a total of 177,000 sqm of floorspace and is one of the largest urban shopping centres in the UK. It is located approximately 13kms west of Romford.
- 5.69 The centre has around 250 shops and 80 dining options and is also a major leisure destination with a bowling alley, cinema and casino. However, only a very few survey respondents indicate they visit Westfield regularly, with those that do most likely to go to purchase clothing / footwear and 'other' comparison goods.
- 5.70 **Central London** is located over 20kms to the south west of Romford and benefits from good accessibility from the Havering area. It is a major draw for cultural activities such as visiting the theatre/concert / live music, with 60% of survey respondents undertaking the activity indicating it is their normal destination for such activities. It is also the usual destination for museum / gallery visits (76% of respondents).

6. CATCHMENT AREA AND TRADE DRAW

- 6.1 This section first describes the Catchment ('Study') Area that has been defined and adopted as the framework for this study. It then sets out the headline results of the telephone interview survey, to identify where households normally shop for different types of convenience ('food') and comparison ('non-food') goods.

CATCHMENT (STUDY) AREA DEFINITION

- 6.2 The definition of an appropriate Catchment Area is an important starting point for retail and town centre assessments. It provides the framework for the household telephone interview survey and the retail capacity analysis.
- 6.3 The broad geography of the Catchment Area and composing zones has been informed by the Council's previous study and is based on postal sector boundaries. The Study Area has been sub-divided into 11 zones which help to identify variations in shopping and leisure patterns, and broadly correlate to a likely local catchment for the Borough's town and district centres. The Study Area principally covers the administrative boundary for Havering (Zones 1 to 6 and 10) but also covers parts of neighbouring local authorities: Zone 7 covers part of Epping Forest; Zone 9 covers areas of Barking & Dagenham; Zone 8 covers areas of Barking & Dagenham and Redbridge; and Zone 11 covers areas of Brentwood).
- 6.4 The table below sets out the study zones and the aggregated postal sector areas for each zone.

Table 5.1: Study Area, Zones, Postal Sector Areas

Zone	Geography	Postal Sector
1	Romford	RM1 1-4, RM2 5-6, RM7 7
2	Hornchurch	RM11 1-3, RM12 4
3	Rush Green	RM7 0, RM7 9
4	Elm Park	RM12 5-6, RM13 7
5	Upminster	RM14 1-3
6	Harold Hill	RM3 0, RM3 7-9
7	Collier Row	RM4 1, RM5 2-3, RM7 8
8	Chadwell Heath	RM9 6, RM10 7-9
9	Dagenham	RM6 4-6, RM8 3

10	Rainham	RM13 8-9
11	Brentwood	RM13 1-3, RM14 4-5, RM15 8

6.5 The Study Area and zones provide the sampling framework for the household telephone interview survey (HTIS) and enables finer analysis of shopping patterns for convenience and comparison goods purchases, market shares and expenditure flows, and leisure preference both within and outside the defined Study Area.

6.6 NEMS Market Research (NEMS) was commissioned to carry out 1,100 household telephone interviews across the 11 study zones. The interviews took place in June 2023. The full results from the HTIS are provided in Volume D and the summary tables that inform this analysis are provided in Volume B.

SOCIO ECONOMIC PROFILE

6.7 The following sets out key socio-economic headlines for Havering Borough and the wider Study Area:

Population

- Based on the Office of National Statistics (ONS) 2018-based Sub National Population Projections ('the 2018 SNPP') the population of the Havering study area is estimated to be 473,273 in 2023.
- This is projected to increase to 490,613 by 2038 and 499,221 by the end of the study period (2038)
- An analysis of population growth by zone over the study period (2023 to 2038) shows that:
 - the highest rate of population growth is expected in Zones 10 (Rainham) and 6 (Harold Hill) where the populations are expected to increase by around 6% to 2033 and 9% by 2038. The highest growth in absolute terms will also be in Zone 6; and
 - population growth is lowest in Zones 8 (Chadwell Heath) and 9 (Dagenham), both of which are outside Havering borough.

Retail and Commercial Leisure Expenditure

6.8 Retail expenditure per head and by zone is set out in Table B2.2 (convenience) and Table B2.4 (comparison) with total expenditure provided in Tables B2.3 and B2.5 respectively. This shows that available expenditure in the Study Area for convenience goods (after allowing for Special Forms of Trading (SFT)), is a little over £1,000m in 2023, and this is expected to increase slightly to 2033 and 2038.

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- 6.9 The growth in comparison sales is expected to be considerably higher rising from £1,143m in 2023 to £1,665.8m in 2038.
- 6.10 Spend on leisure goods is provided in Tables B6.1 – B6.3. Spend per head in 2023 varies significantly between the study area zones but is highest in Zone 5 (Upminster) and lowest in Zone 9 (Dagenham),
- 6.11 Spend on the various leisure categories indicates the highest spend will be on Eating out, with £1,990.2m of spend available in 2023. This is expected to rise to £2,097.7m in 2033 and £2,158.4m in 2038, increases of £107.5m and £168.2m respectively.

MARKET SHARE ANALYSIS

- 6.12 The survey-derived market share analysis is detailed in **Volume B** (see **Appendix B3** for convenience goods and **Appendix B4** for comparison goods)⁵⁰.

Convenience Goods Market Shares

- 6.13 Convenience goods retailing is generally defined as comprising everyday essential items (including food, drinks, newspapers/magazines and confectionery), as well as an element of non-durable housing goods (such as washing up liquid, kitchen roll, bin bags, etc.).
- 6.14 The overall market share analysis (%) for all centres and stores are detailed in Table B3.1 (**Appendix B3**). These market shares have been derived from the assessment of the ('primary') responses as to where people normally shop for their more infrequent main ('bulk') food purchases, and for their more frequent day-to-day ('top up') convenience and grocery purchases. These responses are set out in Tables B3.2 and B3.4 respectively.
- 6.15 Furthermore, in order to prevent food shopping patterns being 'skewed' by larger superstores and foodstores in the Catchment Area, the survey also asked respondents where else they normally shop (if anywhere) for their 'main' and 'top up' purchases in addition to the first store identified (i.e., the 'secondary' responses). The market shares for these 'secondary' shopping purchases are set out in Table B3.3 ('other' main food shopping) and Table B3.5 ('other' top up food purchases') in **Appendix B3**.
- 6.16 The 'primary' and 'secondary' responses for the different types of food shopping have then been merged through the application of a weighting based on judgements as to the proportion of household expenditure normally accounted for by each type of convenience goods shopping. In this case we have applied a reasonable and robust weighting of 50% for main 'bulk' shopping; 25% for secondary main 'bulk' shopping; 15% for primary 'top-up' shopping; and 10% for secondary 'top-up' shopping.

⁵⁰ Please note that the market share analysis at this stage of the assessment includes expenditure on 'Special Forms of Trading' (SFT), which comprises sales via the internet, mail order, stalls and markets, door to door and telephone sales

6.17 The main headlines from the Table (B3.1) are summarised below.

- Across the catchment as a whole, 57.3% of available expenditure is spent in outlets within Havering borough, with 26.1% spent in Romford or the district centres;
- For the zones within Havering, the retention rate is generally higher, ranging from 58.1% in Zone 10 (Rainham) to 90.5% in Zone 1 (Romford);
- In Zones 1 (Romford), 2 (Hornchurch), 4 (Elm Park), 5 (Upminster) and 10 (Rainham) spend within the town centres is greater than at out of centre foodstores, but in the rest of the catchment sales at out of centre outlets exceeds in-centre spend;
- The foodstore achieving the highest market share is the Tesco Extra at Bryant Avenue, Romford (6.4%), followed by the Tesco in Hornchurch (5.7%) and then Sainsbury's in Hornchurch (4.1%); and
- Leakage from the Havering zones is generally low, but a small amount of trade is going to stores in Brentwood, Chadwell Heath and Dagenham.

Comparison Goods – Market Share Analysis

6.18 Comparison goods⁵¹ are generally classified as items purchased less frequently and include clothing, footwear, household and recreational goods. For the following main categories of non-food expenditure, each respondent was asked where they normally did most of their household's shopping.

⁵¹ Please note that comparison goods and non-food shopping have the same meanings.

Table 5.2: Main Categories of Comparison Goods Expenditure

Household Survey Question:	Where do households normally shop for:	See Appendix B4
Q11	Clothing and footwear (fashion) items	Table 4.2
Q12	Recording media (e.g., records, CDs, DVDs, etc.)	Table 4.3
Q13	Audio-visual, photographic and computer items	Table 4.4
Q14	Domestic Electrical	Table 4.5
Q15	Books, Stationery and Drawing Materials	Table 4.6
Q16	Pet-related products, hobby items, sportswear, camping, cycling and musical instruments	Table 4.7
Q17	Furniture, carpets, other floor coverings and household textiles	Table 4.8
Q18	DIY goods, decorating supplies & garden products	Table 4.9
Q19	Personal care products & goods	Table 4.10
Q20	Medical goods	Table 4.11
Q21	All other goods – including jewellery, watches, glassware, tableware etc.	Table 4.12

6.19 Table B4.1 (**Appendix B4**) sets out the total combined market shares for all comparison goods expenditure allocated to the main centres and stores. The market share analysis (%) takes account of the distribution and weight of spend (£) by households on the different comparison goods categories. This ensures that that the resultant shares are not 'skewed' by any particular comparison goods expenditure category. This is a standard approach for retail assessments. As for the analysis of convenience goods, the market shares for the individual categories of spend include expenditure on SFT, although this has been excluded for the summary table.

6.20 The market shares are set out in the table and the main headlines are described below:

- Within the study area as a whole locations in Havering attract just over half of all comparison spend (53.3%) with 31.5% spent within the defined centres and 21.8% elsewhere in Havering;

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- Within the central part of the borough, retention levels are significantly higher, with Zones 1 (Romford), 2 (Hornchurch), 3 (Rush Green), 6 (Harold Hill) and 7 (Collier Row) all retaining at least 75% of total comparison spend (excluding SFT);
 - Where there is leakage, the main draw is to Lakeside; and
 - Retention in Zone 10 (Rainham) is considerably lower at 34.2% reflecting its geographic location.

7. HEALTH CHECK ASSESSMENT

7.1 Planning policy at all levels seeks to maintain and enhance the vitality and viability of town centres and therefore understanding the current health of a centre is an important element of any evidence-based Retail Study.

7.2 Detailed health checks of Romford Metropolitan Centre and the six District Centres (Collier Row, Elm Park, Harold Hill, Hornchurch, Rainham and Upminster) are provided in Volume C of this report. These assessments provide an overview of the relative 'health' of the centres by establishing their current vitality and viability based on a range of key performance indicators (KPIs) set out in the Planning Practice Guidance (PPG). The PPG suggests that the following may be relevant in assessing the health of a town centre:

- Diversity of uses
- Proportion of vacant street level property
- Commercial rents and yields on non-domestic property
- Customers' experience and behaviour
- Retailer representation and intentions to change representation
- Pedestrian flows
- Accessibility
- Perception of safety and occurrence of crime
- State of town centre environmental quality
- Balance between independent and multiple stores
- Barriers to new businesses opening and existing businesses expanding
- Extent to which there is an evening and night time economy offer

7.3 The health check assessments were informed by various data sources including:

- **Experian Goad and internal data from LB of Havering** – both sources provide information on the current use of town centre premises, allowing a consideration of the diversity of uses represented and vacancies. The numbers of units and floorspace can then be compared with the UK average.

Experian data is derived from centre surveys undertaken by the company on a regular (annual or bi-annual basis), where the occupancy and use of the building is recorded. Experian also produce maps of the centres and reports summarising the findings, concentrating their analysis on:

- Convenience retail
- Comparison retail
- Retail Service
- Leisure services
- Financial and Business services

These classifications do not align exactly to the Use Classes Order 2020, but provide a more useful overview of provision than an analysis by Use Classes would, given the range of retail and service offer covered by Class E.

The main disadvantage of Goad data is that it does not always align with a local planning authority's definition of a centre. This is considered as appropriate in the individual health check studies.

- **The Requirements List** providing a summary of published information on retailer requirements in an area. This can provide a general indication as to the strength of interest in an area and the types of businesses who may be interested in opening an outlet in the area, but it is generally restricted to national multiple requirements only. The requirement may also not be town centre, or even town specific, depending on how the potential occupier has identified their target location.
- **Springboard data (via LB Havering)** which provides footfall data. We have also used footfall data from **Datscha** for Romford.
- **Property Market Analysis (PMA) Retail Report** to provide information on rental levels in Romford. This is supplemented by in-house LSH data on rents and yields across Havering.
- **Household Survey** which provides information on customer experience and behaviour within Havering and the surrounding area.
- **UK Crime Stats** which provides information on crime rates in an area.

7.4 This information has been supplemented by desk based analysis and a site visit to each centre in October 2023, which informed observations on retail and leisure representation and the quality of environment.

- 7.5 The health checks also include a consideration of the presence of national multiples in a centre. National multiples are generally attracted to the higher order town and district centres in an area and their presence can provide an indication both of the extent of a catchment area and the health of a centre and its longer term prospects, from a retailer perspective.
- 7.6 It is also the case that as a retailer provides a more specialist or higher value offer, then they need to have larger catchment population to trade successfully and so will only be attracted to the larger retail centres. This means that the presence or absence of particular retailers can provide an indication of the draw of a centre and how it is being viewed by the retail and F&B operators.
- 7.7 Experian Goad has traditionally identified a number of national multiples that they consider to be key to understanding the strength of a centre's offer, but recent company failures mean this list is now out of date. LSH has therefore identified a number of key occupiers who can provide an indication of the type of offer provided in a centre and this is included in the health checks. As such it is not intended to include all retailers, nor those which are found in the majority of centres.
- 7.8 The information collected for each centre has been used to identify the Strengths and Weaknesses of each centre; the Opportunities for future sustainable development and any current and potential Threats to their overall vitality and vitality (SWOTs). The key findings are summarised below.

ROMFORD METROPOLITAN CENTRE

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Large centre with wide catchment and good draw currently • Historic core around Market Place, providing one of the largest market areas /civic spaces in London • Good range of modern shopping centres and facilities • Active Romford BID organising events to drive footfall etc • Good public transport provision and centrally located station 	<ul style="list-style-type: none"> • Poor safety/security or concerns regarding safety, making people less likely to visit. Could be particularly challenging when seeking to expand the night-time economy • Lack of cleanliness which can put investors off • Lack of green space/ places to sit • Poor connectivity and wayfinding between different parts of the town centre especially The Brewery

<ul style="list-style-type: none"> • Opening of Elizabeth Line has boosted footfall and investment • Varied town centre offer • Footfall levels have grown significantly in recent years 	
<p>Opportunities</p>	<p>Threats</p>
<ul style="list-style-type: none"> • On-going WFH trend which could increase use of Romford by local residents • Availability of space for flexible uses such as incubator space, or shared facilities for those WFH • Operator interest from various leisure/entertainment businesses such as crazy golf, axe throwing etc. • Increased residential population • Much of the centre is under the control of a small number of landowners and they are wanting to invest and diversify the town centre offer • Replacement of surplus parking or other land uses with tree planting and public/green spaces • Redevelopment of former Debenhams unit • Development opportunities which open up the River Rom at The Brewery • Expansion of the leisure and evening activities, with a family-orientated focus • Size of centre allows areas to develop individual identities and offers 	<ul style="list-style-type: none"> • On-going retail closures, with loss of Debenhams and other national multiples • Competition from stronger retail centres such as Westfield Stratford and Lakeside and Central London, which is also a major leisure draw • Un-coordinated redevelopment of the existing shopping centres could lead to loss of footfall and overall offer / draw • Safety concerns

Use Romford's position at the interface between Essex and London and new Elizabeth Line services to attract new business occupiers to the town centre

Conclusions

As a 'Metropolitan Centre' Romford has, and would be expected to have, an extensive and varied retail and non-retail offer, serving an extensive catchment.

Although it is facing the same challenges as the rest of the UK, it seems to have benefitted from the 'working from home' (WFH) trend, with more people staying local to home than it has lost from reduced commuter/works inflows. The centre has also benefitted from the opening of the Elizabeth Line.

The previous weakness of lack of green space and planting is being addressed in the short-term and longer-term reducing use of the private car could open up opportunities for more greening and public spaces in areas currently used for parking.

Going forward, addressing crime and safety concerns will be important. The '*My Local Bobby*' initiative is a good starting point, but it can take a long time to change perceptions.

It will also be important to ensure that the benefits of an increased resident population are not diluted by inappropriate development that harms the offer or attractiveness of the retail and other town centre uses.

Emerging plans from the key centre owners suggest there is an oversupply of retail floorspace and car parking at present and there is a need to consolidate the retail offer. This is likely to be centred on The Liberty Centre in the future, but with a greater mix of other uses supporting it. Mixed uses including residential are being proposed at The Brewery and residential development at The Mercury.

There is potential to build on the existing night time economy offer.

COLLIER ROW DISTRICT CENTRE

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Relatively compact linear centre that is easy to navigate • Clearly defined catchment • Good levels of usage by local residents • Strong convenience anchor • Library and Community Centre provide additional draw 	<ul style="list-style-type: none"> • Lack of rail / underground transport links • Limited financial services in the form of banks • Limited development opportunities
Opportunities	Threats
<ul style="list-style-type: none"> • Improved offer to encourage evening economy 	<ul style="list-style-type: none"> • Competition from Romford town centre, especially in terms of the evening economy
<p>Conclusions</p> <p>Collier Row is a typical and traditional district centre that primarily exists to serve the needs of its local population. Inflows of expenditure from the wider area will always be limited given the proximity of Romford town centre, which in turn will limit investment interest. The centre therefore depends on a small number of national multiples to anchor the centre and the wider independent offer.</p> <p>The strength of the centre over the COVID-19 period suggests it is functioning well and meeting local needs.</p>	

ELM PARK DISTRICT CENTRE

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Tube station in the centre of the district centre • Popular location with residents • Relatively low vacancy rates 	<ul style="list-style-type: none"> • Small natural catchment area • Decline in footfall when comparing pre- and post-pandemic figures likely to be linked to increased WFH and fewer commuters • Distance between north and south parts of the centre • Separation of the two southern parades by The Broadway and car parking which dilutes the appeal and draw of the retail offer
Opportunities	Threats
<ul style="list-style-type: none"> • Potential to increase F&B uses • Redevelopment of the southern parades 	<ul style="list-style-type: none"> • Footfall and use of tube station not recovering to pre-pandemic levels as a result of changing working practices (WFH) • Increased competition from Hornchurch in terms of the evening economy
<p>Conclusions</p> <p>Although vacancy levels are relatively low in the centre, Elm Park appears to have experienced a significant decline in footfall as a result of the pandemic period which is likely to put pressure on those businesses in the centre that rely on commuters or passing trade.</p> <p>The north and south parts of the centre are poorly integrated but the opportunity to redevelop the southern parades could allow the development of a complementary town centre offer, including improved F&B provision. This in turn could boost the evening economy, although the proximity of Hornchurch means the centre's draw will always be restricted in extent.</p>	

HAROLD HILL DISTRICT CENTRE

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Purpose-built relatively modern centre serving defined residential area • Good car parking provision • Good community facilities and range of offer 	<ul style="list-style-type: none"> • Restricted catchment area • Located within residential area reducing passing trade • Lack of train/ tube station • Vacancy rates are above the London and UK averages
Opportunities	Threats
<ul style="list-style-type: none"> • Council ownership • Major investment and redevelopment being undertaken • Limited through traffic <p>Relatively extensive and attractive public realm and opportunities for enhancement</p>	<ul style="list-style-type: none"> • Competition from nearby out-of-centre Lidl • Loss of financial services (bank and/or Post Office)
<p>Conclusions</p> <p>Harold Hill is a relatively small district centre but provides a good mix of retail, community and service uses to meet the needs of the local population.</p> <p>As a more modern, purpose-built centre it is centrally located to serve its resident population and benefits from good access from the immediate area. Car parking is good and being in the ownership of the Council, there are opportunities for better centre management.</p> <p>There is significant, long-term investment being made in the centre.</p>	

HORNCHURCH DISTRICT CENTRE

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Vacancy rate is lower than London and UK averages • Strong leisure offer, including theatre and extensive F&B offer • Above average convenience provision • Attractive environment including two conservation areas 	<ul style="list-style-type: none"> • Declining comparison offer • Lack of space to cater for new forms of leisure activity
Opportunities	Threats
<ul style="list-style-type: none"> • Growth of an already popular and established area for evening and night time activities 	<ul style="list-style-type: none"> • Decline of day-time activities if demand for evening or night time activities continues to grow • Continued economic pressures on F&B sector • Vacancy rates have been rising in recent years
<p>Conclusions</p> <p>Hornchurch is one of the larger district centres in Havering and appears to have a dual function, providing a retail and service offer to meet the needs of local residents, as well as a wider draw for its leisure offer, including cultural and F&B facilities.</p> <p>The recent decline in the comparison offer should not inconvenience local residents given the proximity of Romford, but there is a risk that too much concentration on the night time economy could result in a loss of activity during the day time.</p>	

RAINHAM DISTRICT CENTRE

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Strong convenience anchor (Tesco Extra) • Attractive environment including Conservation Area and National Trust property • Range of non-retail uses including new leisure centre and swimming pool • Centre popular with local residents • Low vacancy rates 	<ul style="list-style-type: none"> • Disconnect between Tesco Extra and historic centre • Limited comparison offer • Lack of linkage with employment locations in the area • Lack of financial and banking services and recent closure of only bank
Opportunities	Threats
<ul style="list-style-type: none"> • Large workforce in Riverside BID area • Rail links • Increased tourism draw 	<ul style="list-style-type: none"> • Loss of Post Office • Excessive competing retail provision at Beam Station rather than complementary offer • Competition from other centres or online shopping further reducing retail (comparison offer)
<p>Conclusions</p> <p>Although Rainham is a relatively small centre, it has many positives, including a strong convenience anchor and recent investment in cultural and leisure facilities. The historic part of the centre also provides an attractive setting including Rainham Hall.</p> <p>However, the centre has recently seen the closure of the only bank and it seems that transport links between the centre and the key employment areas within the Riverside BID area are limited. Improvements to this offer the potential to increase footfall within the centre. This could also support the comparison offer which is very limited.</p>	

UPMINSTER DISTRICT CENTRE

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Popular centre • Good rail and underground links • Various convenience anchors • Strong independent sector including Roomes department store • Strong footfall • Low vacancies • Good range of retail, service and leisure uses 	<ul style="list-style-type: none"> • Shopping areas split by through traffic
Opportunities	Threats
<ul style="list-style-type: none"> • Ability to widen offer and build on existing positive feedback <p>Strengthen evening economy offer</p>	<ul style="list-style-type: none"> • Further changes to WFH patterns which could reduce commuter footfall • Closure of Roomes department store
<p>Conclusions</p> <p>Upminster is a popular and successful district centre with a good range of retail, service and leisure uses and strong convenience anchors.</p> <p>The independent offer is also strong and includes the Roomes department store.</p> <p>Access for those arriving by either public transport or the private car is good but through traffic detracts from the overall offer.</p> <p>The centre is currently performing well, and the good recovery seen since the COVID-19 pandemic suggests that it is well placed to adapt to future town centre changes.</p>	

8. RETAIL AND LEISURE CAPACITY ASSESSMENTS

Retail Capacity

- 8.1 The detailed retail capacity assessment for Havering and the centres and retail locations within it is provided in Volume B of this study.
- 8.2 The assessment is based on the assumption that retail market shares for the Borough (retained Study Area expenditure) and at centre level remain constant. In other words, capacity forecasts do not allow for potential changes to shopping patterns from those currently being seen.
- 8.3 Capacity forecasts are provided for the study area overall, and the defined Town Centres, with the results summarized below. In both cases this makes no allowance for committed developments, nor for the potential reoccupation of existing vacant floorspace:

Table 7.1 Forecast Capacity for Convenience Floorspace in Havering (Table B5.13)

	2028	2033	2038
Romford Metropolitan Centre	-136	-84	-17
Collier Row District Centre	19	25	32
Elm Park District Centre	2	5	7
Harold Hill District Centre	0	0	1
Hornchurch District Centre	57	118	182
Rainham District Centre	13	30	51
Upminster District Centre	15	35	54
Elsewhere in LB Havering	-135	48	270
Total Convenience Goods Floorspace Capacity	-164	177	580

Note: Assumes Equilibrium at Base Year (2023) and Constant Market Shares

Table 7.2 Forecast Capacity for Comparison Floorspace in Havering (Table B5.26)

	2028	2033	2038
Romford Metropolitan Centre	-264	279	762
Collier Row District Centre	9	27	41
Elm Park District Centre	0	14	24
Harold Hill District Centre	9	26	41
Hornchurch District Centre	16	116	197
Rainham District Centre	-5	33	66
Upminster District Centre	-10	59	108
Elsewhere in LB Havering	71	619	1,084
Total COMPARISON Goods Floorspace Capacity	-172	1,173	2,323

Note: Assumes Equilibrium at Base Year (2023) and Constant Market Shares

- 8.4 The assessment shows that for **convenience goods**, there is potentially a small requirement for up to 177 sqm net of additional floorspace by 2033, rising to 580 sqm by 2038.

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- 8.5 This is based on assuming that just two site allocations come forward including new convenience floorspace and does not allow for any additional convenience floorspace that could be provided in other committed developments, many of which will not have specified the end uses beyond defining them as Class E or A1 retail as was. The exact amount of floorspace that could be provided is therefore unclear. The assessment also does not allow for the reoccupation of floorspace that is currently vacant, which exceeds 22,000 sqm in Romford alone.
- 8.6 As such, if a need for additional provision were to materialise, this could easily be accommodated within existing space or commitments. Therefore, there is no requirement to allocate sites for future convenience development.
- 8.7 For comparison goods, the capacity assessment indicates a need for 1,173 sqm of additional floorspace by 2033 and 2,323 sqm by 2038. However, again this is before any allowance is made for the re-occupation of vacant floorspace, or retail floorspace proposed in committed developments, other than that at the former Ice Rink site, Romford.
- 8.8 Any emerging need could therefore be accommodated within this space and therefore there is no requirement to allocate sites for future comparison development.

Commercial Leisure Capacity

- 8.9 Forecasting the need for new leisure uses is more problematic than for retailing, as the sector is highly complex and dynamic. The demand for existing and new leisure uses and facilities is particularly sensitive to changes in economic, demographic, lifestyle and fashion trends and those in the business are often unable to look more than a few months ahead.
- 8.10 From a planning policy perspective therefore the key to meeting future, as yet unknown needs, will be the development of policies that can accommodate the changing needs of the sector and can operate in the real world. This includes recognising that for many leisure uses the level for entering a new market will be relatively high and, unlike retail outlets where store size can vary significantly, incremental development is unlikely if only small increases in market growth are identified. For instance, a new cinema or bowling alley will need a certain number of screens or alleys to be commercially viable.
- 8.11 It is also the case that the recent changes to the Use Classes Order mean that the main commercial leisure sector in terms of spend – Food and Beverage encompasses both Class E and Sui Generis uses. As a result, any changing demand for restaurant and café uses is likely to be met by changing uses within the existing or committed town centre floorspace. This trend was already apparent before 2020 with many developments seeking permission for flexible A1/A3 uses but now the uses are both considered to be Class E and planning permission is not required to change between these uses.

9. TOWN CENTRE POLICY & STRATEGY RECOMMENDATIONS

- 9.1 Retail and town centres are changing, and the key focus of this report has been to look at the health of Havering's centres and the expected changes in town centre uses that are expected in the next 10-15 years. The implications for the existing policies in the Local Plan are considered here and advice is provided on those that may require revision.
- 9.2 The starting point for this is national and regional planning policy in the form of the NPPF and The London Plan which together set out what needs to be included within a Local Plan and provide the overall planning policy framework. The Havering Local Plan was adopted in November 2021, after the latest version of the London Plan (March 2021). National town centre and retail planning policy has not changed significantly since that date either. However, the economic changes since the current plan policies were drafted have changed significantly and the declining role of retail in our town centres makes a review necessary.
- 9.3 Changes to the 2020 Use Classes Order and the subsequent implications for what changes to uses may require planning and which are now considered to be permitted development also need to be reflected in updated policies.
- 9.4 However, we would suggest that any new or amended policies need to be worded in a way that reflects the many uncertainties that are currently being seen in the economy generally and specifically in terms of how this and other factors are affecting our town centres. Land use policies that provide the necessary framework to achieve the Council's long term ambitions, must be flexible given the many uncertainties at the present time.

POLICY RECOMMENDATIONS

THE RETAIL HIERARCHY

- 9.5 The NPPF requires planning policies to define a network and hierarchy of town centres and promote their long term vitality and viability (NPPF, para 86(a)), by allowing them to grow and diversify in a way that can respond to the rapid changes being seen in the retail and leisure industries.
- 9.6 At the present time Havering's retail hierarchy and network of centres is defined in part in The London Plan (Policy SD8) and in the Havering Local Plan (Map 1). This identifies Romford as a Metropolitan Centre and six centres as District Centres – Collier Row, Elm Park, Harold Hill, Hornchurch, Rainham and Upminster. A further 75 local centres and one new local centre are also identified. These are not considered in this study. And therefore, we cannot advise whether the current list of centres remains appropriate, but the retention of a local centre level in the hierarchy remains appropriate.
- 9.7 Having undertaken a health check of the seven higher order centres in the borough, we consider that the retail hierarchy remains appropriate for the borough. Romford is clearly a higher order

centre than the rest and as a Metropolitan Centre defined in The London Plan, its status can only be changed through the London Plan (Policy SD8).

- 9.8 The remaining six centres vary in size, but all are defined as District Centres, which The London Plan identifies as providing convenience retail, smaller comparison retail, culture and leisure facilities, services and a local office function.
- 9.9 This means that the borough has no centre defined as a Major centre, where there is usually a greater comparison offer, and more civic, service and office functions.
- 9.10 Major town centres are defined in The London Plan, but we have considered the offer of the two largest centres after Romford, namely Hornchurch and Upminster to consider if they warrant a higher ranking in the hierarchy. However, we do not consider that either have a sufficient comparison offer or civic functions to be considered to be of that level in the hierarchy.
- 9.11 We have also considered the smallest of the centres (Rainham) to see if it remains appropriate for it to be classified as a district centre. Given its strong convenience anchor has a wider than local draw, we consider that the centre meets the criteria for a district centre.
- 9.12 Given the remaining centres of Collier Row, Elm Park and Harold Hill are larger than Rainham but smaller than either Hornchurch or Upminster, all of which we conclude should remain as District Centres, it follows that the remaining three centres should also be retained as District Centres. We therefore conclude that the current retail hierarchy in terms of the seven main town centres remains appropriate.
- 9.13 In terms of the out of centre retail offer, this is not included in the retail hierarchy. We consider that this is a correct approach.

SITE ALLOCATIONS

- 9.14 The NPPF requires that a range of suitable sites be allocated in town centres to meet the scale and type of development likely to be needed, looking at least 10 years ahead (NPPF, para 86(d)). However, this assumes that a need has been identified.
- 9.15 Our capacity analysis has shown that there is a small need for additional retail floorspace in 2033, with 177 sqm net of convenience floorspace required and 1,173 sqm net of comparison. However, this is before any allowance is made for committed developments in the borough, other than that on the former Ice Rink site and the new Sainsbury's Local store at Beam Park.
- 9.16 It also makes no allowance for the potential for currently vacant floorspace to be reoccupied. With over 22,000 sqm gross of vacant floorspace identified in Romford alone, there is clearly more than sufficient space to accommodate any of the forecast need for additional retail provision during this period.

9.17 As a result, the previously allocated sites for retail development, may no longer be required, based on quantitative need. However, we have reviewed each of the site allocations to consider whether the retail element of the allocation remains appropriate:

- **Elm Park Parades (Policy SSA 3)** which seeks the redevelopment of the Station and Tadworth Parades, requiring the retention of retail floorspace at ground floor level. This scheme has not yet been delivered and footfall has declined in the centre since the pandemic. However, this has not been to the extent that there is a significant amount of surplus retail floorspace. As such **we would suggest that the site allocation should continue to require any redevelopment to retain the floorspace at ground floor level, although we would suggest that the wording should be expanded to include other main town centre uses;**
- **Romford Ice Rink (Policy SSA 7)** which only permits mixed use development comprising residential, leisure and retail facilities on the site.

This site has been the subject of a hybrid planning application (Ref: P0615.21) for a phased mixed-use development. This includes residential development, a retail/restaurant unit (Class E) and medical or neighbourhood centre (Class E(e)) as part of the full application and residential, a medical/hospital facility (Class C2/E(e)), flexible retail and cafe space (Class E), gym facilities for residents and NHS Staff (Class E) and a medical/neighbourhood centre (Class Ee/F2) as part of the outline application.

This application was approved on 5 September 2023 and includes a condition which restricts the Class E uses to retail/restaurant and medical/neighbourhood centre only. A second condition restricts the Class E floorspace to 995 sqm in total, with 600 sqm flexible retail and 394 sqm for restaurant uses and neighbourhood centre. The gym use is also restricted to a maximum 329 sqm GIA.

The development has been completed and is included in the quantitative capacity assessment.

- **Beam Park (Policy SSA 11)** which is one of the London Riverside sites within a London Plan Opportunity Area. Residential and mixed commercial and community uses are proposed, including a new local centre.

Planning permission was granted in February 2019 (Ref: P1242.17) for a mixed use development including a maximum of 596 sqm of floorspace (GIA excluding plant and waste) to be used for A1, A2, A3 and A4 uses (Barking & Dagenham part of the site).

A 266 sqm gross Sainsbury's Local store opened at Halewood Way in November 2023, within the LB Havering area.

The quantitative capacity assessment includes this as a commitment.

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- **Rainham West (Policy SSA 12)** which is another of the London Riverside sites in the Opportunity Area. Community, leisure and recreation facilities and ancillary retail floorspace is proposed to meet the needs of the new residents.

Various sites within the area are currently coming forward for residential development, including an application at the former RTS Motors Site, 84-86 New Road, Rainham which includes 345 sqm of flexible retail floorspace (Application Ref: P1022.20). This application is currently awaiting determination.

An application at 90 New Road, Rainham (Application Ref: P1039.19) which includes 1,000 sqm of flexible retail floorspace is also awaiting determination.

Given the allocation is for ancillary retail to meet the needs of new residents, we consider that this allocation remains appropriate;

- **Rainham – land between Railway and Broadway (Policy SSA 13)** which encourages retail and leisure uses along the Broadway frontage as part of the proposed redevelopment. The loss of the existing library will only be permitted if a suitable replacement facility is provided.

Planning permission for the development of the site for residential purposes was granted in August 2019 (Application Ref: P1701.17) and has been implemented. The permission does not include any retail or leisure uses. **This site should therefore be removed as an allocation;**

- **Rainham Central (Policy SSA 16)** which requires any redevelopment to, inter alia, better integrate the foodstore with the heart of the Village; provide a positive frontage to Bridge Street and improve the retail offer within the fringe and core retail areas along Broadway and Upminster Road.

This scheme has not yet been delivered but **the principle of better integration of the foodstore with the heart of the Village remains appropriate. It is also appropriate to continue to encourage the improvement of the current retail offer, as this does not necessarily require any increase in total floorspace. However, amending the policy to refer to main town centre uses is recommended;**

- **Angel Way (Site ROMSSA1)** – allocated for a mix of residential, retail, leisure and commercial development.

Planning permission was granted on appeal in 2009 for a mixed use development of 350 residential units, a 63-bedroom hotel, ground floor mixed retail, basement car parking and a new public square (Application Ref: P2246.07). There have been subsequent applications to vary the permission and discharge conditions and the site is now being developed by Regency Homes. The quantum of retail floorspace to be included within the development is not known as the permission allowed a mix of A1-A5 uses.

It is possible that retail or other main town centre uses may come forward as part of the implementation of the current approved development of the site. If so, then this would clearly improve the town centre offer and has the potential to absorb all remaining convenience and comparison capacity to 2040.

If the current scheme is not progressed any future allocations for the site may wish to reduce the quantum of space provided within a Class E use, or consider the inclusion of more leisure uses.

- **Bridge Close (Site ROMSSA2)** – allocated for residential development with commercial (A3) uses.

This scheme has not yet been delivered- but the inclusion of restaurant/café uses would remain appropriate;

- **Como Street (Site ROMSSA3)** – allocated for residential development with ancillary fringe retail uses along North Street.

This scheme has not yet been delivered but **allowing ancillary retail/town centre uses along North Street remains an appropriate allocation;**

- **18-46 High Street (Site ROMSSA4)** – allocated for residential, retail and commercial uses.

This scheme has not yet been delivered but **any retail uses provided as part of new development would be expected to replace the existing space on site. The allocation therefore remains appropriate;**

- **37-59 High Street (Site ROMSSA5)** – allocated for residential, retail and commercial uses

This scheme has not yet been delivered but **any retail uses provided as part of new development would be expected to replace the existing space on site. The allocation therefore remains appropriate;** and

- **Station Gateway and Interchange (Site ROMSSA6)** – allocated for a major transport interchange and residential, retail, leisure and commercial uses.

This scheme has not yet been delivered but **the proposed uses remain appropriate for the site.**

TOWN CENTRE AND PRIMARY SHOPPING AREAS

9.18 The NPPF requires planning policies to define the extent of town centres and primary shopping areas (PSAs) (NPPF, para 86(b)) and to specify the range of uses permitted in such locations as part of a positive strategy for each centre. The London Plan also expects local authorities to

define the detailed boundaries for the CAZ, town centres and other town centre designations (Policy SD4).

- 9.19 The centre boundaries and primary and secondary frontages for the different types of centres are defined in the 2021 Local Plan. However, the current plan does not designate primary shopping areas as required by the NPPF and we would recommend that these are identified going forward based on the Primary frontage areas.
- 9.20 In terms of the extent of the centres and current frontage designations, the declining demand for retail floorspace means that in many locations in the UK, reviews of centre boundaries have required a consideration of reducing the extent of the defined retail areas and sometimes the town centres, rather than seeking to increase them as in the past.
- 9.21 In Havering, a review of vacancy rates and the location of the vacant units does not suggest that there is any current surplus of retail floorspace in a specific location to justify the contraction of the current retail designations. Elm Park, Hornchurch, Rainham and Upminster all have vacancy rates below the national average and as such seem to be performing well in this respect.
- 9.22 Vacancy rates in Romford, Collier Row and Harold Hill are closer to the UK average, although with the vacancy rate for units generally being higher than for floorspace, suggesting it is the smaller units that are vacant. However, there is no particular cluster of vacant units in these centres, other than Harold Hill where there does appear to be a concentration in The Arcade. It therefore is not necessary to consider reducing the extent of the retail designations in these locations either.
- 9.23 However, at the same time the retail capacity assessment has indicated that there is no requirement to allocate new retail sites for development. As a result, we consider that generally the current frontages and centre boundaries will remain appropriate for the new Local Plan, subject to the detailed wording of the applicable policy/policies.

LOCAL IMPACT THRESHOLDS

- 9.24 The NPPF allows local planning authorities to set their own threshold for requiring an impact assessment to accompany a planning application for retail or leisure development outside of town centres (NPPF, para 90) and this is currently set out in Policy 13 of the Local Plan, which sets the threshold at 200 sqm. This compares with the 2,500 sqm set out in the NPPF.
- 9.25 Given that the retail and, to a lesser degree, the leisure sector are facing major challenges at the present time, it is considered that it remains appropriate to assess the impact of smaller schemes on the existing offer in the defined town centres, as, were a centre to be struggling, even a small additional impact could prove significant.
- 9.26 The current threshold of 200 sqm is low for an urban area, but impact will be a consideration for the Council for any retail or leisure proposal outside of a defined centre. Thus, requiring an applicant to provide a proportionate impact assessment even for smaller schemes remains a

valid approach, especially as a number of such schemes could come forward in an area, making the cumulative impact a greater concern.

OTHER POLICY CONSIDERATIONS

9.27 In terms of the existing policies that apply to retail and town centre uses and centres within Havering, the following require review in the light of the findings of this study and changes to national planning policy and legislation:

- **Policy 1 Romford Strategic Development Area** – the section of policy relating to commercial development sets out broad aims for development within the Metropolitan Centre of Romford and we do not consider that there is any reason why this should change going forward. As a result, much of the policy could be retained as is. However, we would suggest that (iii) could potentially be expanded to refer to other main town centre uses (Note – our comments do not extend to (viii) which is outside our brief).

The bullet points under Commercial Development could however be expanded to support proposals that improve the environmental quality of the town centre, particularly where it permits the additional provision of new planting and/or greening of the area.

A point encouraging the appropriate redevelopment of surplus car parking areas could also be added.

- **Policy 2 Rainham and Beam Park Strategic Development Area** – much of the Beam Park development is outside the remit of this study but we note the delay in bringing forward the new station. This also means that the proposed local centre has not been delivered to date. We consider that the scale of residential development proposed means that the provision of a new local centre remains an important element of the proposed development to ensure that residents can access the shops and facilities required to meet their day-to-day shopping needs. However, given the lack of retail need other than to serve the new community, we would suggest that delivering the current proposals for 3,500 – 4,000 sqm of retail and commercial floorspace may be difficult and could adversely impact on Rainham district centre. The Council may therefore wish to review this aspect of the policy to support provision to serve local needs only.
- **Policy 3 Housing Supply** – it is not part of our remit to comment on the need to review the housing policies of the current local plan, but we recognise that inappropriately located housing development within town centres has the potential to adversely impact the remaining retail offer and harm the overall health of a centre. Moreover, the loss of centrally located floorspace for retail and other main town centre uses is not likely to be replaceable. We would therefore suggest that this policy could be amended to include policy support for residential development in town centres but only where it does not prejudice the overall offer or attractiveness of the defined centre.

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- **Policy 13 Town Centre Development** – given that retail and town centre planning policy has not changed significantly at national or regional level, the first part of this policy also remains appropriate. However, the Council may wish to:
 - Update part (iii) to refer to other main town centre uses rather than specifically retail;
 - Change the reference from '*single use retail developments which do not optimise the development potential of the site*' to one that references any form of development i.e. reword the policy as follows (or similar) - *The Council will not support proposals for developments which propose retail or other town centre uses that do not optimise the development potential of the site.*

The second part of the policy needs to be reviewed following the changes to the Uses Classes Order. Class E now includes a wider range of uses than the A1 and A2 currently referred to in the policy and as such seeking to retain 60% of such uses in a frontage is no longer appropriate. However, as hot food takeaways are now considered to be a Sui Generis use, the Council could seek to control these uses by rewording the final part of the policy to make direct reference to such uses rather than A5 uses, just as betting shops and pay loan shops are referred to.

- The supporting text to Policy 13 will also need to be updated to reference the new capacity assessment findings.
- **Policy 14 Eating and Drinking** – the principle of supporting the diversification of Havering's town centres and recognising the importance of eating and drinking establishments in achieving this has not changed, but the introduction of the new Use Classes Order in 2020, means that restaurant uses are now a Class E use and as such planning permission will often not be required for their development. An amended version of the policy referring to the other specified uses would however be appropriate.

9.28 We have not identified any requirement to modify the following policies, insofar as they relate to retail and town centre uses:

- **Policy 15 Culture and Creativity**
- **Policy 19 Business growth.**

9.29 The Council may also wish to consider whether, separate to the Local Plan policy review, they wish to consider the use of Article 4 Directives (A4Ds) to remove the permitted development right to convert existing retail properties to residential uses. The Government supports the use of Article 4 Directions in a "highly targeted way" to protect core high street areas whilst not restricting the ability for much needed housing to be delivered.

9.30 However, we have not seen any evidence of there being a specific problem in Romford, and with much of the retail space provided in purpose-built shopping centres there is less risk of piece-meal conversions to residential than could be seen elsewhere.

9.31 Similarly, in the other centres we are not aware that the loss of retail premises to residential use is a frequent occurrence and as such there may be no need for Article 4 Directives to cover this in Havering.

9.32 The final consideration is whether there may be a need to add new policies into the emerging Local Plan to ensure that the Plan's objectives can be met throughout the plan period. Possible areas for the Council to consider are outlined below:

- **How to achieve positive changes that support and enhance Havering's retail and leisure provision** – Supporting and enhancing town centres in a positive way should be an important part of any local plan. Given the many uncertainties facing town centres and the businesses within them this is not straightforward but setting out a strategy and recognising that it may be achieved in a number of ways and through different forms of combinations of development is an important first step. We would suggest that this is best achieved through developing a development framework or masterplan for Havering's town centres. Reviewing and then completing the work done to date on the Romford Town Centre Masterplan should be the first stage of this work;
- **How the Borough should support the night time economy** – Positive policy support for the night time economy is provided in The London Plan (Policy HC6) and the same policy requires Boroughs to develop a vision for the night-time economy in their area. However, the policy makes it clear that a successful strategy and subsequently a successful night time economy requires inputs from many different interested parties. Further information on how this can be achieved is provided in GLA guidance⁵².

It is not necessary to repeat The London Plan policy in the Havering Local Plan, and there is reference to evening and night time activities in Policy 15 Culture and Creativity. However, the implications of any new town centre site allocations for a vibrant night time economy should be considered at an early stage.

RETAIL AND LEISURE POLICY SUMMARY FOR CENTRES

9.33 With these policy considerations in mind, this final section of the report summarises our advice regarding the individual centres in Havering.

⁵² GLA – Developing a Night Time Economy

ROMFORD TOWN CENTRE

- 9.34 As the highest order centre in the borough, Romford should remain the main focus for retail, leisure and services uses that are intended to meet the needs of Havering's residents and the areas beyond.
- 9.35 The demand for retail space is in decline, but the identification of Primary Shopping Areas (PSA) as the focus for existing and new retail and other Class E uses remains appropriate. This would be expected to include the areas currently identified as Primary Frontage, including the Liberty Centre.
- 9.36 Outside of these areas a wider mix of leisure, F&B and other main town centre uses will be appropriate, as will residential development in appropriate locations. This should include policy support for the night time economy given Romford's identification as a NT2 centre in the London Plan. Havering should continue to develop its strategy and there is potential to expand the offer which currently is relatively narrow and targeted at alcohol orientated entertainment. This has the potential to cause anti-social behaviours issues which affect the perception of the town centre.
- 9.37 Going forward it is envisaged that already declining rates of alcohol consumption may fall further and there is an opportunity to extend some daytime uses and activities both in terms of the offer and into later in the day to ensure that families and older residents feel a greater part of what is on offer.
- 9.38 This will require careful consideration on the interaction between evening and night time activities and residential development. Accessibility to late night public transport will also be a relevant consideration especially given the improved train service now operating to/from Romford.
- 9.39 This would seem to suggest that a strategy seeking to concentrate retail and Class E uses around South Street and the Liberty Centre; encourage a wider mix of leisure uses at the Brewery Centre and around Romford Station, to include evening and night time activities and residential around the Mercury Centre would be appropriate.
- 9.40 Support is also required to build on the market and historic core. This could potentially be in the form of requiring any new development proposals within the town centre to avoid harm to the market and, where possible provide enhancements to the market itself or its setting.
- 9.41 Finally, improved accessibility and signage should be promoted to ensure all areas can benefit from the overall draw of the centre. Improved public realm including places to sit should also be promoted.

COLLIER ROW DISTRICT CENTRE

- 9.42 Collier Row continues to function as a district centre serving its local residential population, although a wider range of evening activities, services and community facilities would enhance

the centre. However, the close proximity of Romford is likely to limit the interest of potential occupiers.

- 9.43 A Primary Shopping Area needs to be defined based on the existing Primary Frontage and policy support for a range of Class E uses in this area is recommended.

ELM PARK DISTRICT CENTRE

- 9.44 Elm Park has seen some decline in footfall following the pandemic but continues to be an important district centre for its residential catchment.
- 9.45 The physical division of the centre into two distinct areas, north and south of the railway line and the on-going opportunity to redevelop the southern parades offers potential to develop two areas with complementary offers. The potential to expand the F&B offer in the south should be supported, together with the retention of retail and other town centre uses at ground floor level.
- 9.46 A Primary Shopping Area needs to be defined based on the existing Primary Frontage and policy support for a range of Class E uses in this area is recommended.

HAROLD HILL DISTRICT CENTRE

- 9.47 Harold Hill District Centre is a small but important convenience food shopping location for local residents but it also provides a good range of retail and community services and facilities.
- 9.48 The planned investment in the centre is welcomed and provides opportunities to consolidate the commercial offer whilst maintaining the important convenience, retail service and community role of the centre.
- 9.49 Any redevelopment proposals should seek to promote meaningful and safe access within the centre and to/from the surrounding residential areas and improve the public realm and green infrastructure. Flexibility in the range of units provided and should be encouraged and units should be designed to allow flexible uses over the lifetime of the development.
- 9.50 Any significant increase in retail or other main town centre uses should be supported by an appropriate assessment to ensure that the scale and function of the centre is not changed and there will be no adverse impacts on other centres in the area.
- 9.51 A Primary Shopping Area needs to be defined based on the existing Primary Frontage, although it needs to be noted that this may be subject to change once redevelopment proposals are brought forward.

HORNCHURCH DISTRICT CENTRE

- 9.52 Hornchurch is a large district centre with an extensive draw. It has a strong leisure services offer, particularly in terms of its restaurant offer. It also contains the largest theatre in the borough and is identified as being in the NT3 night time economy classification in the London Plan.

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- 9.53 The centre also has high national multiple representation across the retail sectors and a very strong financial services offer. Vacancies are low.
- 9.54 Going forward, the aim should be to ensure that the centre continues to provide a balanced mix of uses meeting both the retail and service needs of residents and the cultural and entertainment needs of the wider area. Whilst the occupation of individual units cannot be guaranteed, a Primary Shopping Area needs to be defined based on the existing Primary Frontage and policy support for a range of Class E uses in this area is recommended. Further, it will be important to ensure that any redevelopment or change of use plans retain active frontages during daytime trading hours to support daytime activity.

RAINHAM DISTRICT CENTRE

- 9.55 Rainham is one of the smaller district centres in the borough and has a strong convenience anchor in the form of a Tesco Extra store. It has also benefitted from the recent investment in a new swimming pool and leisure centre and library.
- 9.56 However, improvements to linkages within and between the centre and the surrounding residential and employment areas should be investigated, to enable the centre to benefit from the considerable recent residential and commercial investment in the area as well as the draw of Rainham Hall.
- 9.57 A Primary Shopping Area needs to be defined based on the existing Primary Frontages and policy support for a range of Class E uses in this area is recommended

UPMINSTER DISTRICT CENTRE

- 9.58 Upminster is a popular and successful district centre benefitting from good accessibility. It has a good shopping and service provision, with its F&B and convenience offer being particularly strong.
- 9.59 A Primary Shopping Area needs to be defined based on the existing Primary Frontage and policy support for a range of Class E uses in this area is recommended. Measures to improve the public realm and pedestrian experience should also be supported.

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