Appendix B

Brentwood Town Centre Design Plan: Socio-Economic and Market Findings

November 2016

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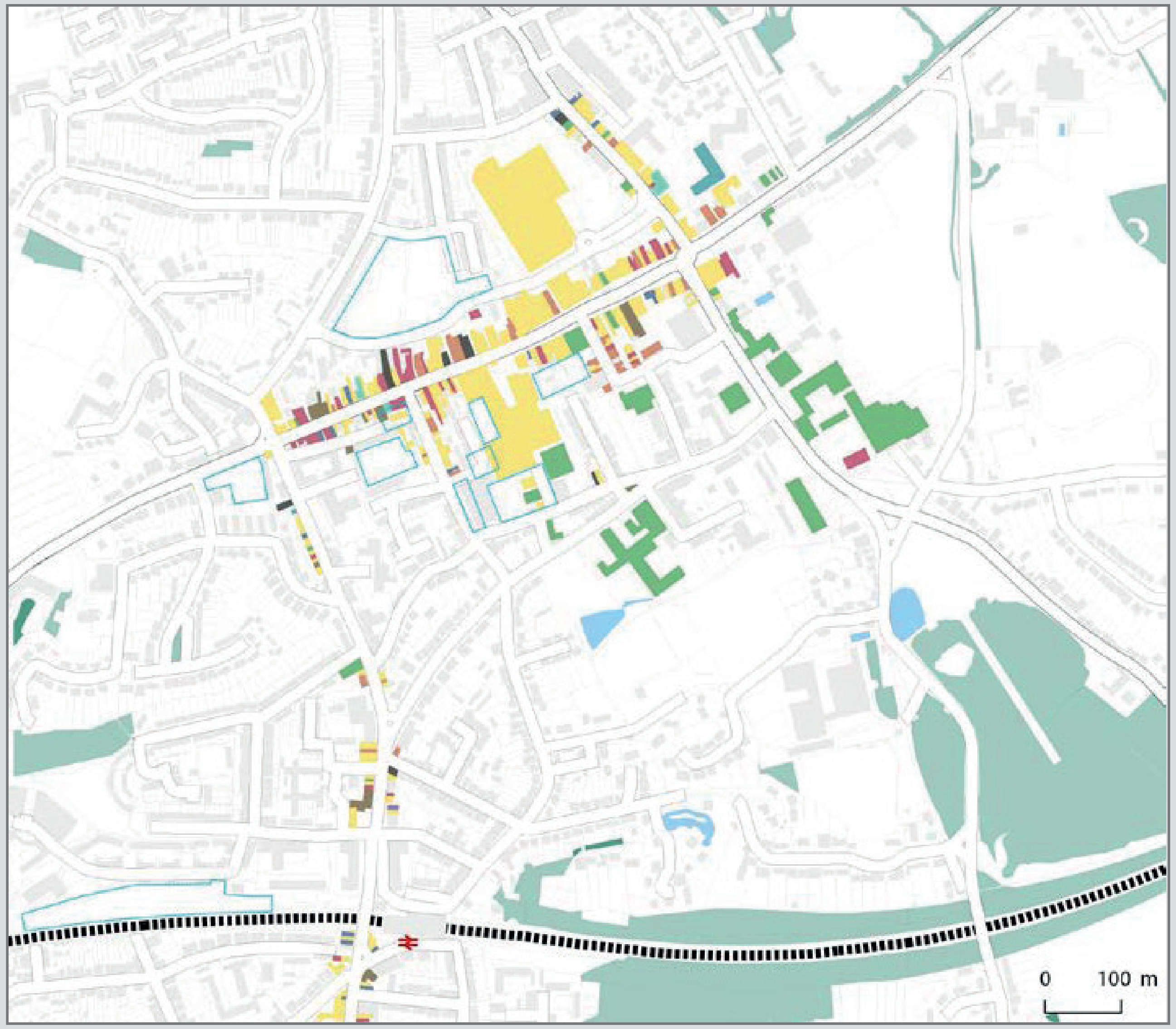

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Introduction

- The commercial potential of Brentwood is driven by a combination of factors that need to be understood together in order to identify a viable and deliverable future for the town centre.
- The activity the town centre could accommodate and support will need to closely relate to the scale, nature and affluence of its immediate catchment, including those who live in the town centre itself and those within the rural hinterland.
- It will also need to respond to the regional ‘town centre’ hierarchy which will affect the scale and nature of retail and commercial leisure activity it can attract and sustain.
- Finally, the delivery of activity will respond to market dynamics, which in part reflect current factors but also the prospects of future changes to the town centre in terms of environment and accessibility.
- This presentation brings together GVA’s socio-economic and market analysis to identify the key current dynamics of Brentwood Town Centre in relation to its socio-economics, current stock and market performance. This understanding is used to inform the scale, nature and mix of uses that should form part of the Brentwood Design Plan and will contribute to creating a vibrant and viable proposition for the town centre. Key opportunities for William Hunter Way and the Bay Tree Centre are considered, as is the initial recommendation for delivering the vision.

Town Centre Wide Consideration

- Building on the location and local analysis undertaken by Levitts, there are two key issues to consider for Brentwood in relation to its connection and links with its wider context (gateways), and the distinct nature of its retail offer.

Gateways

- Current gateways into the town centre are poor, with a number of issues:
  - The layout of junctions at the gateways favour car rather than pedestrian movement
  - There is little activity and signposting around the gateways to clearly indicate you are entering the town centre. This is issue most affects pedestrians accessing the town centre
  - The pedestrian route linking the train station to the town centre via the western gateway is poor.
    - The shops along Kings Road leading to the western gateway, could benefit from public realm works and potentially minor façade improvements to create a more attractive route into the town centre.
- There is potential to create a framework supporting 'appropriate' development that should be permitted in gateway areas to enhance the environment and public realm and encourage pedestrian movement. This could improve the town centre's connectivity with the station and its immediate surroundings, and address the current 'drop off' experienced by pedestrians reaching either end of the high street.

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Town Centre Wide Consideration

Retail Offer

- The retail offer in Brentwood currently reflects its catchment.
- This offer is polarised;
  - Lower income retailers are centralised within the Bay Tree Centre
  - In contrast, the high street and certain smaller streets off it consist of 'aspirational' boutique shops / salons and middle income retailers.
- At present, the polarised retail offers compliment each other and work well together.
- The Bay Tree Centre preforms a specific retail function which cannot be replicated on the high street at present
  - It provides the scale and layout of floorplates which are not available from high street units
  - It meets the needs of the less affluent proportion of the Brentwood population.

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Socio-Economic Characteristics

- Brentwood authority area is relatively affluent, and is likely to have a high disposable income, spending a significant proportion of their income on comparison goods.
- Brentwood town centre has a similar spend profile to the wider authority area, but with a lower total income spend level
  - This reflects the comparatively younger nature of the town centre population (likely to be in 25-34 age group) with older residents living further out in the rural hinterland.
  - It supports the requirement for retail and leisure provision in the town centre that provides the local amenities for the younger age groups. However, this must be balanced by the providing for the range of age groups and affluence levels of the population.
- The demographic breakdown indicates that those who live in the town centre are either urban professionals and families, or aspiring and affluent individuals
- Brentwood's ethnicity is predominately white, British (c 79% of the population) with little representation from other ethnic minorities
- The level of car ownership in Brentwood is significantly above average with a particularly high proportion of two car households. This compounds the poor pedestrian gateways and car prioritisation evident in the town centre.

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Retail Provision

- Retail is the primary focus of the town centre, clustered around the high street and within the Bay Tree Centre, both of which provide a mix of lower end retailers such as B&M. There is no real retail 'circuit', clear anchor location or footfall drivers in the town centre.
- Despite this lower end offer, some of the mid-higher range fashion multiples are present, including Clarks, Fat Face, Next, and Monsoon, suggesting there is demand for a higher value offer
- Limited number of anchor tenants/department stores present – most notably M&S on the high street
- There are two convenience stores in the town centre; Sainsburys and Iceland.
- Restaurants, cafes and bars are located to the west of the high street – dominated by national F&B operators like Nandos, Pizza Express, Slug & Lettuce, Costa and Starbucks. – moderate quality and provide limited draw to the town centre (alongside a limited independent offer).
- There are a number of independent retailers – this reveals a USP for the town centre in the presence of celebrity stores such as Chloe's Boutique, acting as visitor attractions.
- There are few large comparison retailers to attract visitors.

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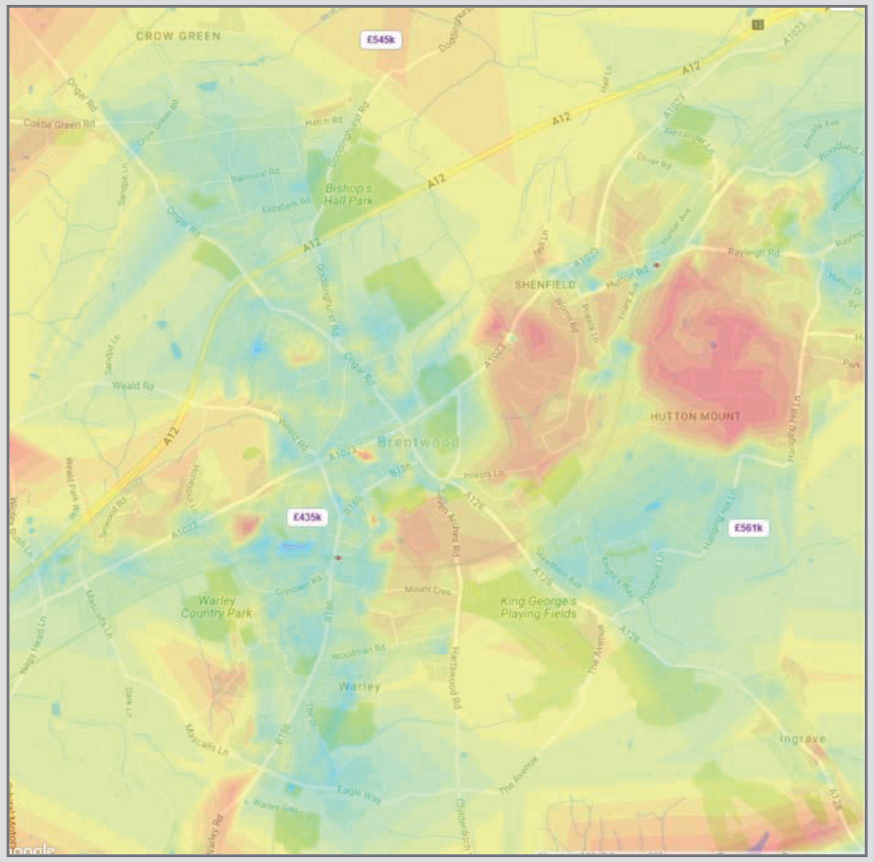
Retail Audiences

	Existing Services	Resident Requirements	Worker Requirements	Visitor Requirements
Dining -Coffee -Lunch -Dinner -Takeaway	 Yes Yes Limited Yes			
Convenience – Food -Small / Metro supermarket -Mid sized supermarket	 Limited Limited			
Personal Services -Pharmacy, cosmetics -Beauty; hair, nails etc. -Dry cleaning -Estate Agent	 Yes Yes Limited Yes			
Leisure -Bars -Cinema	 Limited No			

Residential Characteristics

- The town centre is primarily covered by the postcode CM14. There are pockets of high value properties within the town centre, yet it is evident that properties in surrounding areas i.e. Shenfield, are higher in value.
- The average value is £409 psf which indicates there is scope to build value in this location.
- Rents are low for the area at c £1,000 to £1,700 for 1 – 4 bed dwellings.
- Housing stock typically consist of terraced housing with large gardens and typically 2 or more bed properties, indicating there is a lack of existing property for small families/young professionals.
- Development pipeline in the town centre shows a high proportion of flats coming forward.
- Residential developments are usually small scale i.e. less than 20 dwellings.



Source: Zoopla, 2016

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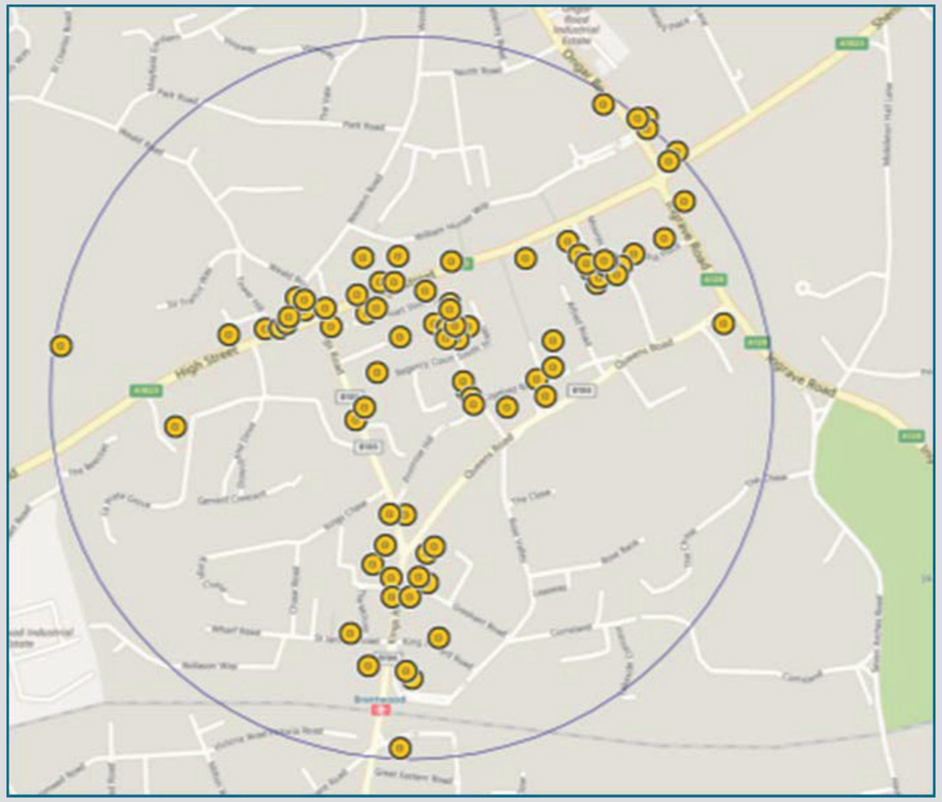
Office & Business Characteristics

- Offices are clustered around the train station, High street and Ingrave Road.
- Few large purpose built office properties over 10,000 sqft.
- Few notable employers; BNY Mellon have an office on Ingrave Street.
- Existing stock is mostly dated and of smaller floorplates.
- Rents are c £17.40 psf, significantly lower than retail rents.
- Vacancy rates are low at 1.6%.
- Recent planning applications include a high proportion of office to residential conversions. This suggest that the office demand is weak in the town centre and most particularly along the High Street.
- Considering current stock in the context of business start-ups and survival rates there could be a requirement for some form of flexible workspace provision to support and encourage new and growing businesses.



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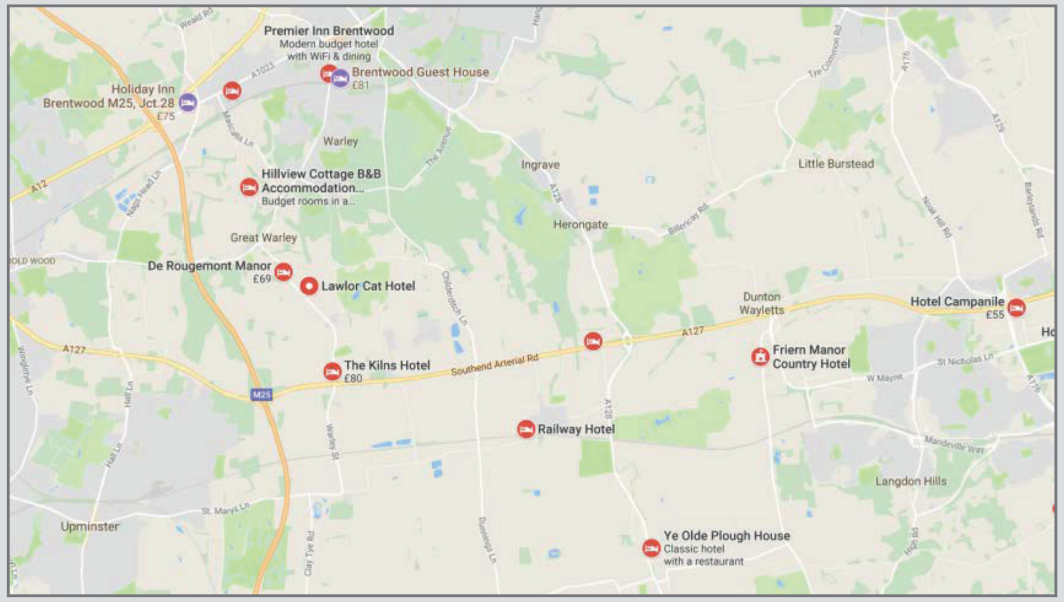
Hotel Provision

- The Hotel's Study (2008) states that due to the town's strategic location and excellent road and rail links, there is potential for new hotels to serve a wider corporate and residential conference market, transient corporate business and business visitors wishing to commute into central London.

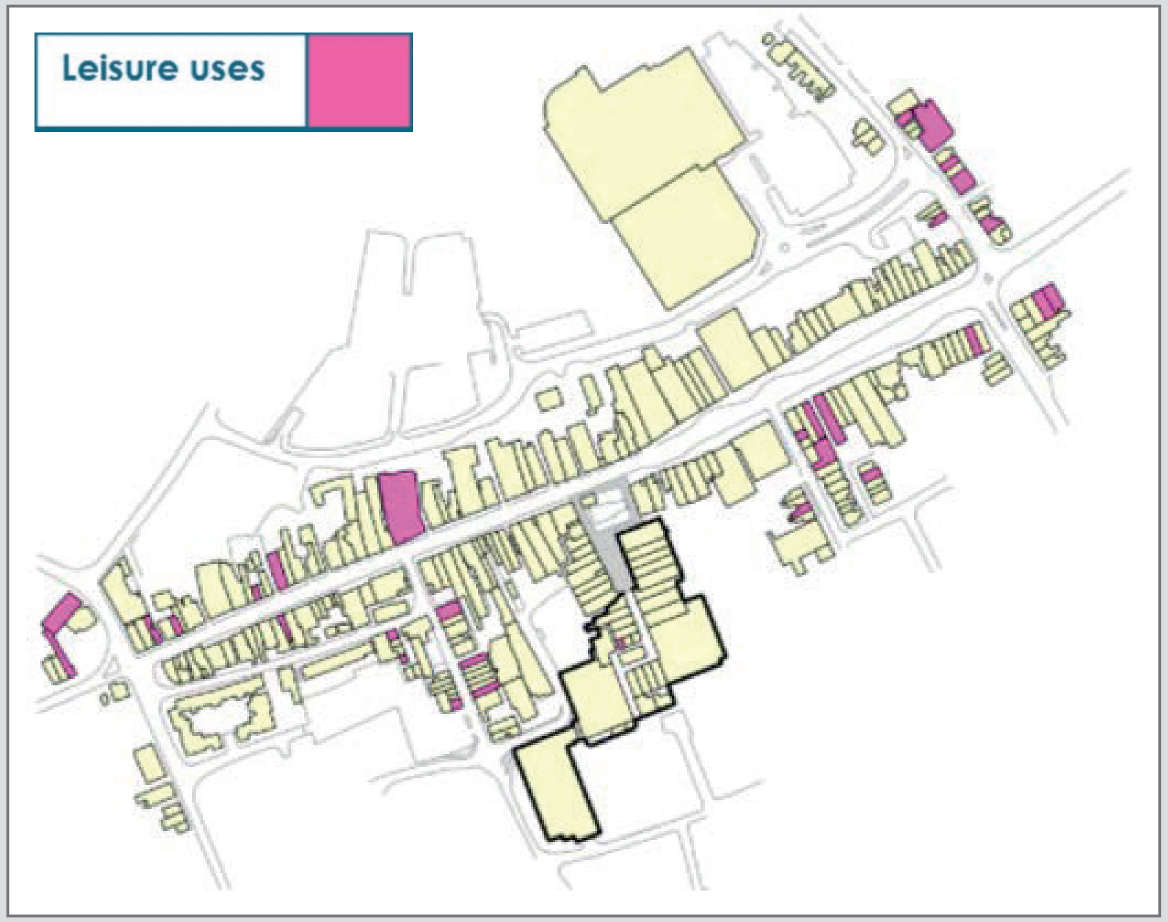
	Hotel	Type	Star
1	Premier Inn Brentwood	Budget	3
2	Holiday Inn M25 Jct. 28	Budget	3
3	Brentwood Guesthouse	Self-catered/ long-term business stay	3
4	Hill View Cottage	B&B	n/a
5	De Rougemont Manor	Boutique	4
6	The Kilns	Boutique	n/a
7	Gidea Park Hotel	B&B	3
8	Marygreen Manor Hotel	Boutique	4
9	Travelodge Brentwood East Hordon	Budget	2
10	Poppies Bed and Breakfast	B&B	n/a

- Since this Study, a number of budget hotels have been built, most notably the Holiday Inn at M25 Junction. Therefore, this market could already be saturated.
- There are several boutique hotels in and around the area – but not in the town centre. Many are catered towards weddings and functions and are found in more rural locations. There are few 4 star hotels, especially near the town centre.
- It seems evident that visitors consider this location as it is close to London, but also close to shopping and leisure destinations such as Bluewater.
- EGI reports that there are no new build hotels coming forward in the town centre.
- There are also no evident requirements for new hotel provision in Brentwood from operators



Leisure Provision

- The definition of leisure here includes hairdressers and beauty salons, which are considered to be ‘aspirational’ leisure activities in Brentwood Town Centre
- The GOAD map shows a high number of beauty salons and hairdressers in the town centre, with one nightclub (Sugar Hut) and one Gym in the Bay Tree Centre.
- Other types of leisure use are under-represented.
- There are no cinemas within the town centre.
  - The nearest cinemas are in Romford, Basildon, or Thurrock.
  - There could therefore be scope to provide some form of cinema provision in the town centre. However, this would need to reflect the leisure requirement of the existing demographic, and align with the boutique-feel and unique independent retailers already present on the high street.
  - The Exhibit in Balham is an example of this type of Boutique cinema offer which could be suitable in Brentwood (see Supporting Information).



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Looking forward…

- The socio-economic and market analysis set out here provides the understanding required to inform the vision and opportunities which should be incorporated within the Town Centre Design Plan.
- Brentwood town centre plays a dual role in supporting the younger residents living within the town centre itself, who carry out their day-to-day retail and social activities in the town centre, and the older and more affluent residents who visit the town centre by car as one of the locations where they can undertake retail and leisure activities (as well as in competing centres like Chelmsford and Lakeside).
- Movement within the town centre is a key issue to address – the high street is fairly weak in terms of providing a positive pedestrian experience to use, move through and congregate within the town centre.
- Understanding the role, function and current activity in the town centre reinforces key future directions to pursue:
  - Build on the 'aspirational' beauty retail and leisure activities already within the town centre, using this role as a USP for the town centre compared to competitor retail locations
  - Seek to attract and support independent retailers, F&B and leisure operators in the town centre who support this USP
  - Improve the east and west gateways to the high street and the north-south routes which link the high street with the wider town centre, to improve the movement experience and shift priority from the car to the pedestrian
  - Improve the links and connections of the train station with the high street and town centre to maximise transport investment opportunities (i.e. Crossrail) and further support pedestrian prioritisation.
- William Hunter Way and the Bay Tree Centre are two key site opportunities where these future directions are further explored…

Looking forward…

William Hunter Way

- Considering that Brentwood Town Centre has a significant proportion of 'aspirational' shoppers and a comparatively high proportion of beauty and leisure activities, there is an identified opportunity to evolve its retail, leisure, and potentially boutique hotel provision to support and expand this cluster of activity.
- The existing William Hunter Way car parking site provides the redevelopment opportunity to promote and intensify these types of uses in this location as part of a mixed use development including residential, retail and commercial leisure uses.
  - This should provide a retail mix that does not directly compete with the current provision on the high street and in the Bay Tree Centre, and which encourages residents, workers and visitors to spend time in the town centre.
  - There should be no / very little convenience retail units delivered as part of this mix, as there is no real demand evident for further provision of this type of retail in Brentwood Town Centre.
- William Hunter Way should complement the high street offer, rather than competing directly with it, as it is not the aspiration to detract footfall from the high street. Instead William Hunter Way should become an additional retail street which is well connected to the high street, train station and the wider area through reinforced north-south links.
- Independent retailers should be encouraged to locate in this area, which also provides the most appropriate location to accommodate some form of boutique cinema offer to serve the town centre.
- Independent cafes and restaurants should also be encouraged as part of the mix on this site. Some chains may also be appropriate where they align with the 'luxury' / 'aspirational' feel being sought to attract visitors to spend time in the town centre and do not duplicate existing units on the high street.

Looking forward…

Bay Tree Centre

- It is clear that the Bay Tree Centre serves a specific purpose in Brentwood Town Centre, meeting the needs of a key cohort of Brentwood residents. As such its does not necessarily require any significant intervention or redevelopment.
- Short term proposals for this site should continue to support and promote this type of retail provision
  - This will continue to meet an identified retail need serving the local population.
  - Car parking provision and servicing accessibility for the Bay Tree Centre should be maintained, as this is important for many of its retailers who sell bulky goods
- In the medium to longer term there may be scope to alter the layout of the centre so it can provide larger retail units and/or a more mixed range of retail provision. This could also help to better integrate the centre as part of the town centre, opening it up to the wider town centre and creating stronger north-south routes.
  - Smaller units are currently more difficult to lease, which supports the case for providing larger units which are better aligned with retailer requirements
  - Larger units could also attract different operators to the town centre who may have previously been deterred by the small and irregular floorplates present on the high street
  - It would be important to ensure that this more significant intervention still facilitates the provision of car parking and servicing areas

Looking forward…

Delivery Considerations

- Phasing is a crucial part of the deliverability of town centre improvements
- Maximising the role of Crossrail:
  - Importance of supporting and improving connections of the station with the town centre and opportunity sites
  - Public realm improvements on Kings Road will have a significant positive impact for improving this station-town centre link. The creation and reinforcement of alternative north-south links will also be crucial
  - Aim to attract visitors to spend time in the town centre (not just have people driving in to park and then commuting into the City without at least spending time when arriving or prior to leaving Brentwood)
- Land ownership:
  - Council and public owned sites offer most immediate development potential as they are likely to be easiest to deliver (partnership opportunities and retained control over assets). Sites with fragmented ownership patterns will be most difficult to deliver, so should not be prioritised as initial phases.
- PRS model
  - Opportunity to fund potential new cinema provision where this may not otherwise be delivered by the market.
  - Provides the opportunity to utilise Council or public sector land ownership

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Supporting Information: Socio-Economic Characteristics

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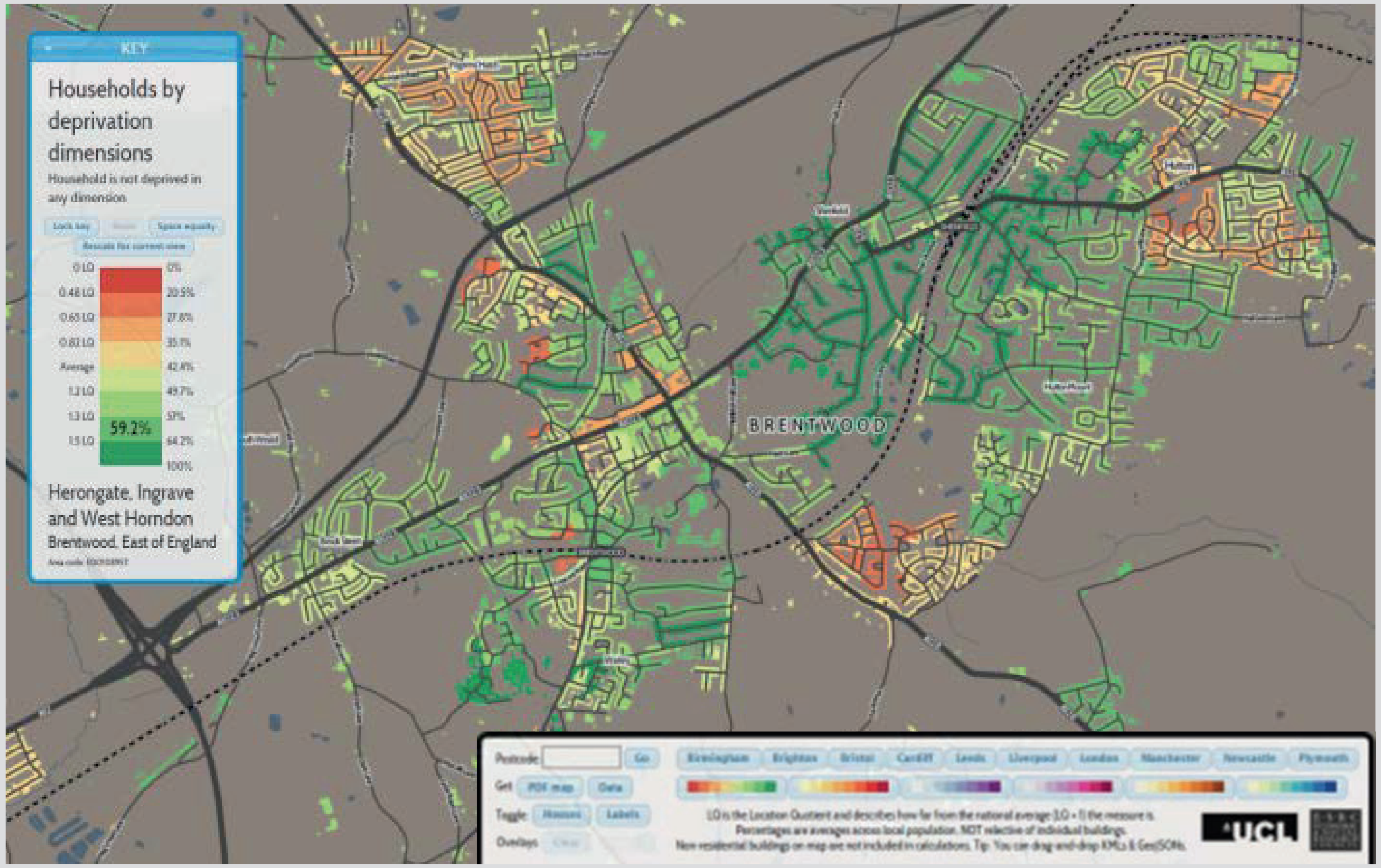
Socio Economics; Households by Deprivation Dimensions



- There are limited levels of deprivation within Brentwood, with fewer than average areas suffering from any form of deprivation.
- Critically for the town centre the area around it tend to be some of the least deprived, with more deprived areas further to the north and east.

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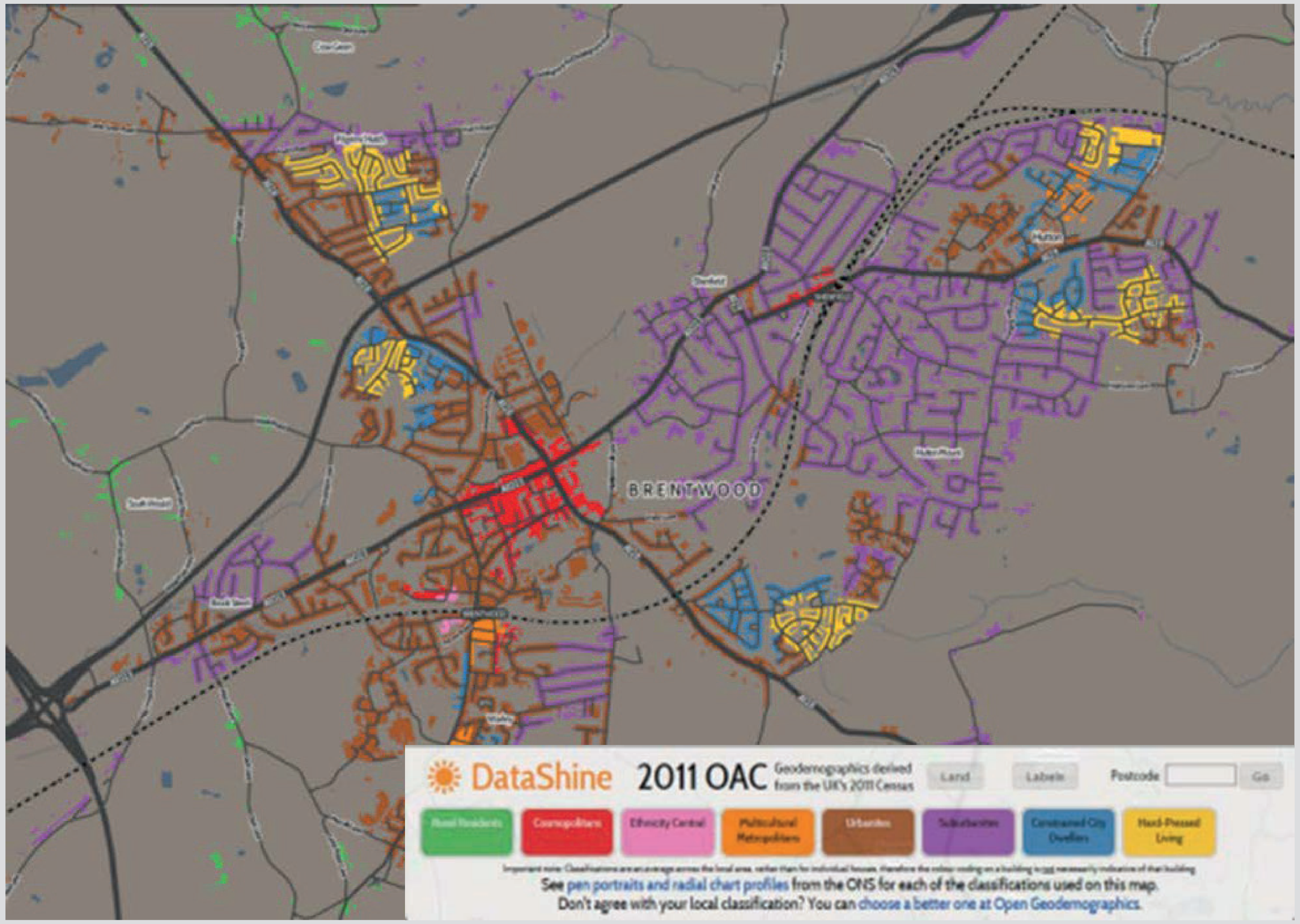
Socio Economics – Broad Classifications

- The low levels of deprivation are reflected in the broad socio-economic classifications, within the majority of the town centre accommodating a mix of ‘cosmopolitan’ and ‘urbanite’ groups.
- These tend to be groups with higher disposable incomes and higher proportions of young professional people.
- This provides an important client base for the town centre and will be a key influence on the type and nature of retail/leisure demand



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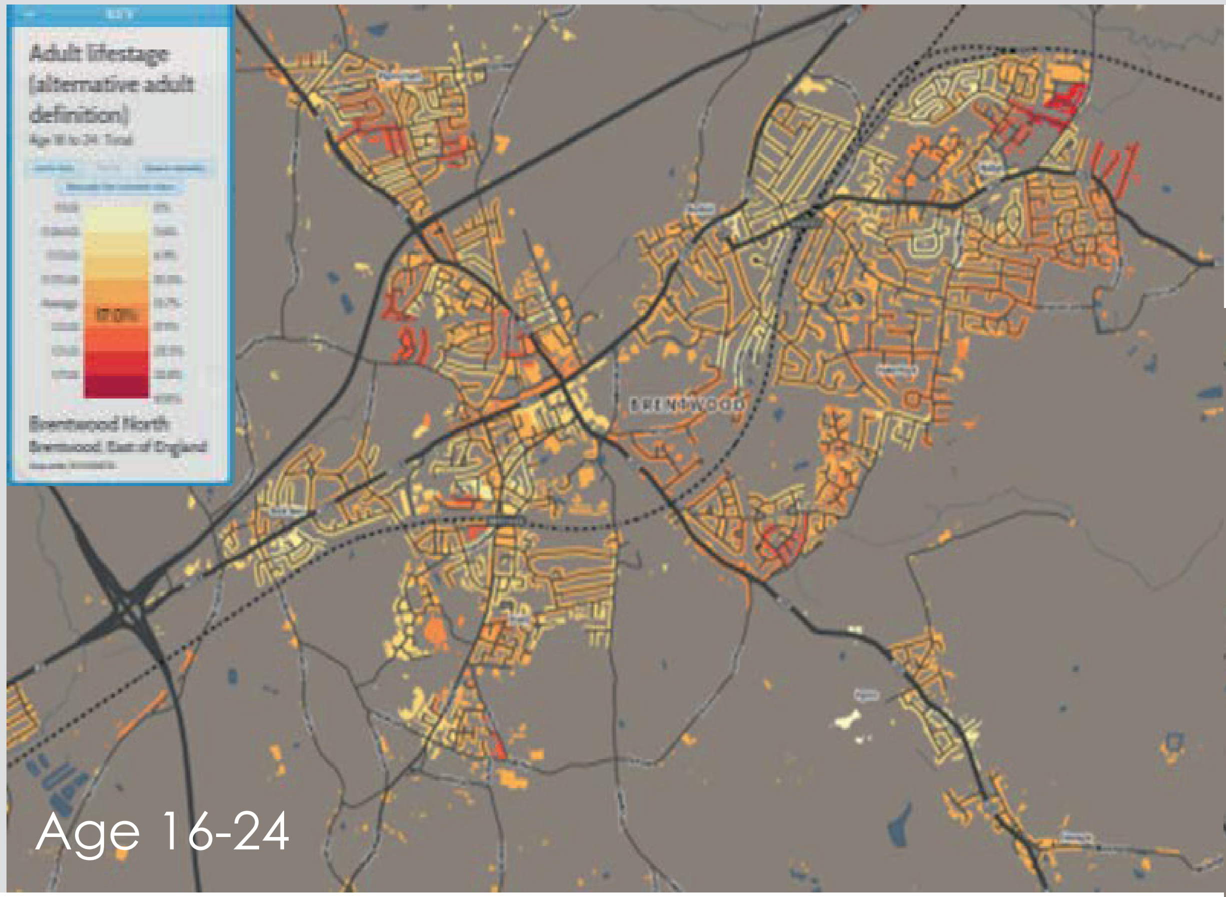
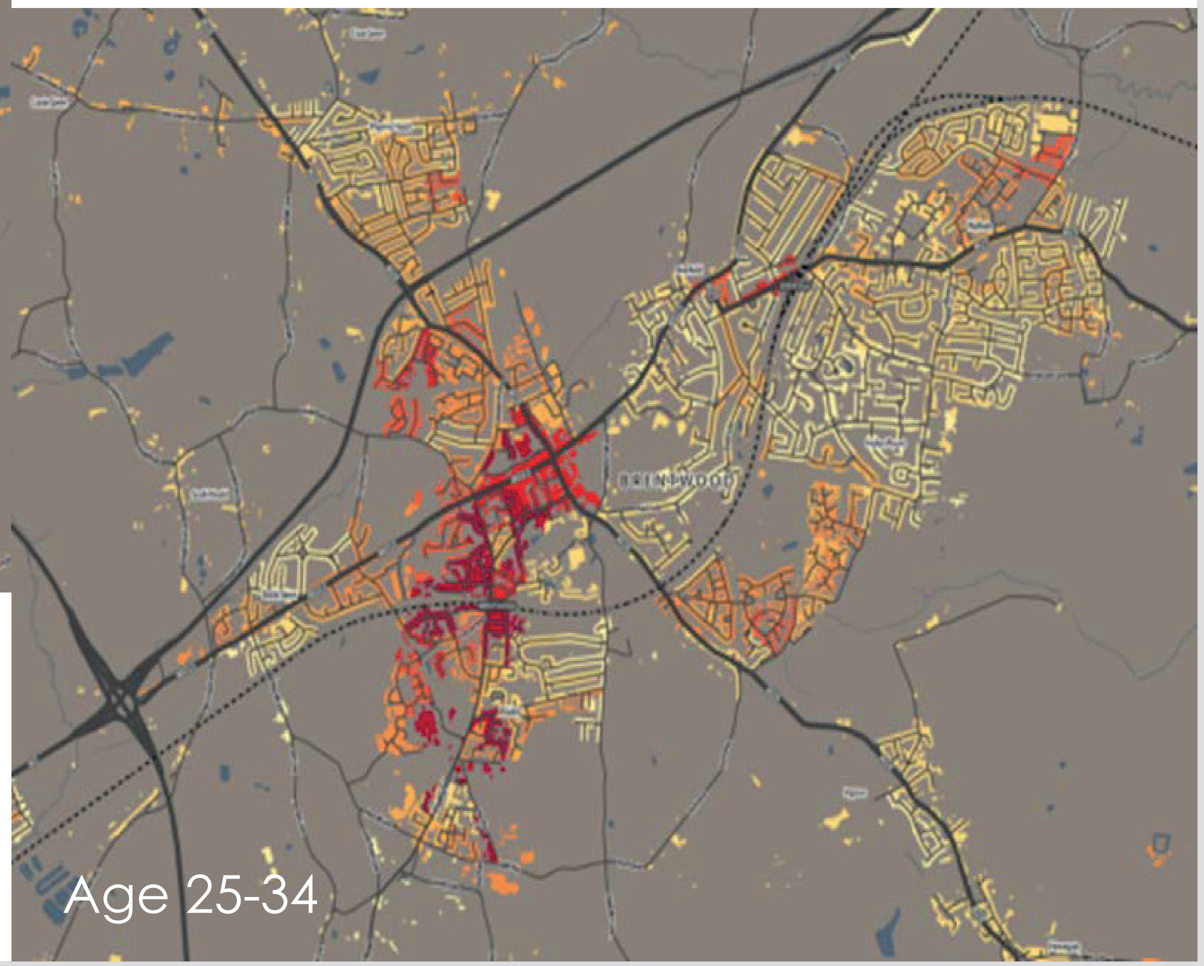
Brentwood – Socio Economics; Adult Lifestage



A younger population tends to live in the town centre when compared with the wider District.



The younger age group is therefore the town centre’s day-to-day audience.

The retail offer will need to respond to these drivers focusing on providing convenience, leisure and other services.

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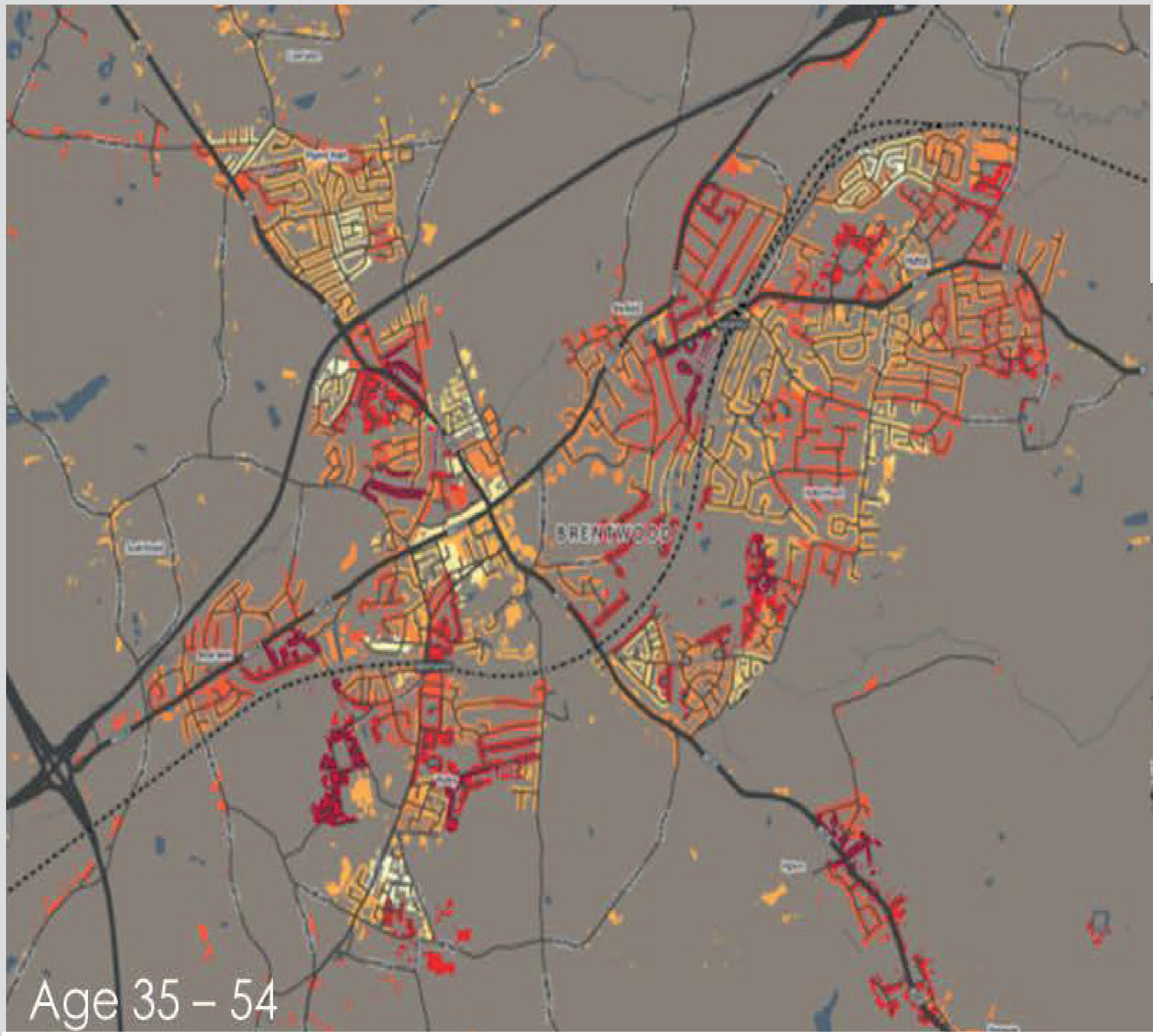
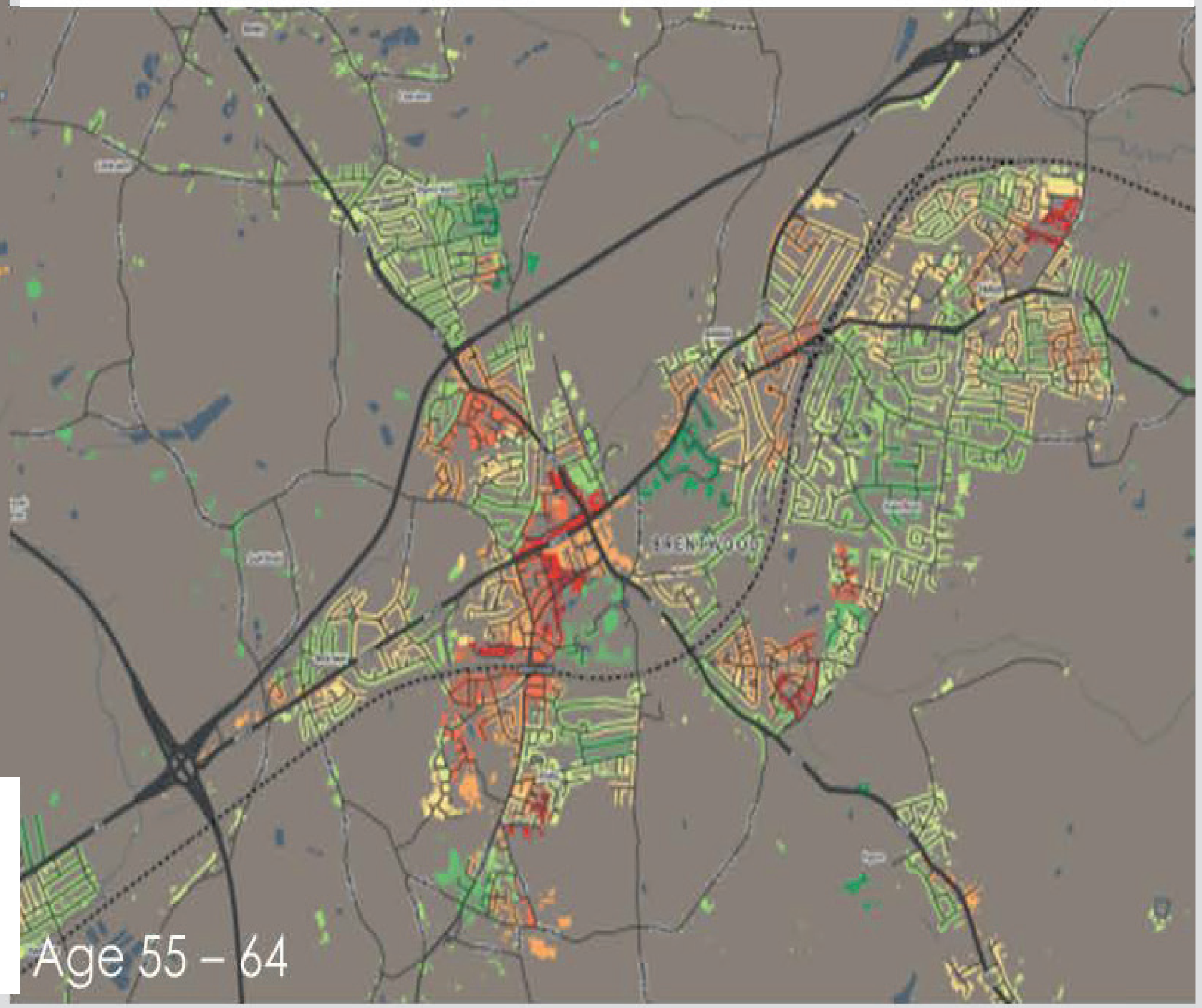
Socio Economics - Adult Lifestage

The older population tends to live outside of the town centre in the more rural parts of the District.

They are more likely to make purposeful trips to the town centre.



They are more likely to drive to meet their retail needs. They are as likely to shop away from Brentwood, so may require new drivers to attract them.



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Brentwood Socio Profile

- The adjacent chart shows the socio-profile of households in Brentwood town centre, compared with the profiles for Brentwood and Chelmsford local authority areas and Essex County.
- Key distinctions in the Brentwood town centre profile are:
  — Greater proportion of Rental Hubs and Vintage Value
  — Smaller proportion of Suburban Stability, Senior Security, Rural Reality, Country Living and Prestige Positions.
- This reflects the comparatively young nature of the town centre population compared to the wider authority and other comparator areas (likely to be in the 25-34 age group).
- This supports the requirement for retail and leisure provision in the town centre that provides the local amenities for this age group.

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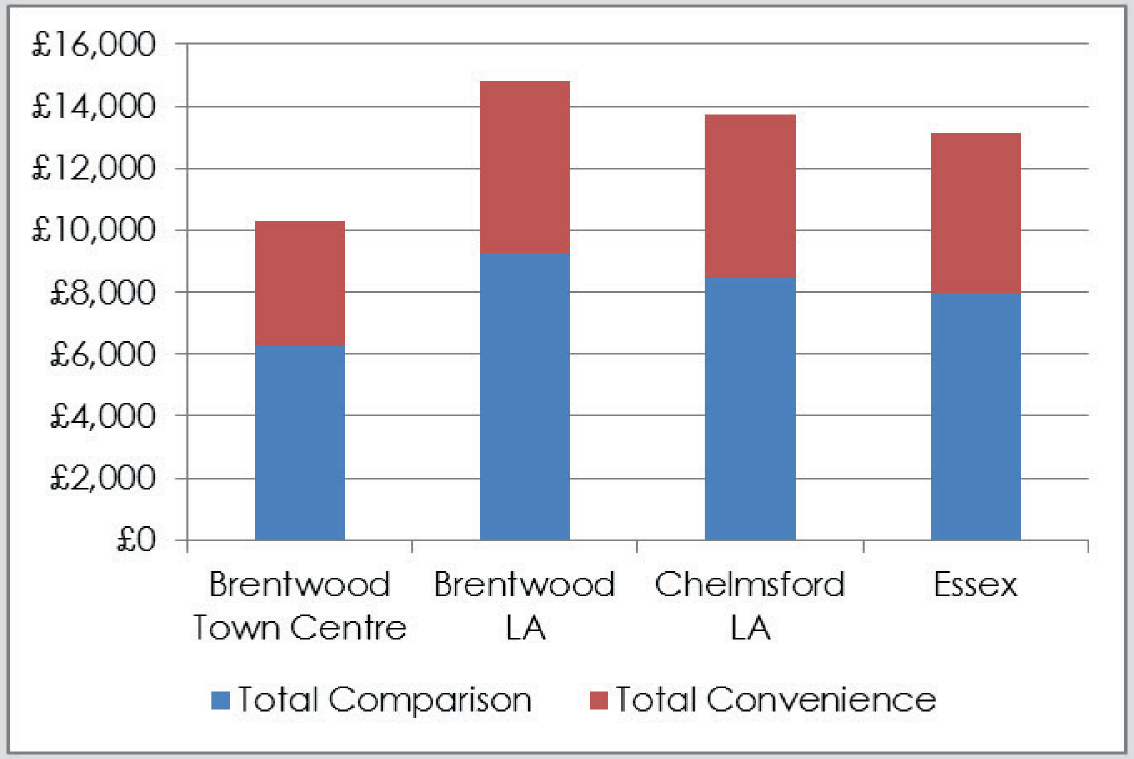
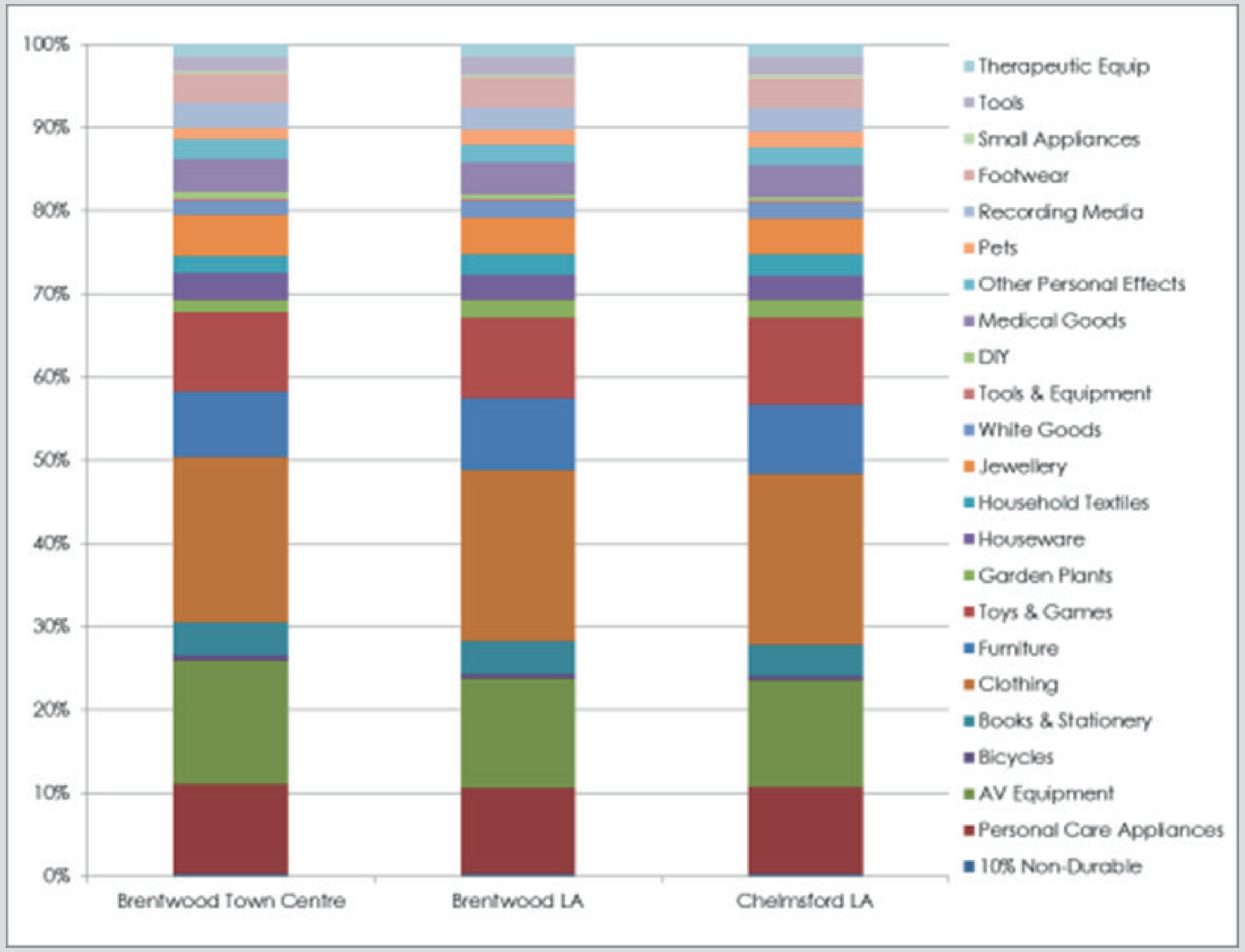
Brentwood Spend Profile





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Brentwood Spend Profile

- The preceding two charts show the spend profile for households in Brentwood town centre, compared against spend in the whole Brentwood authority area, and the comparator Chelmsford authority area
- The more simple chart in the left reinforces the affluent nature of Brentwood authority area, with households having a higher income profile than Chelmsford authority area and Essex County area. The Brentwood town centre has a lower income profile than the wider authority area, which indicates that lower income households are more likely to live within the immediate town centre area, whereas higher income households will live further out from the town centre. However, there is still a higher proportion of spend on comparison goods or leisure activities for households in the town centre area, rather than 'necessary' convenience items such as food and drink, reflecting the same trend of the wider authority and comparator areas.
- The more complex chart on the right shows similarity in the detailed spend profile for Brentwood town centre households compared with comparator locations, showing the highest spend proportion for clothing, AV equipment, personal care appliances, toys and games, furniture, and books and stationary.
- This suggests that retail provision in the town centre should seek to align with this profile, however it does not reflect the nuances in 'boutique' offers which are particularly important for Brentwood town centre, or account for the comparison retail competition from competitor locations such as Chelmsford and Lakeside. Convenience retail is not included within this chart, however this should constitute a focus for retail provision in the town centre, to provide for the town centre and wider authority area population whilst also acting as a form of anchor to attract town centre use.
- There is also a bigger question around the future role of retail in the town centre, compared with a regeneration focus led by boutique independents and related leisure activities, which would develop a role for Brentwood that builds from its existing strengths and complements rather than competes with neighbouring centres and retail locations.

Supporting Information: Retail Characteristics

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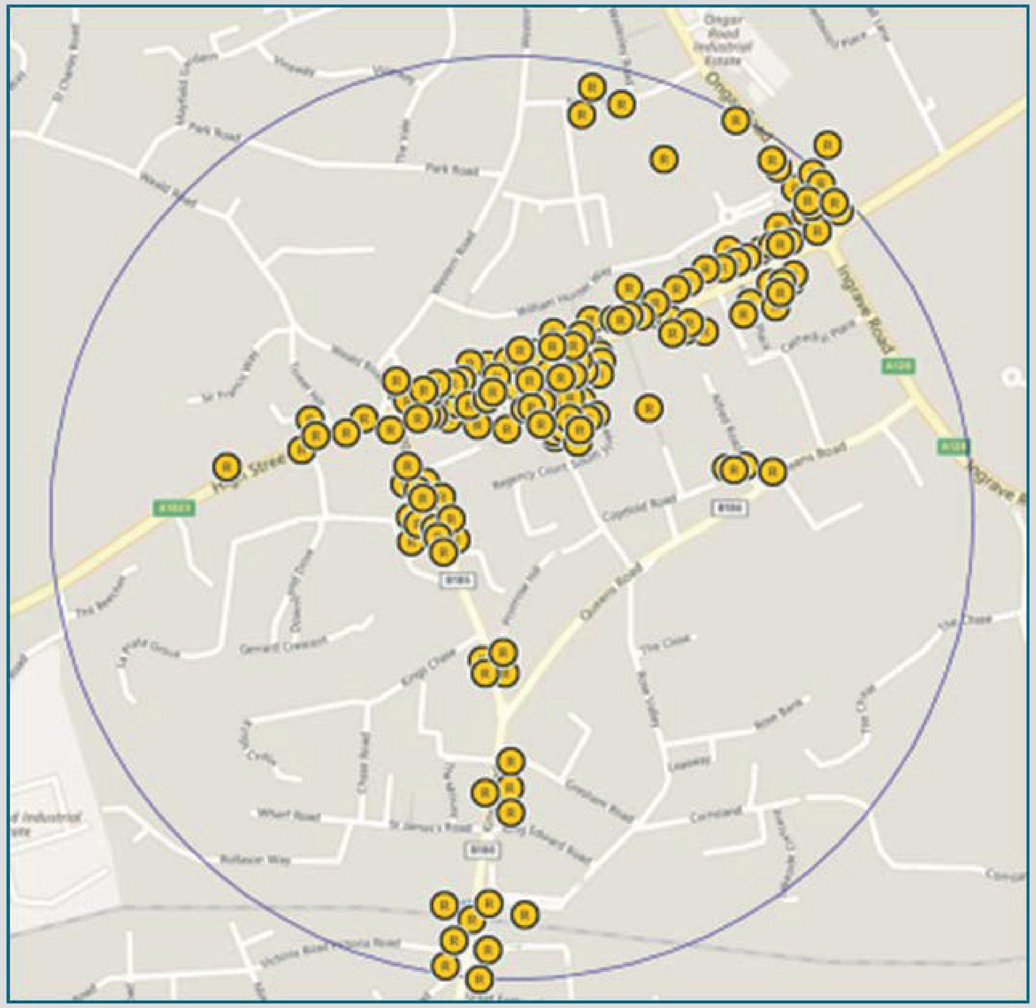
Retail Provision

- In physical terms there is little variety in types of retail floorspace available with a predominance of mid-sized units
- Retail is preferable to office with rents at c £25.70 psf, compared to £17.40 psf
- Yet vacancy rates are higher than offices at 2.7%

Retail provision - key stores				
Dept/Var Stores	**Key Fashion Multiples**	**Key Non Fashion Multiples**	**Food Stores**	**Key Café / Restaurant Stores**
Marks & Spencer	Clarks	3 Store	Iceland	Caffe Nero
	Dorothy Perkins	Accessorize	Sainsbury's	Domino's Pizza
	Fat Face	Argos		Greggs The Bakers
	Monsoon	Body Shop, The		Kfc
	New Look	Boots		McDonald's
	Next	Card Factory		Nando's
	Shoe Zone	Carphone Warehouse, The		Pizza Express
		Claire's Accessories		Starbucks Coffee
		Everything Everywhere		Zizzi
		Fragrance Shop, The		
		Poundland		
		Sportsdirect.com		
		Superdrug		
		Vodafone		
		Waterstone's		
		WH Smith		
		Wilkinson		



Retail Audience Requirements

Residents:

- Seek to use convenience and comparison retail (personal and household), dining, entertainment and leisure
- Growing catchment considering population growth and new/proposed new residential development in Brentwood and the town centre area

Workers:

- Seek to use convenience and comparison retail (personal), dining, entertainment and leisure
- Existing retail employment and smaller scale office employment in the town centre, which has the potential to increase

Visitors:

- Seek to use comparison retail (personal – particularly the ‘boutique’ offer), commercial leisure, entertainment and hotels

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Retail Agent Consultation

- Size of shop is not a key factor attracting operators
- Operators are more concerned with the building stock and layout of the units – many are concerned that this is dated and economically redundant / not fit-for-purpose
- Anecdotally, an upmarket operator was shown the town centre by an Agent, and was slightly “put off” by the scruffy appearance of the town centre, and sought to locate in neighbouring areas such as Epping
- Retailers are further deterred from locating here as it is difficult to upgrade buildings to a modern standard due to the conservation requirements
- Shenfield is said to be more attractive to retailers as the units are “boxes,” which is the preferable layout- Brentwood has shops with irregular and unsuitable floorplates
- One agent commented that any upgrading in the town centre would be challenging given that the Council have very little land ownership

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Competing Retail Centres - Lakeside

- Lakeside's retail catchment area includes most of Essex – it is a 25 minute car journey from Brentwood and easily accessible for the car-reliant Brentwood residents, particularly those living beyond the town centre.
- Lakeside offers 1,240,000 sq ft of retail space. Its strong F&B offer encourages visitors to dwell for longer.
- Contains a number of key anchor tenants: Debenhams, House of Fraser, M&S, Hamleys and Primark.
- Lakeside offers an "all-inclusive" retail and leisure experience and would attract those from Brentwood looking to do their large comparison retail shopping.
- Outline planning permission has been granted for extensions to the shopping centre to improve its retail provision.
- The majority of comparison goods shopping undertaken by Brentwood residents is likely to be drawn to Lakeside, limiting the potential of the town centre.

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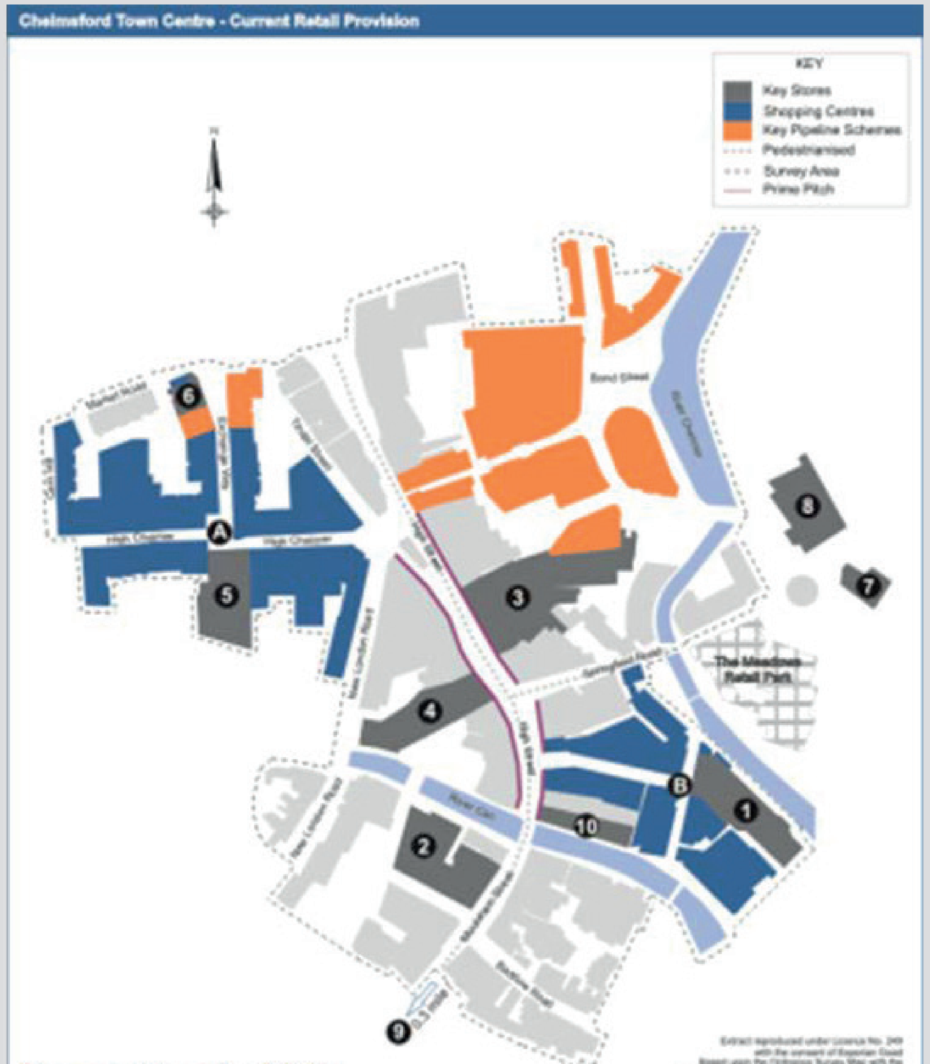
Competing Retail Centres - Chelmsford

- City centre retail floorspace in Chelmsford is estimated at 1.16 million sq ft – the largest out of Brentwood and Lakeside.
- The main shopping area is compact and largely pedestrianised with the High Street as the main focus. The city has two covered shopping centres, High Chelmer and The Meadows, which adds to the variety of the retail offer.
- The provision of anchor stores is currently limited to Debenhams, a Co-op department store and Marks & Spencer. However, a new John Lewis department store is due to open in autumn 2016 as part of the Bond Street development, which, along with other shops in the scheme, will significantly enhance Chelmsford's offer.
- The schemes coming forward will enable Chelmsford to improve their F&B offer and its night-time economy, setting it apart from competing centres.
- Again the scale of its draw and the diversity of the offer acts as major competition for Brentwood, and could limit its potential.



Source: Promis, 2016

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Supporting Information: Office & Business Characteristics

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Businesses

- The first table shows Business Births from 2009 – 2013 for Brentwood, benchmarked against the levels for Chelmsford and Essex county.
- This shows increase in business births over each consecutive year in the period, with a particular increase in 2013. Brentwood shows the greatest proportional growth in new businesses in total over the period (62%, compared to 53% and 41% for Chelmsford and Essex respectively)
- The Brentwood trend reflects that exhibited by competitor area Chelmsford, as well as at the county level.
- The second table shows the Business Survival Rates over the same period.
- Looking at the 2009 row for Brentwood shows that survival rate steadily declined. By the end of Year 3 (2011) 62.2% of businesses set up in 2009 had survived and by the end of Year 5 (2013) this decreased to 39.2%. Compared with Chelmsford and Essex, Brentwood shows slightly lower business survival rates, particularly over the longer term 5 year period.
- Looking at the Year 1 column shows that in 2013 slightly fewer Brentwood business are surviving compared to Chelmsford and Essex
- It is likely that many start-ups will be new retail businesses. However, when considering the opportunity for workspace provision in Brentwood town centre this could support a focus on providing flexible and follow-on workspace for growing businesses, as well as workspace to support the increasing number of start-ups within the authority. A town centre location supports the accessibility and amenity requirements of new businesses, as well as enhancing activity levels within the town centre.

	2009	2010	2011	2012	2013
Brentwood	370	440	465	430	600
Chelmsford	720	765	800	820	1,105
Essex County	5,900	5,875	6,280	6,540	8,295

		Year 1	Year 2	Year 3	Year 4	Year 5
Brentwood	2009	89.2	74.3	62.2	50.0	39.2
	2010	88.6	73.9	60.2	52.3	-
	2011	95.7	78.5	64.5	-	-
	2012	91.9	74.4	-	-	-
	2013	92.5	-	-	-	-
Chelmsford	2009	93.1	78.5	64.6	50.7	45.1
	2010	88.9	75.8	61.4	52.3	-
	2011	93.1	76.3	61.3	-	-
	2012	92.7	76.2	-	-	-
	2013	93.2	-	-	-	-
Essex County	2009	93.0	77.5	62.7	50.7	43.6
	2010	88.9	74.9	59.1	50	-
	2011	94.2	77.6	62.3	-	-
	2012	92.2	75.7	-	-	-
	2013	94.4	-	-	-	-

Source: ONS, 2016

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Supporting Information: Hotel Provision

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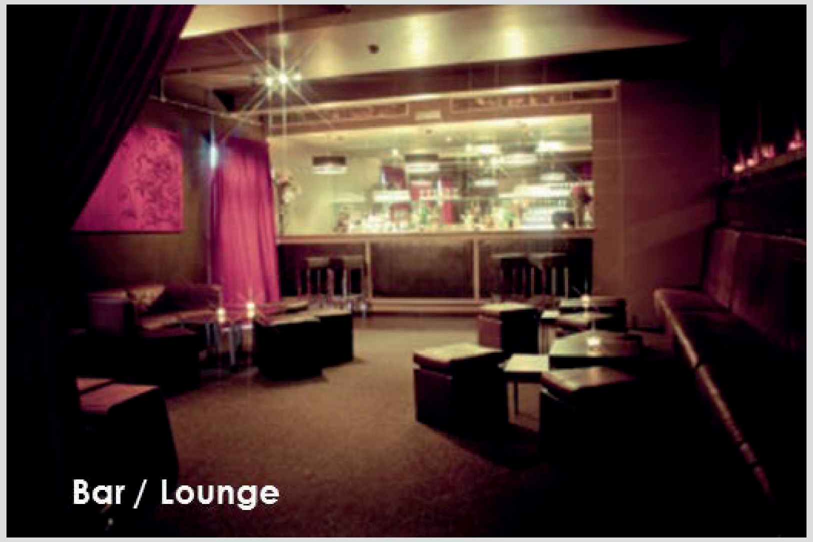
Boutique Cinema Example – The Exhibit

- The Exhibit in Balham, is a multi-purpose leisure and dining facility which features a small independent Cinema that is set with leather sofas and able to accommodate up to 28 adults. The Exhibit also features a restaurant and bar, and has an event space with organised nights such as Life Drawing, Stand-up Comedy, and Speed Dating.



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