



---

# Jersey Retail Study 2008

For

Planning and Environment Department  
States of Jersey

**DTZ**  
48 Warwick Street  
London W1B 5NL

020-7534-5000

July 2008



## Report

---

|   |  |    |
|---|--|----|
| 1 | Introduction                                 | 2  |
| 2 | Responses to Consultations                   | 4  |
| 3 | Quantitative Need for New Retail Development | 31 |
| 4 | Qualitative Retail and Town Centre Needs     | 51 |
| 5 | Accommodating Identified Retail Needs        | 58 |
| 6 | Conclusions for the Retail Planning Strategy | 65 |

## Appendices

---

Appendix 1 – Businesses Survey questionnaire and results

Appendix 2 – Key stakeholders interviewed

Appendix 3 – On-street Interview Survey Results

Appendix 4 – Catchment Zones map and Household Interview Survey results

Appendix 5 – Description of the RECAP Model

Appendix 6 – Jersey RECAP Model 2008

# 1 Introduction

---

- 1.1 DTZ was instructed in December 2007 by the Department of Planning and Environment of the States of Jersey to prepare an up-to-date Retail Study of the Island. The Study was commissioned to provide part of the evidence supporting the Review of the Island Plan. It is therefore primarily a land use planning study, aimed at answering the following questions:
- How much new retail development of each principal type will be supportable on the Island by growth in population and retail expenditure in future years.
  - Where on the Island should it be located and in what commercially realistic formats.
- 1.2 The Study includes quantitative forecasts of the capacity for new retail floorspace, qualitative assessments of the need for new retail development, and commercial assessments of potential sites which could accommodate identified needs. The Study is based on new surveys, including a Household Interview Survey of existing shopping patterns on the Island, an On-street Interview Survey of shoppers and other town centre users in St Helier Town Centre, and a survey of the experiences and attitudes of all the retailers and service businesses occupying retail shops on the Island. It also included consultations with retailers and service businesses, and other key stakeholders.
- 1.3 The Study is not a study of retail competition on Jersey, and does not consider retail prices or the number of food store operators on the Island; since those are not material land use planning matters. It does not use a theoretical gravity model for retail capacity forecasting; but uses an empirical model based on actual shopping habits of the Island's residents, and local population and expenditure data, thus making it Jersey-specific. It does not apply 'standard' UK solutions, but takes account of the commercial realities of achieving new retail development in Jersey, including retailers' requirements for opening new shops and stores there, and the availability of potentially suitable sites for new retail development. The quantitative forecasts are in constant 2005 prices, thus excluding the effects of price inflation. The forecasts for growth of expenditure are therefore in real terms.
- 1.4 In Section 2 of the report, we set out the results of our Survey of Retail and Service Businesses, our consultations with key stakeholders, our On-street Interview Survey in St Helier Town Centre, and our survey and assessment of the demand from retailers to open new stores on Jersey.

- 1.5 Section 3 of the report identifies the future quantitative need for new retail floorspace in St Helier Town Centre, and non-central locations on Jersey. It provides an evidence based, quantitative need assessment for new floorspace. We have forecast the amount of new retail floorspace likely to be needed up to 2025. A full explanation of our method and our retail capacity forecasts are included in Section 3. Section 4 describes our assessment of qualitative needs for new retail development, and for improvement of St Helier Town Centre. Section 5 sets out the results of our commercial review of the suitability of potential retail development sites to accommodate the needs for new retail development which we have identified. The last section, Section 6, concentrates on the strategic issues for land use planning which arise from our research, and summarises our main conclusions.
- 1.6 Being based on more up-to-date information, the retail capacity forecasts set out in this report are intended to supersede and replace all previous retail capacity forecasts for Jersey.

## 2 Responses to Consultations

---

2.1 In accordance with our instructions, we undertook a range of surveys and consultations to inform and influence the Study, as follows:

- A postal survey of all retailers and service businesses occupying retail shops on Jersey, to explore their trading experience, and their views on how trading conditions for their business might be improved.
- In-depth interviews with a small number of 'key stakeholders' representing retailers, and with the Jersey Competition Regulatory Authority (JCRA).
- An On-street Interview Survey of shoppers and other users of St Helier Town Centre, conducted in the principal shopping streets, to ascertain how they are using the town centre, how they rate various aspects of it, and their likes and dislikes about it.
- Retailer demand assessment, including a postal survey of all the principal UK supermarket operators.

2.2 The purpose of these surveys and consultations was to improve our understanding of retailing on the Island, and assist us to identify qualitative needs and opportunities for improvement. It was also to provide retailers, the JCRA and the general public with a means of influencing our analysis and conclusions; and to inform us about the interest of retailers in opening new shops and stores in Jersey. In this section therefore, we describe the principal results of these surveys and consultations.

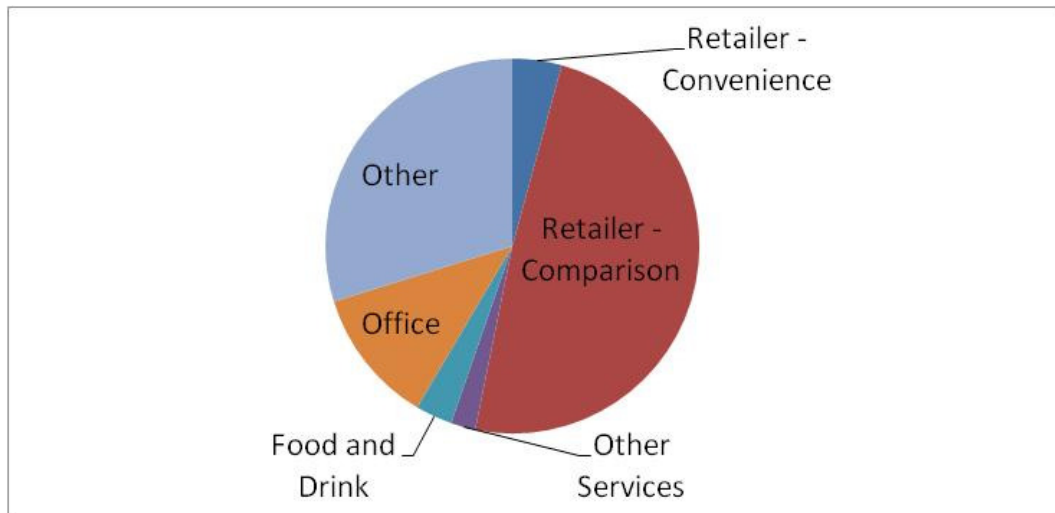
### **POSTAL SURVEY OF RETAILERS AND SERVICE BUSINESSES**

2.3 A postal survey was conducted of Jersey retail businesses in April 2008. The aim of the survey was to establish the perceived strengths and weaknesses of Jersey as a business location. The survey was also used to assess the perceived quality of each business's location, and to establish what improvements, if any, were thought to be needed. A copy of the questionnaire is included in Appendix 1.

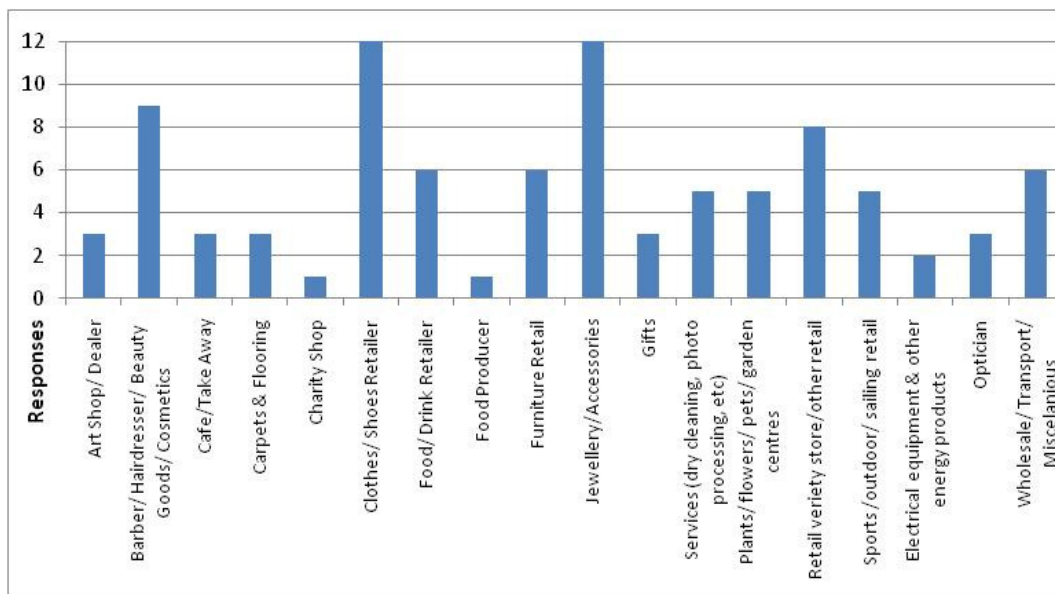
2.4 The survey questionnaire was sent to 500 retailers and service businesses occupying retail shops, together with a letter from the States of Jersey explaining the purpose of the survey. 94 responses were received, representing a 19% response rate, which is not unusual for this type of survey.

2.5 The retail businesses in the survey included major store operators and local independents from all over Jersey. The nature of business of the 94 respondents, and the description of their operation (as described by the respondents), is set out in the Figures 2.1 and 2.2 respectively.

**Figure 2.1: Nature of Business of Respondents**



**Figure 2.2: Business Description**



2.6 The majority of responses (87%) were from business based in St Helier. We believe this proportion of the survey to be generally representative of retailers and service businesses within St Helier Town Centre. In terms of the responses from areas outside St Helier, at

13% the small sample size may not be generally representative of business elsewhere in Jersey. As such, caution must be taken when observing the results of the 'elsewhere in Jersey' analysis contained within these results.

2.7 In this section we discuss the results of the survey. The analysis focuses on St Helier Town Centre with reference also paid to the respondents from elsewhere in Jersey. The results have been broadly grouped into three categories:

- Points relating to the strength of St Helier and elsewhere in Jersey as a business location;
- Points relating to the weaknesses of St Helier and elsewhere in Jersey as a business location; and
- Suggested actions and improvements that could be undertaken in St Helier and elsewhere in Jersey to improve trading conditions for businesses.

#### **Perceived Strengths of St Helier and Elsewhere in Jersey**

2.8 The majority of respondents indicated that being in St Helier Town Centre was a major strength of their business location. The main precinct of King Street is seen as being the prime centre of retailing in Jersey, whilst spill-over footfall supports many of the surrounding streets and districts in the town centre. Many businesses highlighted the importance of tourism to the town centre and the attractive and historic character that draws these visitors. The footfall deriving from tourism enforced businesses' desire to be in or near the main precinct.

2.9 Protection of the historic town centre and stimulation of the tourist trade were cited as being paramount to the survival of many of the responding businesses. Two respondents in particular suggested that St Helier was in danger of losing its unique character and becoming a UK 'clone town', with 'too many UK multiples opening' in the town.

2.10 In addition to tourism, many retailers in St Helier thought that their proximity to the office-based workforce (particularly Jersey's financial sector) was very important. In fact, being located centrally was regarded with such importance that some businesses located outside of the centre thought that this was their main weakness.

2.11 Elsewhere in Jersey, respondents thought that ample parking, accessibility, their rural setting, or a central location on the Island were the main benefits of their location.

## Perceived Weaknesses of St Helier Town Centre (and elsewhere in Jersey)

- 2.12 It is clear from the responses of businesses in St Helier Town Centre that the overwhelming perceived weakness is car parking. The majority of respondents commented that the inadequate number of spaces, availability, lack of short term parking for shoppers and visitors, and restricted on-street parking are particular weaknesses. Those respondents based elsewhere in Jersey all highlighted ample parking as a particular strength of their locations. St Helier's retailers expressed strong feelings on this issue; which is their highest priority for improvement in the town centre to benefit their businesses.
- 2.13 Traffic congestion and access is also regarded as a serious weakness by businesses, and was commented upon by eighteen respondents. High traffic flows, congestion, difficult access and poor traffic light systems were noted as causing particular problems for customers, delivery drivers, and workers. Narrow access roads were an issue for some rural businesses.
- 2.14 Although respondents were largely in favour of pedestrianisation, many had problems with deliveries during pedestrian only periods (especially if supply boats did not arrive on time). Others had issues with cars parking in the 'delivery only' bays, re-enforcing the perception that there is an overall lack of parking spaces in the town centre.
- 2.15 Another common issue was regarding the overall fall in tourism resulting in lower footfall. Tourism in Jersey has experienced an overall fall in recent years (in terms of numbers and average length of stay)<sup>1</sup>, and according to respondents, this has impacted businesses within St Helier's secondary retail areas.
- 2.16 The Waterfront development has also evoked fear amongst many St Helier Town Centre retailers. Those impacted by a reduction in tourist footfall, particularly those located towards the north and north-east of the centre, fear that a movement of retail activity towards the Waterfront will signal the end of their business.
- 2.17 Common perceptions of the Waterfront development amongst existing retailers are that there are no linkages with the historic town centre, and that it will result in splitting the town centre in half. One respondent suggested that adding more retail floorspace will simply result in cannibalisation of the town centre. Two other respondents suggested that the Waterfront should be used for leisure and other recreational uses (other than retail) only, or that the town should be split into defined 'quarters'.

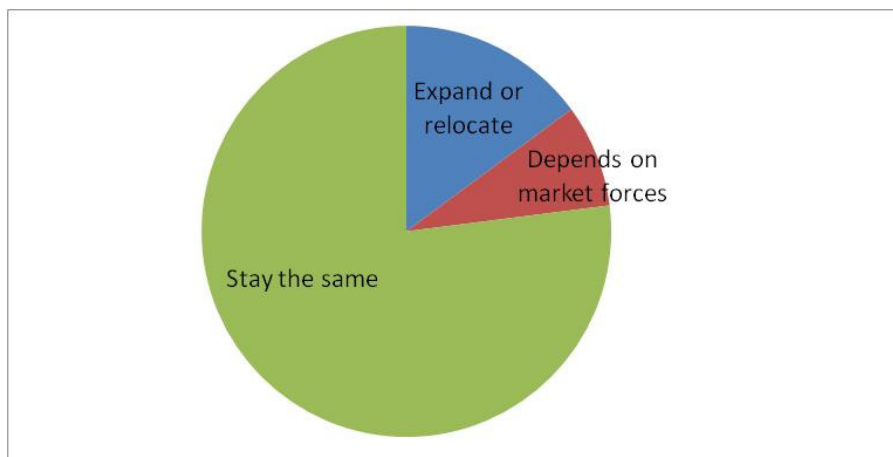
---

<sup>1</sup> Jersey Tourism, A Year in Review 2007.



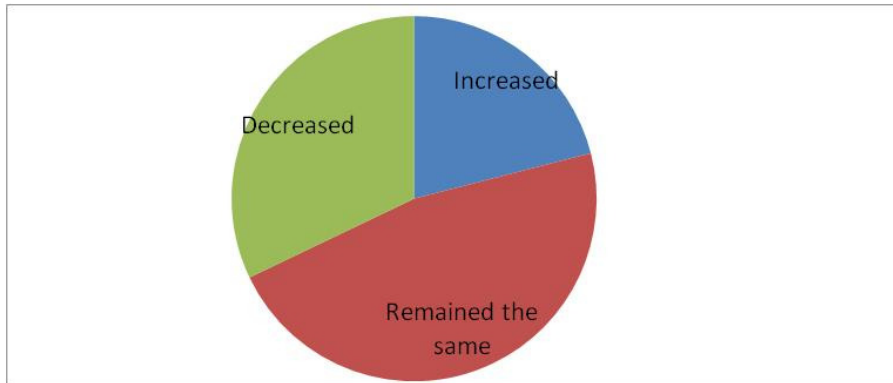
- 2.18 Other weaknesses commented upon included ‘soaring/high rents’ that are linked to the Retail Price Index (RPI) rather than the actual cost of living, poor policing of cyclists and skateboarders in the town centre, shabby areas in need of tidying up, and too many long-term vacant units. Many retailers were also concerned about, and opposed to, the (then) forthcoming implementation of the new Goods and Services Tax.
- 2.19 The pessimism conveyed by many of the respondents is evident when observing the proportion of businesses planning to expand or relocate in the future. Figure 2.3 illustrates that just 15% planned to expand or re-locate. 8% were considering expanding or re-locating, but were put off by current market conditions.
- 2.20 77% of businesses said that they would stay the same. However, of these businesses, many added that they were concerned for their survival. A common response was that a movement of footfall towards the Waterfront, continued increases in rents, or a continued decline in tourism, would result in their business becoming untenable. Many of these respondents view staying the same as a best case scenario.

**Figure 2.3: Future Plans of Businesses in St Helier**



- 2.21 Low growth in St Helier is also illustrated in Figure 2.4, which shows that in the last five years, whilst the majority of businesses (47%) have employed the same number of people, 32% have reported a reduction in staff employed. 21% have increased staff during the past five years. Increased automation could be a factor, but retailers report that it is increasingly difficult to fill vacancies.
- 2.22 Conversely, businesses outside St Helier reported stronger employment growth with 42% having increased their staff levels over the past five years. An equal number have stayed the same with regard to staff numbers, but 17% have reported a decrease.

**Figure 2.4: Number of People Employed within Businesses in St Helier**



### **Actions and Improvements in St Helier Town Centre and Elsewhere in Jersey**

- 2.23 From the responses, we were able to analyse the actions and improvements that local businesses would like to see in the town centre. Responding businesses believe that if implemented, their suggestions would improve St Helier and elsewhere in Jersey as a place businesses want to locate and consumers want to visit.
- 2.24 The most frequently mentioned improvement wanted in St Helier Town Centre was more shopper parking. The majority of businesses in the town said that they would welcome more parking provision. However, there were some contradictory remarks regarding the issue of unloading bays. Some businesses said that better policing of the bays is required so that delivery access was possible, whilst others said that enforcement was far too vigorous and the delivery bays should be converted into short term parking for customer 'stop offs'.
- 2.25 Another common request for improvement was better traffic management to alleviate traffic congestion in the town centre. According to respondents, many of the congestion problems in the town centre are a result of bad traffic management systems on the ring road. Two respondents commented that the traffic lights on the ring road are so badly timed, that traffic would mover better if they were removed altogether.
- 2.26 Many businesses welcomed the pedestrianisation of St Helier Town Centre, and some in secondary locations even suggested that the pedestrianised area should be extended. However, a handful of businesses felt that the current pedestrianised area was not policed effectively, with cyclists and skateboarders allowed to 'take over' certain areas. Others had problems with access into the pedestrianised areas when deliveries were late.

2.27 Together with the most contentious issues of parking and traffic congestion, businesses suggested a wide range of other improvements for addressing their perceptions of the weaknesses of St Helier Town Centre. The main issues and suggestions include the following:-

- Develop St Helier Town Centre and the Waterfront as a whole and not as separate parts (or develop them into 'quarters' with different uses);
- Improve the provision and accessibility of loading and servicing bays, and prevent cars parking in them by vigorous enforcement (others suggested the provision of short term 'stop off' bays instead);
- Alter rent review system to a fairer system that is not linked to RPI alone;
- More trees and planting;
- The Market should be more pro-active in hosting events and entertainment;
- More attention to street cleaning and policing;
- Greater regard for and protection of the architectural heritage within the town centre;
- Better signage to and marketing of other areas of St Helier Town Centre apart from the main precinct;
- Cleaning of streets and pavements on a more frequent basis;
- Extended advertising in the UK and France of Jersey as a tourist destination;
- Discounted air fares to bring tourists to the Island;
- Encouragement of businesses to take up unsightly vacant units.

2.28 Businesses elsewhere in Jersey also suggested a range of other improvements for addressing the perceived weaknesses of their locations. These include the following:-

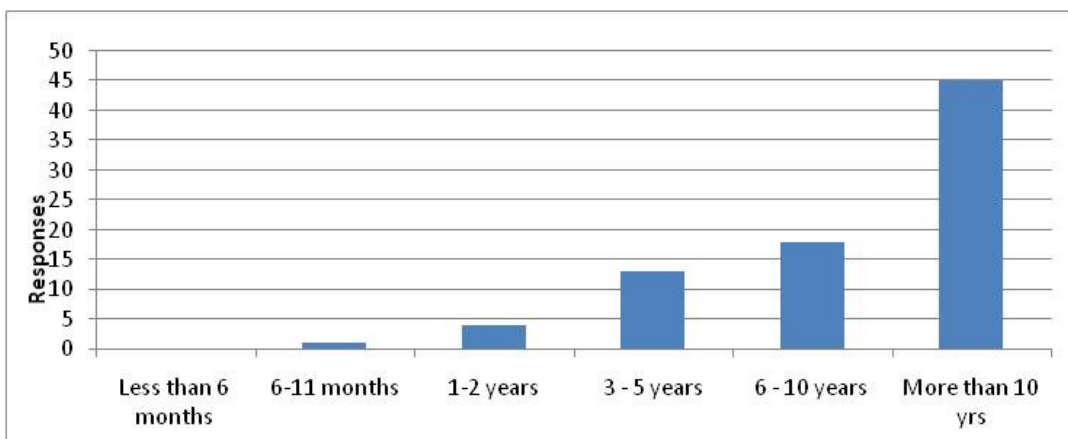
- More trees and planting;
- Wider access roads to rural areas/businesses;
- Operate ferry service to Gorey from France;

- Better island signage, and relaxation of controls on business signage;
- More monitoring/control of monopolistic landlords;
- Relax Sunday opening hours (or have consistency with St Helier).

### Overall Observations

- 2.29 Despite a number of common concerns shared amongst the majority of postal survey respondents (i.e. lack of parking, poor access, high rents, the introduction of GST, and the development of the Waterfront as a retail area), it is clear that many business see St Helier Town Centre as an attractive business location.
- 2.30 St Helier Town Centre has an established and stable retail core with the majority of respondents (56%) having been established in the town centre for more than ten years, as depicted in figure 2.5.

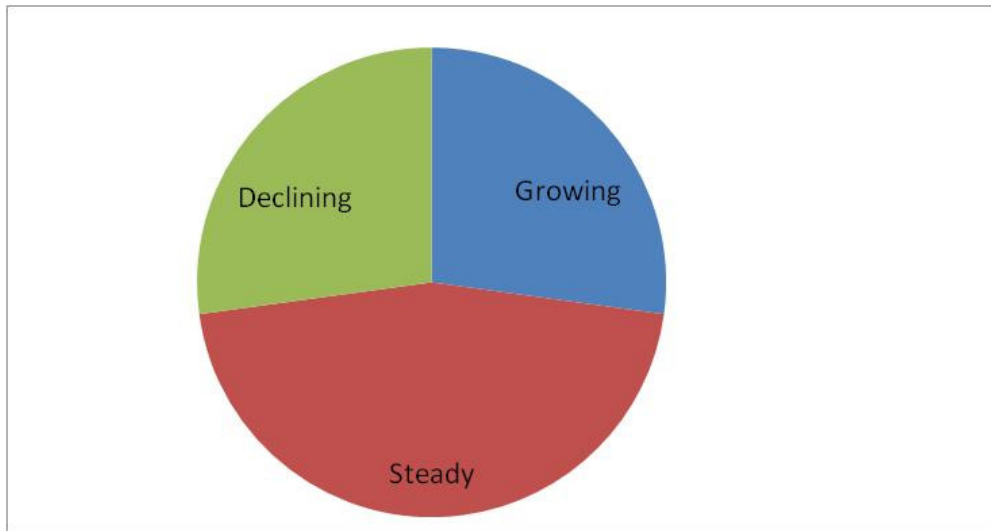
**Figure 2.5: Period of Time at Current Location –Businesses in St Helier**



- 2.31 Such an established retail core could be an indication of strong retailing within the town centre, but it may also be an indication that with Jersey being an island, there is limited capacity, opportunity, or need for new retailers. A limited catchment will therefore not support an over-supply of goods or services. Alternatively, the stability could be a reflection of barriers to entry of new retailers, if these exist. However, some of the established businesses undoubtedly add to the historic feel and character of the town centre and its unique attractiveness.
- 2.32 A fairly stable retail and services economy is also implied by Figure 2.6, which shows that 46% of businesses located in St Helier as neither growing nor declining. This suggests that St Helier could be in a state of equilibrium, where there is little change in footfall or

expenditure. In this environment, cannibalisation is likely to occur amongst businesses within St Helier, meaning that one business can only expand at the expense of another. This is supported by the fact that whilst 27% of responding businesses are experiencing growth, exactly 27% are also experiencing decline.

**Figure 2.6: Health of Businesses in St Helier Town Centre**



2.33 Most of the suggested improvements in St Helier Town Centre are not unexpected, and are commonly suggested in other town centres – since there is rarely enough parking in town centres and traffic congestion is common. These problems are also very difficult to address satisfactorily. However, they do show that car access and parking for shoppers are problematic in St Helier Town Centre, and that any opportunities for improvements in this area should be pursued. We comment on this further in Section 4 below.

### **INTERVIEWS WITH KEY STAKEHOLDERS**

2.34 In order to gain a better understanding of the specific conditions and issues faced by retailers in Jersey, we undertook thirteen in-depth interviews with 'key stakeholders'. These were organisations and individuals suggested to us by the Planning and Environment Department. A full list of consultees is provided in Appendix 2. People interviewed included representatives from:

- The Jersey Chamber of Commerce;
- The Jersey Co-Operative Society;

- Sandpiper (which operates Checkers and Marks & Spencer stores);
- De Gruchy;
- Various other independent retailers in Jersey;
- The Jersey Competition Regulatory Authority;
- The Jersey Consumer Council (consulted by correspondence).

2.35 The following section attempts to capture the commonly arising themes expressed by the retailers that were interviewed. Whilst we have recorded below comments by retailers, **we cannot vouch for the factual accuracy of such statements made to us.** Nevertheless, the comments indicate retailers' perceptions based on their day-to-day experience; which even if they are not wholly accurate will inevitably influence their business decisions, such as on expansion or relocation.

2.36 The majority of consultees said that retailers on Jersey were faced with much higher operating costs than other destinations (namely the UK mainland and France). The higher operating costs were attributed to higher staff costs, higher delivery costs, rents, and utility bills.

2.37 Where staff costs are concerned, retailers claimed that their average costs are, on average, from 10% to as much as 43% higher than the UK mainland. They told us that the retail industry finds it difficult to recruit because of two main factors. First, Jersey is at full employment, so there is simply a lack of labour supply (which also contributes to wage increases because labour is in greater demand). Second, they said that the labour force is rigid due to the Regulation of Undertakings. One consultee observed that it's hard to attract Jersey people into the retail industry as it's increasingly seen as a secondary career; since many young locals aspire to working in the financial services industry. Consultees complained of skill gaps and hard to fill vacancies across the sector, particularly at middle management level.

2.38 According to many of the consultees, in addition to high staff costs, costs are increased further by retailers' delivery costs. One major retailer estimated that costs are increased by 6% to 7% for getting merchandise onto the Island. The supply chain costs increased further because containers are too large for Island roads and need to be broken down into smaller containers on the dockside (effectively resulting in 'double handling').

2.39 Goods ferries from the UK mainland are provided by only two operators, and these are costly. There are no other operators because of lack of demand and the need to use

special shallow-draught ships. Also most ferries go back almost empty, and very little goods are flown onto the Island.

- 2.40 Other costs perceived to be high are utility bills and rents. According to one retailer, because of the nature of the Island, the utility companies operate a virtual monopoly so they are able to charge higher prices. Rents were said to be continually increasing because they are linked to the RPI, but don't take account of rising operating costs.
- 2.41 According to the many of the retailers we interviewed, the consumer has to pay higher prices on some items as a result of the higher staff and supply chain costs. They stated that it is a different case for dairy products which are entirely sourced from Jersey. Higher prices in this category of goods are due to the lower economies of scale on the Island than can be achieved by some UK and French dairy producers in those countries.
- 2.42 In relation to food retailing, the Island's two largest food store operators, Co-Op and Sandpiper (the latter also running the Marks & Spencer franchise operation), informed us that the food market is at saturation point on the Island. The M&S Simply Food stores would need to increase their market share in order to grow turnover. However, they would risk cannibalisation of their own existing stores. Another consultee was of the opinion that *'a ..... superstore would be a disaster for Jersey'*; and that it would pose a threat to the Central and Bereford Markets. However, if a new foodstore was to be developed, St Helier would be the only location for it.
- 2.43 This point about market saturation for foodstores was re-enforced by Sandpiper, informing us that they have planning permission to extend an existing food store from 20,000 sq ft to 52,000 sq ft. However, because cannibalisation is such an issue, they are reducing the planned extension of convenience goods floorspace by over half and will be developing some of the permitted floorspace for non-food use.<sup>2</sup> One of the two major food retailers claimed to be trading at an average food sales density 30% lower than the average for the UK 'big four' food retailers; whilst the other claimed to be trading at about the same sales densities as Tesco and Sainsbury's in the UK. Sandpiper currently has plans to remove unused till points from some stores and optimise space through sub-letting space to franchise operations, in particular Iceland Frozen Foods, and Costa Coffee.
- 2.44 The food retailers also pointed out that farm shops are growing in popularity in Jersey. These shops are often 'off the radar' in terms of data, but could be growing their share of the market.

---

<sup>2</sup> Since completion of our retail capacity forecasts and publication of the report, we have been informed by Sandpiper that they have not yet taken a decision on the implementation of the permitted development, and it may still be implemented in full as a convenience goods extension to the existing store. In this case, it would mean that there would be less capacity for additional convenience goods floor space than we have forecast, and more capacity for comparison goods floor space.

- 2.45 Cannibalisation was also an issue for non-food retailers who were concerned about the long term effect of the Waterfront development. Generally, retailers based in St Helier Town Centre viewed the development as providing replacement space rather than new space. Some retailers commented that the amount of retail floorspace in the town centre had grown up to serve the formerly large numbers of visitors to the Island. However now that tourism has substantially declined, there is too much retail floorspace for the current level of expenditure.
- 2.46 There are concerns over the town centre being split in two, and the movement of interest away from the north-east of St Helier Town Centre. One interviewee said that there is no new capacity to support additional floorspace, and that more development on the Waterfront would lead to the death of the secondary retail areas of St Helier.
- 2.47 There are also concerns about the potential number of UK multiple retailers which might locate in St Helier. Local independent retailers said that the unique and historic town centre should be protected from becoming another 'UK clone town'. One suggested that if UK multiples are welcomed into Jersey, there should at least be an 'independents zone' in order to differentiate St Helier Town Centre and preserve some its character.
- 2.48 Despite a lower footfall, some of the niche/high end retailers reported that they were benefiting from more wealthy tourists – perhaps as a result of the growth in financial services, or growth of 'weekend breakers' (as opposed to the traditional 'bucket & spade' holidaymakers).
- 2.49 According to one retailer, Jersey needs better quality retail floorspace stock in order to 'fit' with its high quality brand. The shop spaces in St Helier are generally of an inadequate size. Many shops (particularly ones in historic buildings) are too small with poor delivery access. Conversely many of the larger floorplates were set up to cater for the tourism industry that thrived in the past. Now that there is lower footfall, retailers occupying these stores are left with redundant space. In essence, the consultees thought that there is currently enough retail floorspace on the Island, but it is poorly configured.
- 2.50 In addition to the fall in tourism numbers, the consultees were concerned about the erosion of spending power amongst Jersey residents. The retailers thought that uncertainty over the long term impact of the 'credit crunch', combined with the introduction of GST and the '20 means 20' policy, could squeeze the market further.
- 2.51 As seen in the Postal Survey of Businesses (described above) car parking was again cited as a major issue within St Helier Town Centre. Consultees said that there simply



aren't enough parking spaces in the town centre, and that the scratch card system is highly inconvenient for shoppers (especially tourists).

- 2.52 Other common issues that were raised included a frustration amongst retailers that the planning process is too slow and rigid. Feedback ranged from the time taken and level of bureaucracy required for minor fascia changes, to perceived '*unfair processes*' for planning applications. Retailers are unhappy that they are unable to get an indication whether a larger application will be worth making, before having to submit it formally; meaning that they have to pay the application fee without being able to judge the chances of success. Concern was expressed by one consultee that there is no clear town centre strategy for St Helier and no monitoring of the town centre; and that government is insufficiently 'joined up' in its approach to retail and town centre related matters. This consultee supported the introduction of Town Centre Management in St Helier, but was concerned that a Town Centre Manager may be just '*a PR person*'.
- 2.53 Some retailers commented that the out-of-town or local centres, such as Red Houses, are growing at the expense of St Helier Town Centre. This was also suggested in the postal survey; with only 27% of businesses in St Helier Town Centre saying they are growing, compared with 58% of responding businesses from elsewhere in Jersey. There is also a fear by some retailers that Jersey residents will increasingly look to the internet for comparison goods shopping, especially where savings can be made.
- 2.54 Not surprisingly, comments by the JCRA were very different from those of consultees representing retailers. The JCRA's view was that markets are more efficient at allocating resources and meeting consumer needs than central planning; and that the market for food retailing on Jersey is currently subject to '*barriers to entry*', of which restrictive planning policy for new retail development is one. More competition would be good for consumers, and this means the introduction of one or more additional main food store operators to the Island. The most efficient retailers would survive and prosper, to the benefit of shoppers and the Jersey economy. A study of the Isle of Man before and after Tesco opened a store there showed that it had '*brought benefits for shoppers and for the Isle's economy*'. In its analysis and advice to the Minister of Economic Development in March 2008, the JCRA had not considered the need (in terms of available expenditure) for additional foodstore floorspace, or the likely impact on existing foodstores of permitting a new food superstore on the Island.
- 2.55 Overall, there is clearly considerable concern by the retail industry that it is being squeezed by declining expenditure as a result of lower levels of tourism, growth of internet shopping and (potentially) new retail development on the St Helier Waterfront; and by increasing costs of staff, rents and utility costs. It is widely believed that there is no need for additional retail floorspace, although the existing stock of floorspace in St Helier Town Centre is considered to be not well configured for current needs. There is a

widespread belief that new retail development will simply cannibalise existing shops, resulting in a decline in the secondary shopping areas of St Helier Town Centre – particularly if new retail development is on the Waterfront rather than in the town centre itself. The principal food retailers also claim to be facing challenging conditions and market saturation, and see no need for more foodstores on the Island. In contrast, the JCRA believes that another major food retailer is needed to lower prices and provide a better service to shoppers. There is widespread concern about the difficulties of car access and parking in St Helier Town Centre.

### **ON-STREET INTERVIEW SURVEY IN ST HELIER TOWN CENTRE**

2.56 In accordance with the project brief, we designed and commissioned an On-street Interview Survey of shoppers and other town centre users. The survey was undertaken in St Helier Town Centre, and was based on a random sample of interviews. The first part of this section describes the findings of the survey, the second part concentrates on the conclusions.

2.57 The survey was conducted throughout the main shopping areas of St Helier Town Centre: King Street, Queen Street, Halkett Place, and Bath Street. Interviewing was conducted in May 2008 on a Monday, Tuesday, Wednesday, Thursday and Saturday between 9.00am and 6.00 pm. The questionnaire was designed by DTZ following consultation with the Planning and Environment Department and the Statistics Unit. A total of 410 interviews was completed (122 interviews were conducted on Monday, 90 on Tuesday, 104 on Wednesday, 1 on Thursday, and 93 on Saturday). A copy of the questionnaire and the detailed results are included in Appendix 3 of this report.

#### **Mode of Travel**

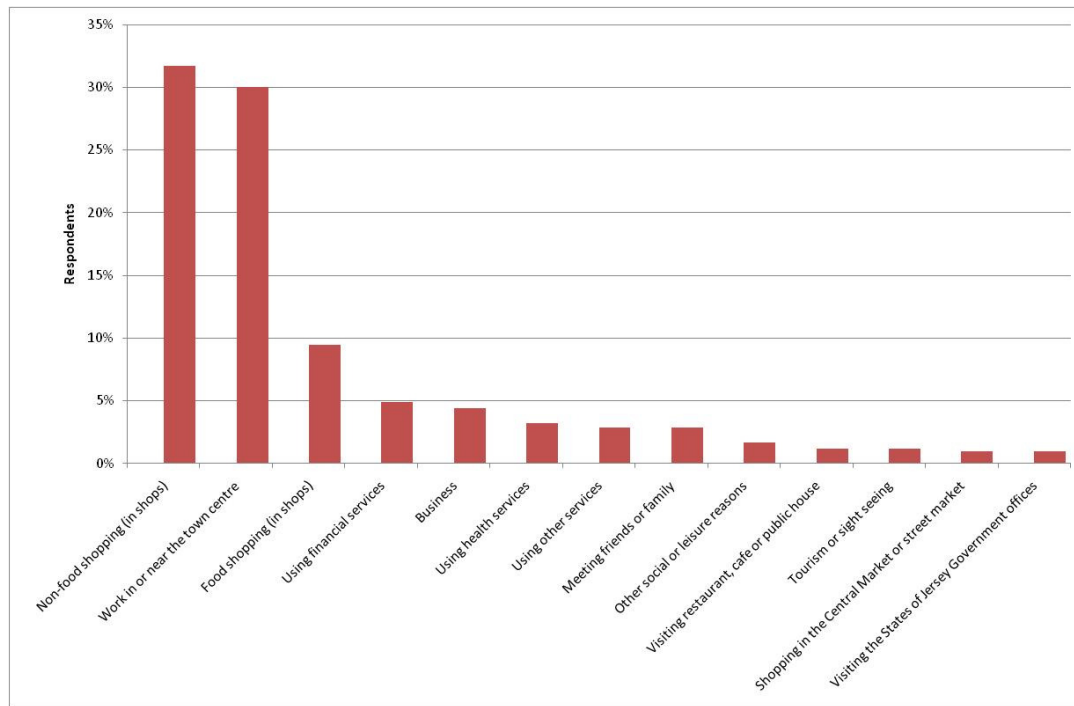
2.58 Respondents were asked how they travelled to the town centre. 46% came to the centre on foot, 38% travelled by car as the car driver. 9% of respondents travelled into St Helier as a passenger in a car. 7% came to the town centre by bus. The remaining respondents came by cycle (2%), moped/motorcycle (2%), taxi (1%), and boat (0.2%). The high proportion of walk-in shoppers is a reflection of the high density of St Helier, and the substantial residential areas close to the town centre.

#### **Purpose of Visit to St Helier Town Centre**

2.59 Question 4 asked respondents what was the main purpose of their visit to St Helier Town Centre on the day of the interview. As illustrated in figure 2.7, 32% of respondents stated that they were doing non-food shopping, whilst 10% stated that they were doing food shopping. 30% of respondents stated that they worked in or near the town centre and

5% were using the financial services. 2% were there for leisure and other social reasons and just 1% were visiting St Helier as a tourist or sight-seeing. Other purposes stated included visiting the States of Jersey Government offices, visiting the library, visiting the central market and general browsing.

**Figure 2.7: Respondents' Main Purpose of Visit to St Helier Town Centre**



2.60 In terms of secondary purposes for visiting the town centre, 38% of respondents were not undertaking a secondary activity. 24% of respondents were doing non-food shopping and 22% of respondents were doing food shopping. 9% of respondents were visiting a restaurant, cafe or public house, 6% were using the financial services and 3% were visiting friends and family. The remainder were undertaking other activities such as shopping in the market, visiting the town centre for social or other leisure reasons and using other services. Not surprisingly therefore (because people were interviewed in the principal shopping streets), shopping for food and non-food goods was the dominant reason for visiting the town centre, but using services was also important.

**Reasons for Choice of St Helier for Shopping or Services**

2.61 Question 6 asked respondents why they had chosen to come to St Helier Town Centre on that day for shopping and services. 32% of had come to the town centre because it was close to work, whilst 23% said it was close to home. 18% of respondents stated that the main reason was because the St Helier was the only large shopping centre on

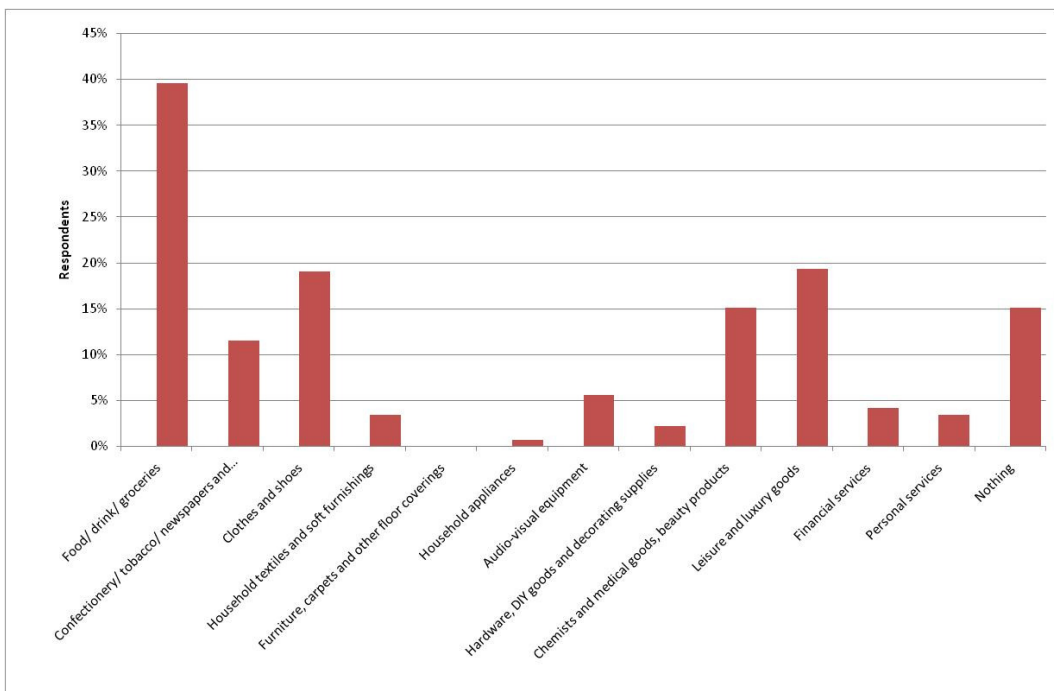
Jersey. 3% stated that they were visiting as a tourist, and a further 3% were visiting because of the market.

2.62 44 respondents answered the question asking them to specify which particular shop/service they intended to use. 6 respondents were visiting the doctor/dentist, 5 were visiting the hairdresser, 5 were specifically using the bank, and 4 were visiting the Government offices. Shops/services that were particularly mentioned (each by 2 respondents) included Woolworths, Jessops and the job centre.

### Goods Purchased

2.63 Question 7 asked what respondents had bought or expected to buy in St Helier Town Centre on that day (respondents could give more than one answer). The results are depicted in Figure 2.8 below. From the responses given it can be seen that food and groceries accounted for 40%; clothes and shoes accounted for 20%; chemists' and medical goods 15%; confectionery, tobacco, newspapers and magazines 12%; and, audio visual equipment 6%. 15% were not purchasing any goods.

**Figure 2.8: Goods and Services Respondents had Bought or Expected to Buy in St Helier Town Centre.**



## Spending Levels

- 2.64 Questions 8 and 9 ask approximately how much the respondents spent, or expect to spend in St Helier Town Centre on the day of interview on food and non-food items respectively. The results are shown in Figure 2.9. It can be seen that 57% of people were not intending to spend any money on Food & Drink. 13% had spent, or were expecting to spend between £1 and £5, whilst 21% answered between £6 and £30.
- 2.65 In terms of non-food expenditure, 35% had not spent and/or were not intending to spend any money. The majority of respondents were intending to spend between £11 and £100 (45%), with 18% stating amounts between £21 and £50.

**Figure 2.9: Proportion of Respondents Spend (and Expected Spend) on Food & Drink and Non-Food Goods**

| Level of Spend | Food & Drink | Non-Food |
|----------------|--------------|----------|
| Nothing        | 57%          | 35%      |
| £1 to £5       | 13%          | 8%       |
| £6 to £10      | 11%          | 7%       |
| £11 to £20     | 10%          | 15%      |
| £21 to £50     | 9%           | 18%      |
| £51 to £100    | 1%           | 12%      |
| £101 to £200   | 0%           | 2%       |
| £201 to £300   | 0%           | 1%       |
| £301 to £500   | 0%           | 2%       |

## Frequency of Visit to St Helier Town Centre

- 2.66 Question 10 asked how often respondents visit St Helier Town Centre for food shopping, non-food shopping, financial or personal services, leisure facilities and visiting pubs, cafés and restaurants. For food shopping, 15% came into the town centre everyday, 20% come in 2-3 times a week, and 16% visit once a week. 6% of respondents visited the town centre every 2-4 weeks, whilst 9% visited less often. 32% said that they never usually visit St Helier.
- 2.67 In terms of other attractions (using once a week or more often as the cut off) 66% of all respondents visited the town centre at least once a week for non-food shopping, whilst 39% visited at least once a week for financial or personal services. Significantly less people visited regularly for leisure and entertainment facilities; with only 21% of respondents indicating they visited St Helier Town Centre at least once a week.

However, 38% of respondents visited pubs, cafés, nightclubs and restaurants in the centre at least once a week.

### **Likes About St Helier Town Centre for Shopping or Services**

- 2.68 In question 11, respondents were asked without prompting what they liked about St Helier Town Centre for shopping or services (respondents could give more than one answer). 21% of all respondents said they liked the non-food shops. 20% found the centre easy to get to from home and 13% found it easy to get to from work. 16% of respondents stated they liked the market and 14% of respondents liked the good cafes, restaurants and pubs. 12% liked the good food shops and a further 12% liked the department stores located in the centre.
- 2.69 Other response included 10% who liked the attractive environment or historic buildings, 12% that liked the clean streets, and 13% liked the traffic free/pedestrian areas. However, 19% of people interviewed liked nothing or very little about the town centre.
- 2.70 Only 9 respondents (2.2%) mentioned particular shops or types of shops which they liked. These included independent shops, Marks & Spencer, De Gruchy, Redvers and Fest.

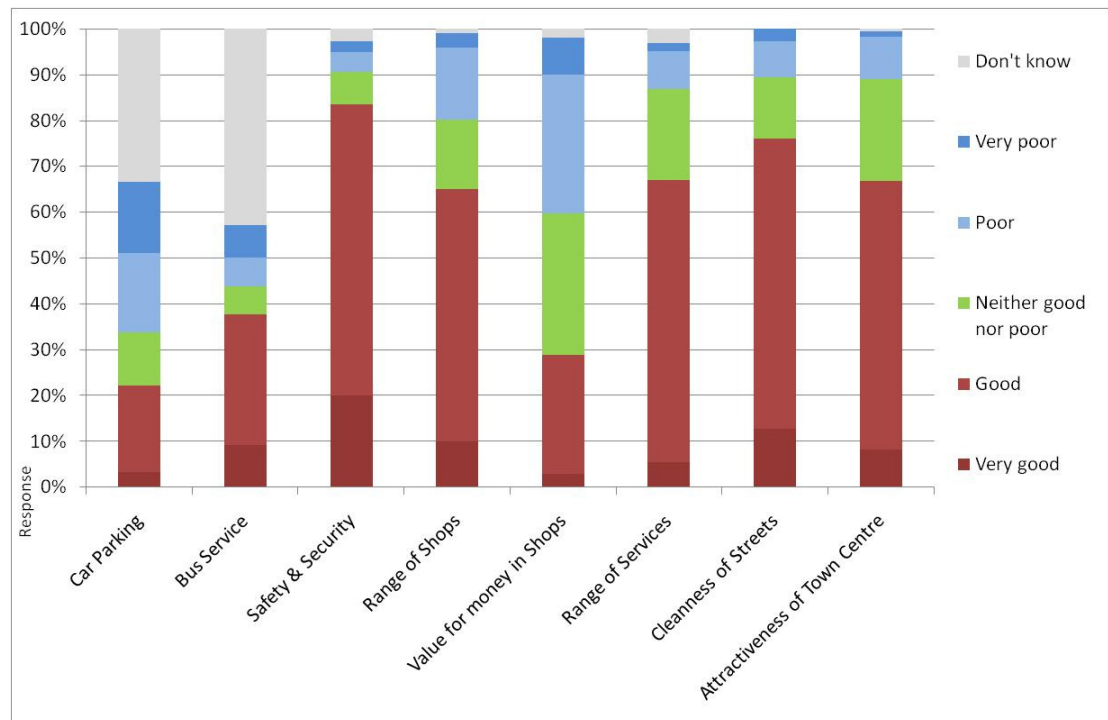
### **Dislikes About St Helier Town Centre for Shopping or Services**

- 2.71 Question 12 asked respondents what they disliked about St Helier Town Centre. The main unprompted dislikes (respondents could give more than one answer) were that 16% thought the town centre was too busy/crowded, whilst equally 16% said poor value for money/high prices. 8% said expensive food shops and 15% said the poor range of shops. 12% said that it was difficult to park, whilst 9% found parking too expensive; and a further 9% said that traffic congestion was a problem.
- 2.72 Other dislikes about the town centre included a lack of bins, seats, phones and toilets (4%); dirty or badly maintained streets (6%); poor access for the disabled (2%); skateboarders & cyclists in pedestrian zones (2%), and too much building work (2%). Individual dislikes focused on a loss of character in the town centre and chain stores pricing out independent stores.
- 2.73 Encouragingly, 34% of respondents stated that they disliked nothing or very little about the centre. When compared with the lower proportion (19%) who liked nothing or very little, this shows a positive balance of satisfaction with the town centre.

## Daytime Town Centre Ratings

- 2.74 In Question 13, all respondents were asked to rate certain aspects of the town centre in the daytime. Figure 2.10 illustrates how the respondents rated car parking, bus services, safety & security, range of shops, value for money, range of services, cleanliness of streets, and attractiveness of the town centre. The respondents were asked to rate the categories as either very good, good, neither good nor poor, poor, or very poor.
- 2.75 Respondents predominantly rated the following aspects of the town centre as either good, or very good: safety & security (83% of respondents), range of shops (65%), range of services (67%), cleanness of streets (76%), and attractiveness of town centre (67%).
- 2.76 33% of respondents rated parking as either poor or very poor, compared with 22% who said it is good or very good (33% said that they didn't know and 12% said neither good nor poor). Value for money in shops also received an overall slightly negative response (38% said it is poor or very poor, compared with 29% answering that it is good or very good).

**Figure 2.10: How Respondents Rated the Town Centre (During the Daytime)**



## **Suggested Improvements to the Town Centre**

- 2.77 In Question 14, respondents were asked what improvements would make them shop or use the services in the town centre more often. 24% of respondents stated more and better parking, with 12% saying lower parking charges. 102 respondents (25%) said more and better shops, whilst 24% said better value for money/lower prices. 9% wanted shops & services to open later in the evening and 12% wanted shops and services to open on Sundays. 6% would like to see more pedestrianised streets and also cleaner streets. Some other improvements mentioned more than once included the need for more toilets, improved security, and more undercover shopping. 28% stated no improvements would make them shop or use town centre services more often; but this may well be because they are already using the town centre as much as they wish to.
- 2.78 The 102 respondents who said that more or better shops would make them use the town centre more often were asked which shop or types of shop would encourage them to do so. 20% of these 102 respondents stated more women's clothes stores, 19% stated more high street/chain stores, and 9% wanted more food and non food shops generally. More specifically, only 5% wanted a Tesco (6% wanted any UK supermarket) and 5% wanted a Primark. Other shops mentioned included Asda, Argos, H&M, Mango and New Look. The results do not therefore indicate a particularly strong desire for more UK multiple retailers.
- 2.79 In answer to question 14, 99 people said that better value for money or lower prices would make them use the town centre more often. These 99 respondents were then asked which shop or types of shop they would like to see. 36% stated more food and non food shops generally, 11% said more high street/chain stores, and only 10% said a UK superstore. Again, this does not indicate an overwhelming desire for UK multiple retailers.
- 2.80 Also in answer to question 14, 19 people said that a particular shop would make them use the town centre more often. When asked which particular shop, 21% of these 19 respondents said Primark, 16% said New Look, 11% answered Asda, and 11% mentioned Gap. River Island, Tesco, H&M, Quick Silver, and organic fruit & vegetable stores were also mentioned.

## **Evening Use of St Helier Town Centre**

- 2.81 The survey was undertaken by interviewing town centre users during the day. As such, it was a survey with a strong daytime bias. It did not interview people who only go to the town centre in the evening, so does not provide the complete picture of the evening economy. However, daytime users of the centre were asked about their use of the town centre in the evening.



*Frequency of Evening Visits*

- 2.82 Question 15 asked respondents how often they visit St Helier Town Centre in the evening. 16% of respondents visited at least once a week. 34% visited the town centre less than once a week, with 38% of respondents stating that they never visit in the evening.
- 2.83 Of those 256 respondents who visited the town centre in the evening, 72% visit restaurants and cafes, 44% of respondents visit pubs and bars and 17% stated that they visit nightclubs. 9% visit friends or family living in St Helier. Other evening activities that more than one respondent mentioned included visiting a health centre/sports centre, visiting the church, and going to the library.

*Likes about St Helier Town Centre in the Evening*

- 2.84 Question 17 asked what people liked about St Helier Town Centre in the evening. 58% liked the good cafes, bars and restaurants, 10% liked the good leisure, entertainment and cultural facilities and 15% liked the good security. Other likes included that the centre was easy to get to by car (7%), the attractiveness of the town (9%), and the good street lighting (8%). 20% of people liked very little about the town centre during the evening.

*Dislikes about St Helier Town Centre in the Evening*

- 2.85 Question 18 asked respondents what they disliked about the town centre in the evening. Encouragingly, 36% of respondents stated that they disliked nothing or very little about the town centre. As with daytime use, when compared with the 20% who liked nothing or very little, this shows a good positive balance of likes over dislikes about the town centre in the evening. However, 27% said that the centre feels unsafe, 10% stated that there were too many rowdy teenagers on the streets, and 4% disliked the amount of drunkenness and a lack of police presence. Dirty streets (7%) and vandalism (6%) were mentioned. 7% also stated that there were poor leisure, entertainment or cultural facilities in the town centre and 6% also referred to a poor bus service.

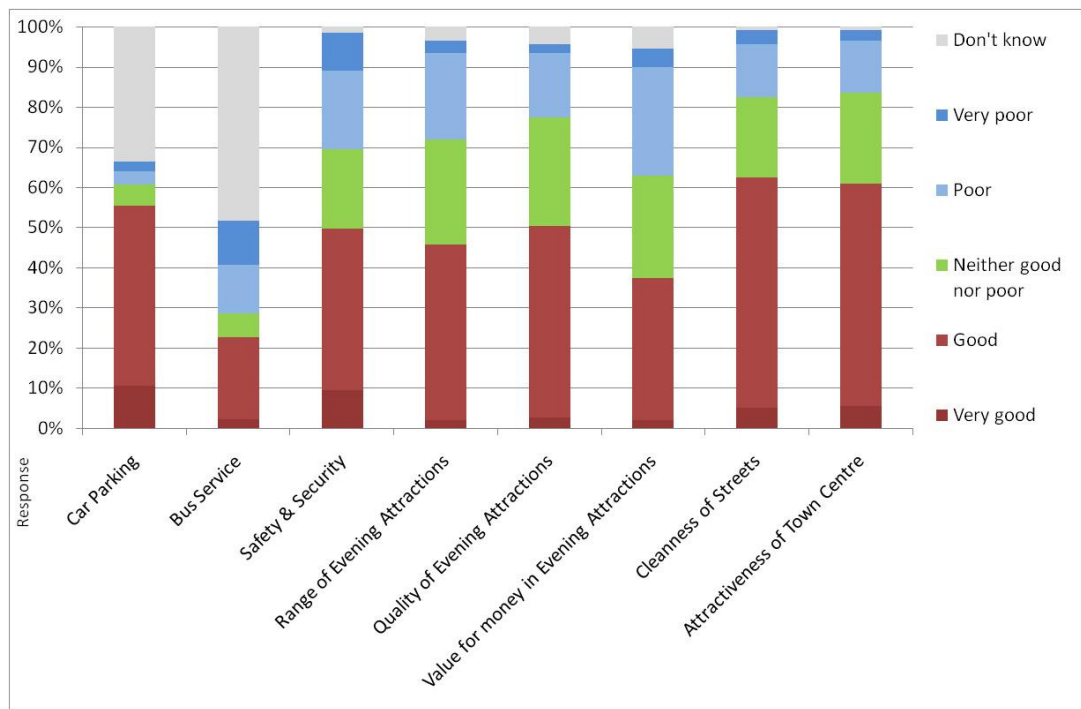
*Evening Town Centre Ratings*

- 2.86 In Question 19, all respondents were asked to rate certain aspects of the town centre in the evening. Figure 2.10 illustrates how the respondents rated car parking, bus services, safety & security, range of evening attractions, quality of evening attractions, value for money, cleanliness of streets, and attractiveness of the town centre. The respondents

were asked to rate the categories either very good, good, neither good nor poor, poor, or very poor.

2.87 Respondents predominantly rated the following as either good, or very good: car parking (55%), cleanness of streets (63%), and attractiveness of the town centre (61%). The rest of the categories were more evenly distributed, but all (other than value for money) had a positive skew as illustrated in Figure 2.11.

**Figure 2.11: How Respondents Rated the Town Centre During the Evening**



### Profile of Respondents

2.88 The age profile of respondents was fairly evenly split between the age groups. 12% of respondents were 18 – 24 years, 22% were aged 25 – 34 years, 22% were aged 35- 44 years, 18% were aged 45 – 54 years, 16% were aged 55 – 64 years, and 10% were aged 65 years or above. A majority of households had one or more people either in part time or full time employment. 19% of respondents stated that their household did not own a vehicle. 66% of the respondents were female, 34% were male.

### Conclusions from the On Street Interview Survey

2.89 It is evident from the survey that over half of the people interviewed in St Helier Town Centre (56%) chose to come to the town centre because of proximity factors (it is close to

home, work, etc), rather than specific attraction factors such as the shops and services which it provides. This is not uncommon, since (*ceteris paribus*) most people prefer nearby centres over more distant centres. As expected, a high proportion of users come to St Helier Town Centre because it is the largest shopping centre in Jersey. Over half of those interviewed visit more than once a week, probably partly because of its close proximity. Almost half had walked to the town centre, and the predominant remainder of users reach the town centre by car.

- 2.90 In terms of attitudes to St Helier, it is clear that general attitudes are more positive than negative with 34% of respondents stating that for shopping or services they disliked nothing or very little about the town centre compared with 19% who liked nothing or very little. Many of the shoppers liked the town centre's proximity to their home or workplace; and attitudes to the market and the town centres cafe, restaurant and pub offer were also positive.
- 2.91 Generally, respondents to the survey liked the overall attractive and historic environment of St Helier and the range of shops. Most respondents also rated it as feeling safe & secure during the daytime. However, a small minority (9%) also commented in one way or another that the town centre was dirty, shabby or in need of some restoration.
- 2.92 In terms of dislikes, it is clear that congestion (both people & traffic) and parking are the biggest issues amongst shoppers. Shoppers particularly disliked the difficulty and cost of parking, general traffic congestion, and busy, crowded streets. Perceived poor value for money and expensive food shops were also common dislikes (24% of respondents).
- 2.93 Attitudes to the shopping offer were more divided, with 15% of people saying that they disliked the poor range of shops in the town centre, but 32% of people indicating that they liked the good food or non-food shops. When asked what would make people use the town centre more often, 30% of respondents wanted more or better shops or a particular shop. On probing which shops, UK multiples Primark, New Look, Gap, River Island, H&M, Mango, Argos, Quick Silver, Asda, and Tesco were mentioned specifically, by a small minority of all respondents to the survey.
- 2.94 St Helier is primarily a destination for restaurants, cafes, pubs, bars and nightclubs in the evening. Other evening activities mentioned by respondents included visiting a health centre/sports centre, the church, or the library.
- 2.95 58% of those who use the town centre in the evening liked the good cafes, bars and restaurants, whilst 36% of respondents stated that they disliked nothing or very little about the town centre. Similarly, 61% of the respondents rated the attractiveness of the

town centre in the evening as good or very good. However, 27% said that the centre felt unsafe in the evening – drunkenness and rowdy teenagers being specifically mentioned.

- 2.96 Overall, the results of this survey show that St Helier Town Centre is regarded by its users as attractive and providing a good range of shops and services. Their principal concerns are about accessibility by car and the difficulty and cost of parking. There are also concerns about poor value for money. The balance of satisfaction with the town centre is positive, both during the day and in the evening.

## **RETAILER DEMAND ASSESSMENT**

- 2.97 To provide an indication of what scale and type of new retail development might be commercially realistic on Jersey, we undertook an assessment of the demand from retailers to open new stores and shops on the Island.

### **Foodstores**

- 2.98 Retailer demand for new foodstores was assessed by contacting the main UK and French food store operators, outlining the nature of the study and seeking details from them as to their requirements and aspirations for Jersey. In total we contacted 17 food store operators. The operators were contacted by letter in the first instance, phone, and then email (where possible). For reasons of commercial confidentiality, we have not included each food store operator's specific requirements within this report. We therefore provide below an overview of our findings.
- 2.99 The retailers not at that time on the Island that we contacted were Aldi, Budgens, Costcutter, Netto, Asda, Farmfoods, Iceland, Morrisons, Sainsbury's, Somerfield, Lidl, Waitrose, Systeme U, and Tesco. We also spoke to the Jersey Co-operative Society and Sandpiper, which already operate foodstores on the Island, to ask about their expansion plans.
- 2.100 In total nine retailers responded to our enquiry; whilst we understand that one other operator who didn't respond to this particular approach has previously expressed an interest in locating on Jersey, and another (French retailer) which we did not contact has also expressed an interest. Figure 2.12 summarises the responses from the foodstore operators that were contacted.
- 2.101 It can be seen that five of the 16 food store operators had no intention of locating in Jersey. Both of the existing main foodstore operators on Jersey have limited plans to expand or reconfigure their existing stores, in some cases resulting in a reduction of convenience goods floorspace. However, apart from a proposed small new foodstore in

Liberty Wharf, and the introduction of new franchises into existing stores, they have no plans to open new stores alongside their existing stores/franchises.

2.102 One deep discount supermarket operator expressed a strong desire to locate on the Island with a requirement for 800 to 900 sq m net sales area. The operator in question has already consulted with freight companies and is actively seeking an appropriate store location. A major foodstore operator has also expressed to us a strong interest to open superstores on Jersey. Information as to floorspace sizes required was not given to us. However, this retailer did comment that would be little point in their having only one store on the Island.

2.103 As mentioned, we understand that one other food store operator, who did not respond to enquiries in relation to this study, has previously expressed to the States of Jersey Government strong interest in Jersey as an outlet location; as has another operator of French hypermarkets. However, we have no further information on their requirements in terms of numbers or sizes of store. Seven food store operators did not take the opportunity to contribute to this study.

**Figure 2.12: Foodstore Operators' Demand for New Floorspace on Jersey**

| Status/Response                          | Number   |
|--|--|
| No current intention to locate in Jersey | 5 food stores  |
| No current intention to expand Jersey    | 1 existing food store fascia   |
| Intention to expand in Jersey            | 2 existing food store operators<br>(Both planned reconfiguration of existing stores or store extensions) |
| Strong Interest in locating in Jersey    | 4 food store operators   |
| No response                              | 8 food store operators   |

Source: DTZ/States of Jersey

2.104 The above demand survey shows that in total there is a known convenience goods floorspace requirement for at least one deep discount supermarket of between 800 sq m and 900 sq m net; plus the requirements of one UK and two French superstore operators for large foodstores on the Island.

2.105 Of course, this does not mean that all these retailers would open new stores on the Island if permits were granted and sites made available with planning permission. It would depend upon the retailers' assessments of the market potential. It is highly probable that if one retailer succeeded in gaining permission for a new superstore, the others would

lose interest, because the first retailer would by then have pre-empted the perceived market opportunity. It also does not necessarily mean that these retailers are seeking to open new stores on the Island. They may instead seek to purchase existing stores or one of the companies operating them.

2.106 We consider that the interest by large food retailers (French and British) in opening one or more superstores on the Island does not mean that there will be sufficient expenditure available to support such a store or stores. In the UK there is a highly charged battle for market share taking place between the major food retailers, some of which have been very aggressive and successful in pursuing growth at the expense of smaller supermarkets and specialist food retailers. Such retailers will (if permitted) open new stores in locations where there is insufficient quantitative need, because they are confident that their great size and financial strength will enable them to take market share from smaller existing stores. Our retail capacity forecasts set out in Section 3 below indicate that this is likely to be the case in Jersey also. However, the strong interest from a deep discount supermarket operator supports our view that there is a significant qualitative need for one or more such stores on the Island.

#### Comparison Goods Retailers

2.107 Retailers' requirements for comparison goods floorspace has been gathered using the Focus database and the Shopproperty database. Both resources list the requirements of companies that are publicly seeking retail space in a given location. Figure 2.13 summarises retailers' requirements for comparison goods floorspace within Jersey.

**Figure 2.13: Comparison Goods Requirements – St Helier**

| Town      | Min Area (sq m) | Max Area (sq m) | Fascia                 | Other Requirements   | Date Submitted |
|-----------|-----------------|-----------------|------------------------|--|----------------|
| St Helier | 100             | 140             | Roxy                   |  | 30 May 2008    |
| St Helier | 150             | 260             | Gourmet Burger Kitchen | A3. High Street and secondary locations on ground floor required. Extract/riser ducts essential. | 24 Apr 2008    |
| St Helier | 65              | 110             | Champneys              | A1   | 21 May 2008    |
| St Helier | 130             | 465             | Billabong              | A1. 2 Concepts required<br>130 - 170 sq m for smaller towns<br>325 - 465 sq m for larger towns   | 23 May 2008    |

Source: Focus/Shopproperty, 2008

- 2.108 According to these sources, interest is relatively low for comparison goods space. Multiple retailers and service businesses currently require between 450 sq m and 975 sq m of space within St Helier town centre within 4 units. The largest requirement comes from clothing retailers who need between 300 sq m and 715 sq m of space.
- 2.109 At present therefore, there is little demand for space from comparison goods retailers and service businesses registered on the Focus database. However, many retailers will not register an interest in circumstances where they know that there are no substantial opportunities for new stores coming forward. Also, the current market conditions mean that retailers' requirements for new shops and stores are depressed, and that a peripheral location such as Jersey (in UK terms) is unlikely to be a priority. We would expect that once economic conditions improve, and attractive new development proposals to extend the primary shopping area in St Helier Town Centre are brought forward, interest from comparison goods retailers and service businesses in opening shops and stores in St Helier would increase substantially.

## 3 Quantitative Need for New Retail Development

---

- 3.1 In this section, we examine the current retail performance of St Helier Town Centre, and the non-central main food stores and retail warehouses on Jersey. We have also assessed the quantitative expenditure capacity available to support further convenience and comparison goods retail floorspace on the Island. This Study therefore includes the preparation of up-to-date forecasts of the capacity for additional retail floorspace on the Island, which will be supportable by increases in the population and expenditure of Island residents and visitors. In this section, we describe our RECAP forecasting Model, and set out our forecasts of the additional retail floorspace which will be supportable by growth in available expenditure in the period up to 2025.

### THE DTZ RECAP MODEL

- 3.2 There are a number of possible approaches to forecasting the amount of additional shop floorspace supportable in any town, and the retail impact of proposed retail developments. Some use driving time isochrones to define catchment areas, whilst others use some form of gravity model of retail attraction; or a crude assessment of overall market share of available expenditure, which is considered appropriate for the proposed retail development. All need an assessment of existing shopping facilities in the area, and the amount of expenditure available in the catchment area.
- 3.3 The effectiveness of the various forecasting methods varies considerably. Conventional gravity models base the extent of the trade draw of different centres on their size, and on theoretical measures of attractiveness and accessibility. In reality, other important factors, including the type and quality of retailers, shoppers' perceptions, the level of parking provision, and the retail environment, can also influence the trading pattern. Forecasts based on driving time isochrones to determine catchment areas rely heavily on assumptions and judgement rather than measures of the actual pattern of shopping visits from residential areas to shopping centres, foodstores and retail warehouses. Overall market share-based methods are inherently unreliable, because they rely on estimates derived from one location being applied to another with different catchment area characteristics; and because the result depends substantially on the assumptions about the extent of the catchment area in each location.
- 3.4 To overcome these and other problems of such approaches, DTZ uses its RECAP retail capacity forecasting Model. The main difference between our approach and now out-dated gravity models is that the RECAP Model uses the results of a Household Interview Survey to identify the actual shopping patterns in the catchment area. By this means, it is



possible to model realistically existing flows of catchment area expenditure to town centres, foodstores and retail warehouses; as the basis for predicting the existing and future capacity for further retail development. It is therefore an empirical model not a theoretical model.

3.5 In summary, the RECAP Model uses the results of the Household Interview Survey as its objective measured 'baseline', using a conventional and widely accepted step by step approach, to complete the following tasks:-

- Calculate the total amount of convenience and comparison goods expenditure<sup>3</sup> which is available within the 7 zones comprising the Island (as shown on the map in Appendix 4);
- Allocate the available expenditure to St Helier Town Centre, and to the principal non-central stores, based on the results of the Household Interview Survey of shopping patterns (Appendix 4); so as to obtain estimates of current sales and forecast future sales in each;
- Compare the estimated sales in the town centre, and non-town centre main foodstores and retail warehouses, with existing floorspace (and in the case of main foodstores and retail warehouses, with sales based on 'benchmark' levels of estimated company average performance); so as to assess the current trading performance of each shopping destination, and the capacity to support further growth in floorspace.

3.6 The RECAP Model is a very useful tool for retail planning, which avoids the potential inaccuracies arising from assumptions about existing trade draw patterns and market shares which are often inherent in other forecasting methods. It is based on forecasting methods which have been used and refined in a large number of retail studies on behalf of public sector clients. In particular, forecasts made using the method on which the RECAP Model is based have been accepted by Planning Inspectors and the Secretary of State at many Public Inquiries in the UK. The RECAP Model was independently validated in 2005 by the University of Plymouth as an appropriate forecasting method. The Model has been used to prepare the expenditure and retail capacity forecasts set out in this report.

---

<sup>3</sup> Convenience goods are defined as food, alcoholic drink, tobacco products, newspapers and periodicals, non-durable household goods.

Comparison goods are defined as clothing and footwear; household textiles and soft furnishings; furniture and floor coverings; household appliances; audio visual equipment; hardware, DIY goods, decorating supplies; chemist and medical goods, cosmetics and beauty products; books, jewellery, watches, china, glassware and kitchen utensils, recreational, personal and luxury goods.

- 3.7 It is important to remember that the RECAP Model (like any other forecasting model of this type) is an exploratory tool, rather than a prescriptive mechanism. Thus, for example, in preparing forecasts for future shop floorspace capacity, the Model is usually run iteratively to explore the changes in the forecasting variables, such as in the pattern of attraction of expenditure (the market shares) or in sales densities, which would be necessary to support different levels of new development. Use of the Model in this way indicates how well existing retailing is performing, illuminates sensitivities in variables, and assists in making judgements about the realism of any given growth or impact scenario.
- 3.8 When using the RECAP Model capacity forecasts as a guide to future planning policy, it is also important to remember that the further ahead the forecasting date, the less certain the forecast. Thus the forecasts for 2015 are more reliable than those for 2020 and 2025. In particular for these later dates, we suggest that forecasts such as these should be treated with some caution, since they only indicate the broad order of magnitude of retail capacity at those dates, if all of the forecast trends occur. For this reason we recommend that the forecasts should be reviewed and revised by not later than about 2013 in the light of events, based on a new Household Interview Survey of shopping patterns, so as to take account of the effects of any development which has occurred in the meantime. Furthermore, the long term growth in the use of internet shopping is as yet unknown (although it has to a substantial degree been taken into account in this report), and reinforces the need to revise the forecasts of retail floorspace capacity well in advance of 2025. An overview of the RECAP Model process is set out in Appendix 5.
- 3.9 The detailed RECAP Model tables are set out in Appendix 6, and this section should be read in conjunction with that Appendix.

## **PRINCIPAL DATA INPUTS**

### ***Household Interview Survey***

- 3.10 The catchment area for the purposes of the retail capacity forecasts was of course, the whole of the Island of Jersey. This was sub-divided by reference to Parishes, taking account of the location of St Helier and the smaller settlements, the principal road pattern, and significant topographical features. After discussion with the States of Jersey Statistics Unit and the Department of Planning and Environment, some of the Parishes were grouped together, to form 7 zones for the purposes of the Household Interview Survey and subsequent forecasting, as indicated in Table 3.1.

**Table 3.1: Definition of Catchment Zones**

| Catchment Zone | Parishes                           |
|----------------|------------------------------------|
| 1              | St Helier                          |
| 2              | St Saviour, St Clement & Grouville |
| 3              | St Martin & Trinity                |
| 4              | St John & St Mary                  |
| 5              | St Ouen & St Peter                 |
| 6              | St Brelade                         |
| 7              | St Lawrence                        |

Source: DTZ

- 3.11 A total of 1,000 interviews was undertaken by telephone, of which 850 were landline telephone subscribers and 150 were mobile telephone subscribers. The sample was distributed between the 7 zones initially in proportion to population, but with adjustments to boost the sample to representative levels in the lowest population zones. The questionnaire asked about shopping habits for households' main food shopping and top-up food and convenience goods shopping; and about shopping habits for 8 sub-categories of comparison goods, matched as closely as possible to the international standard COICOP definitions of consumer expenditure. A copy of the questionnaire is included in Appendix 4. Interviewing and data processing was undertaken on our behalf by Research and Marketing Plus between 7<sup>th</sup> and 15<sup>th</sup> February 2008.
- 3.12 The results were weighted by housing tenure of the respondents, using weights provided by the Statistics Unit. This weighting was to compensate for the above average number of owner-occupier households amongst the respondents, and the below average number of almost all other housing tenure households; so that the weighted results would be representative of each catchment zone as a whole. The weights used are included in Appendix 4. The analysed weighted results of this survey by catchment zone are set out in Appendix 4.
- 3.13 The results of the survey provide a detailed picture of where the residents of each of the 7 catchment zones on Jersey shop<sup>4</sup> for main food and top up convenience goods shopping, and for eight different categories of comparison goods shopping. They also provide some information on linked trips shopping where the primary trip generator is main food shopping; and on travel mode.

---

<sup>4</sup> The survey results were not further weighted to account for the different sample proportion in each zone. This means that the totals columns, which are the arithmetic sum of the results for each zone, are not statistically representative of Jersey as a whole. They provide only an approximate picture of shopping habits on the Island as a whole. However, the results in the totals columns have not been used in the RECAP Model forecasts, but only the results for each individual zone. The latter would be unaffected by weighting to account for varying sample proportions.

### ***Jersey Population***

- 3.14 Population forecasts were provided by the States of Jersey, setting out the 2008 populations of each of the 7 catchment zones, together with trend based forecast populations for 2010, 2015, 2020 and 2025. These population forecasts by zone are set out in RECAP Model Table 1 in Appendix 6. They show the population of the Island as a whole increasing from 90,800 in 2008 to 99,300 by 2025. This is an increase of about 9.4% over the period 2008 to 2025, or about 0.53% per annum. We understand that these forecasts are compatible with those used for other aspects of the Island Plan Review, such as housing development policies.

### ***Forecasting Dates***

- 3.15 We have prepared base year estimates of retail sales as at 2008, which is the year when the Household Interview Survey was undertaken. Our forecasts have been prepared for the years 2010, 2015, 2020 and 2025. As indicated above, the longer ahead of these forecasts i.e. 2020 and 2025 should be treated as a broad guide only, and reviewed and updated well before those dates.

### ***Price Basis***

- 3.16 All monetary values in this report are in constant 2005 prices, unless otherwise indicated.

### ***Per Capita Expenditure***

- 3.17 Information on average per capita expenditure in 2005 on convenience and comparison goods, and the eight sub-categories of the latter, was obtained from Table 1.4 of the Jersey Household Expenditure Survey 2004/5 (JHES) by the States of Jersey Statistics Unit, and was the most up-to-date available. Before deducting expenditure on special forms of trading, these amount to £1,919.48 for convenience goods and £2,335.48 for comparison goods. These base figures are set out in RECAP Model Table 2 in Appendix 4.

We then deducted expenditure on Special Forms of Trading (SFT). This is principally mail order, vending machines, party plan retailing and on-line shopping via the internet and interactive TV; and is mainly expenditure not made in retail shops, so needs to be removed from the Model before forecasting the capacity for additional shop floorspace. RECAP Model Table 2 shows the growing deductions which we have made, based on information for the UK published by Verdict on growth in internet shopping and forecast trends<sup>5</sup>. Table 3.2 shows Verdict's estimates for the proportion of all retail sales in the

<sup>5</sup> 'UK e-Retail 2008', Verdict Research Limited, May 2008

UK in 2007 accounted for by internet shopping, and its trend-based forecasts for 2012. This shows the proportion of sales taking place via the internet more than doubling over the 5 years to 2012. For some categories of comparison goods, the internet proportion is already substantial and is expected to become much more so. Based on these, we have judged the deductions for SFT shown in RECAP Model Table 2. Our deductions:

- assume a flattening of the growth trend after 2012;
- allow for the fact that some internet purchases of food are sourced and delivered from foodstores rather than separate warehouses (and should therefore be included in the Model);
- allow for internet shopping to supplant mail order retailing to some degree, but include other SFT apart from the internet.

**Table 3.2: UK Internet Shopping Estimates and Forecasts**

| Goods Type                  | Online sales as proportion of all UK retail sales (%) |             |
|-----------------------------|---|-------------|
|                             | 2007  | 2012        |
| <b>Food &amp; grocery</b>   | <b>3.3</b>  | <b>10.0</b> |
| Comparison goods:           |   |             |
| Music & video               | 30.3  | 60.8        |
| Electrical goods            | 15.1  | 34.5        |
| Books                       | 14.3  | 21.7        |
| Homewares                   | 7.7   | 21.2        |
| DIY & gardening goods       | 3.8   | 8.7         |
| Clothing & footwear         | 4.2   | 12.7        |
| Furniture & floorcoverings  | 3.8   | 9.9         |
| Health & beauty             | 2.2   | 4.8         |
| Other comparison goods      | 3.7   | 11.3        |
| <b>All Comparison Goods</b> | <b>6.5</b>  | <b>16.1</b> |

Source: 'UK e-Retail 2008', Verdict Research Limited, May 2008

3.18 RECAP Model Table 2 also indicates the breakdown of per capita comparison goods expenditure into the eight different categories of comparison goods expenditure covered by Questions 6 to 13 in the Household Interview Survey; and the different deductions for each category which we have made to account for SFT, again based on the information in Table 3.2 published by Verdict. We consider that it is reasonable to base the SFT deductions on UK experience of internet shopping. Whilst no directly comparable data with the Verdict data for the UK exists for Jersey, the results of the Household Interview

survey (which included responses for internet shopping) do not suggest that Jersey residents' use of the internet for shopping is substantially different from the UK.

- 3.19 The base figures for the year 2005 in Table 2 have been increased to allow for actual and expected growth over the forecasting period to 2025. For convenience goods, we have applied the actual UK growth 2005 to 2006 indicated in MapInfo Brief 07/02 (1.00%), followed by the MapInfo 'best fit' trend rate of 1.00% per annum, for the period 2006 to 2025. For comparison goods, we have applied the actual UK growth 2005 to 2006 of 5.48%, followed by the ultra-long term trend rate of 3.90% per annum for the period 2006 to 2025. Reflecting the recent downturn in the rate of growth of comparison goods expenditure, this is somewhat below the econometric forecast of 4.9% per annum for the period 2005 to 2017 by Oxford Economics set out in MapInfo Brief 07/02 (prepared before the recent 'credit crunch' and warnings by the Bank of England in May 2008 of UK national economic slowdown); and below the long term trend rate, also 4.9% per annum. It is well below the medium trend rate of growth of 5.6% per annum. It is possible that the Jersey economy might not follow the same growth trend as the UK. However, the Island's economy is closely linked to that of the UK, and we consider it unlikely that Jersey, with its significant dependence on financial services (although these are diversified), will escape the effects of the UK (and international) 'credit crunch'.
- 3.20 In the short term, these growth rates we have used may well be somewhat optimistic, in view of the worsening economic outlook. However, in the case of convenience goods, variations in the rate, say between 0.5% and 1.5% per annum, would have very little effect on our retail capacity forecasts, particularly during the first half of the forecasting period.
- 3.21 The comparison goods retail capacity forecasts would be likely to suffer more, and would be therefore be more sensitive to potential changes from our applied growth rates. However, we consider that the ultra-long term trend based growth rate of 3.9% per annum applied to the whole forecasting period to 2025 realistically takes account of the current downturn in growth of retail expenditure, and the medium term economic outlook. It is significantly below the historically very high rates of growth of the last few years in the UK, which are exceptional in relation to the trend. It would be unrealistic to assume that the recent high level of growth will continue annually throughout the 17 year forecasting period. The ultra-long term trend spans the period 1964 to 2006, thus covering several economic cycles.
- 3.22 It should also be noted that we have applied the ultra-long term trend rate of growth in comparison goods expenditure to the actual 2006 expenditure, which was significantly above the ultra-long term trend at that date. Thus we have implicitly allowed for above ultra-long term trend growth in per capita expenditure, despite applying the ultra-long term trend rate of growth.

- 3.23 The combined effect of the forecast growth in population and in per capita expenditure is that we expect total expenditure by Jersey residents on convenience goods (set out in Table 3 in Appendix 4) to increase by about £42.6 m (24.2%) over the period 2008 to 2025; and total catchment area expenditure on comparison goods to increase by about £185.1m (84.2%) over the same period. This compares with expected growth in total catchment area population of approximately 9.4% over the period. Thus just over one third of the growth in catchment area expenditure on convenience goods is due to expected growth in population; but only a small proportion of the growth in catchment area expenditure on comparison goods (just over one tenth) is accounted for by forecast growth in population. This means that the comparison goods floorspace capacity forecasts in particular are very insensitive to the population growth assumptions and much more sensitive to the assumptions about growth in per capita expenditure and growth in SFT, particularly in the later part of the forecasting period. Thus if the Island Plan Review eventually results in marginally different planned population increases from those already allowed for in RECAP Model Table 1, there will be very little practical effect on the retail capacity forecasts, particularly for comparison goods.

#### ***Shopping Patterns in the Catchment Area***

- 3.24 As indicated above, we undertook a Household Interview Survey of shopping patterns in February 2008. We have included the detailed tables of results in Appendix 4. We have used the results as a key input to our RECAP Forecasting Model in Appendix 6. Thus for St Helier Town Centre for example, in Table 5 we have combined the results from Question 2 about main food shopping with those from Question 5 about top up food and convenience goods shopping, to provide a weighted average market share of total convenience goods expenditure in each zone which is attracted to main foodstores and other convenience goods shops in St Helier Town Centre. These weighted averages are then rounded to the nearest integer and used in Table 7 to indicate the pattern of attraction of convenience goods expenditure to shops and stores in St Helier Town Centre. A similar approach has been used for the non-central foodstores (Tables 13 and 15) in Appendix 6.
- 3.25 In the case of comparison goods, for St Helier Town Centre, we have applied the results of the Household Interview Survey for each of the eight categories of comparison goods, weighting the market shares for each according to per capita expenditure on each category (as indicated by the JHES); to provide a weighted average market share of all comparison goods expenditure which is attracted from each zone by shops and stores in the town centre. The market shares for each individual goods category and the weighted averages are set out in Table 6; the final column (weighted average), of which is rounded to the nearest integer, and applied in Table 7 to indicate the market shares of all

comparison goods expenditure attracted from each zone by shops in St Helier Town Centre. Similar tables apply to the non-central comparison goods shopping destinations in Jersey, i.e. Tables 14 and 15.

- 3.26 The RECAP Model includes provision for a market shares correction factor, in circumstances where use of Household Interview Survey results without correction would result in unrealistic base year sales estimates, compared with independently derived assessments. This can sometimes be the case, for example to correct anomalies which occur if some respondents misinterpret the Household Interview Survey questions. However, in the case of Jersey, it has not been necessary to apply market share correction factors, because use of the survey results without alteration results in realistic base year sales densities for St Helier Town Centre and for the principal non-central stores. The market shares correction factors in Tables 7 and 15 are therefore 100%, i.e. no corrections have been made to the market shares indicated by the Household Interview Survey, because none were needed.

### ***Visitor Expenditure***

- 3.27 We have allowed for some expenditure in Jersey by visitors who live elsewhere. Jersey is still clearly a substantial destination for visitors, both those who come on business and tourists. In this case, we have relied upon the estimate of visitors' expenditure in the Jersey Annual Statistical Report. This estimated total expenditure in Jersey by visitors in 2007 to be £234m, of which £42.12m (18%) was expenditure in retail shops (both in 2007 prices). We converted this to 2005 prices (for compatibility with the price basis of the RECAP Model), apportioned it between convenience and comparison goods, and between St Helier Town Centre and the non-central stores; and then expressed it in the RECAP Model as a percentage uplift of the expenditure by Island residents. The result was that we have allowed for an additional 7.5% of residents' expenditure on convenience goods in St Helier Town Centre and an additional 4% of residents' expenditure on convenience goods in the non-central foodstores. For comparison goods we have allowed for an additional 20% of residents' expenditure in St Helier Town Centre, to account for expenditure by visitors.

### ***Existing Shop Floorspace***

- 3.28 For main food stores in St Helier Town Centre and the non-town centre main food stores, we have used data supplied by the Department of Planning and Environment, supplemented where necessary with data from our own inspections of the stores; and in the case of stores operated by the Jersey Co-operative Society, with details of store floorspace supplied by the Society. Details of these shops and stores are set out in Table 10 (St Helier Town Centre) and 18 (non-central).



- 3.29 For comparison goods floorspace in St Helier Town Centre, we have used data supplied by the Department of Planning and Environment, sourced from Experian Goad. To this we have added the net comparison good sales area in the relevant main food stores, and subtracted loss of comparison goods floorspace due to the impending closure of the Co-op Homemaker store. The resulting total comparison goods shop floorspace in St Helier Town Centre is estimated as 51,762 sq m net in 2008, falling to 49,578 sq m net from 2010 owing to the Homemaker store closure. This figure is included in RECAP Model Table 12, Appendix 6. For non-central retail warehouses, we have used data supplied by the Department together with on-site inspections.
- 3.30 It should be noted that we have not included in the RECAP Model either the market shares of expenditure or the floorspace in the small village shops, farm shops and other isolated shops. This is because these outlets are too small to show up in the results of the Household Interview Survey and enable their market shares to be modelled reliably; and because reliable data on their floorspace is not available. It is also because such shops often change, thus undermining the reliability of the forecasts. The RECAP Model does not therefore model 100% of Island expenditure. However, it models 87.7% of all convenience goods expenditure and 93.9% of all comparison goods expenditure; with the remainder being accounted for by the categories of shops outlined above, and by off-Island shopping. It is also important to note that the RECAP Model is a growth allocation model, which allocates growth in expenditure to shopping destinations based on the results of the Household Interview Survey, and if appropriate, exploratory judgements about how this pattern of market shares might change in the future. It does not therefore depend upon precise identification of all existing shop floorspace.

#### ***Sales Densities in Main Food Stores***

- 3.31 For the existing main food stores in St Helier Town Centre and the non-central main food stores we have applied estimated company average convenience goods sales densities based on information for UK food retailers published by Verdict. These are set out in Tables 10 and 18 for St Helier Town Centre and the non-central stores respectively.
- 3.32 For the larger foodstores, we have applied 'benchmark' sales densities based on the average of the company averages for Morrisons, Sainsburys, Tesco, and Somerfield. Asda has been excluded because its sales density is significantly higher owing to the narrowly defined (and untypical) way it measures its stores. Waitrose has been excluded as being untypical of the foodstores on Jersey (and more akin to Marks & Spencer); whilst UK Co-ops have been excluded because they operated mainly small local convenience goods stores rather than large supermarkets. This results in a 'benchmark' convenience goods sales density for the convenience goods floorspace in the larger foodstores on Jersey of £10,007 per sq m net.

- 3.33 For the smaller foodstores, we have applied 'benchmark' sales densities based on the average of the company averages for UK Co-operative Societies and Somerfield; both of which operate stores of similar retail formats to the small foodstores on Jersey. This results in a 'benchmark convenience goods sales density for the convenience goods floorspace in the smaller foodstores on Jersey of £6,282 per sq m net. For the M&S stores, we have applied the UK company average for Marks & Spencer's food sales floorspace.
- 3.34 The retail capacity forecasts are dependent upon these 'benchmark' sales densities adopted as being realistic 'equilibrium' trading levels for the existing main foodstores on Jersey. The higher the 'benchmark', the lower the forecast capacity for additional floorspace, and vice-versa. 'Benchmarks' are normally based on each retailer's company average sales density for a large number of stores, as indicating realistic trading performance for that company's existing stores. This does not work reliably where each company has only a small number of stores, as in Jersey; and does not indicate what would be a reasonable level of trade for the existing stores, bearing in mind their location, size, retail format, range of goods, physical form and layout, car parking and accessibility, etc. We therefore consider that it is more realistic to base the 'benchmarks' on averages of the company averages of groups of UK retailers, because these are derived from very large numbers of stores, thus minimising in the calculation the peculiarities of individual stores and their local markets.
- 3.35 Having inspected all the large supermarkets on the Island, we consider that in terms of their retail formats and ranges of goods, and their use by Island residents as indicated by the results of the Household Interview Survey, they are in effect functioning within the Jersey context as main food shopping stores in a similar way to superstores and large supermarkets in the UK. We consider that the buildings as currently fitted out and occupied are capable of trading at sales densities similar to those of the principal UK foodstore operators. From information provided to us by the Co-op and Sandpiper, the 'benchmarks' we have adopted for the large supermarkets are below the current trading average of one of these operators and above that of the other. If we had adopted significantly lower 'benchmarks', we would have built into our forecasts a substantial measure of impact upon these existing stores. The forecasts would then no longer have been forecasts of quantitative need for additional floorspace. However, we have investigated the sensitivity of the convenience goods forecasts to the use of a substantially lower 'benchmark' sales density, as described below.
- 3.36 We have not made any allowance within the 'benchmarks' for above-UK costs of operating foodstores in Jersey. This is because we understand that some costs are above UK retailers' costs (eg shipping costs for some retailers), and some below (eg taxes and social security payments). On balance, we considered that no such exceptional costs allowances should be made.

### ***Retail Destinations***

- 3.37 We have distinguished between St Helier Town Centre, and non-central principal foodstores and retail warehouses. This is both for forecasting convenience, and because it provides a more reliable set of forecasts than if town centre and non-central shopping was lumped together. The Household Interview Survey provides detailed information on shopping patterns, distinguishing between use of the town centre and of the non-central stores. This enables us to distinguish between the retail performance of the town centre and that of the non-central shopping, for example in our Retail Sector Analysis described below. However, as discussed below and in Section 5, we consider that new retail development should be located where it can strengthen existing centres wherever possible, and in retail formats appropriate to its location. Thus much of the forecast need should be accommodated in or on the edge of St Helier Town Centre as far as possible, even though the capacity for some of it is calculated as non-central shopping for forecasting convenience and reliability.

### **Development Scenarios Assessed**

- 3.38 We have assessed one scenario for development. This is Scenario 1 – the ‘baseline’ scenario, which assumes that there will be no change in the shopping patterns on the Island through the period to 2025, despite the Liberty Wharf development in St Helier Town Centre. This effectively assumes that improvement in the attractiveness of St Helier as a result of Liberty Wharf will be exactly matched by improvement in the attractiveness of the other shopping destinations
- 3.39 The results of the Household Interview Survey show that Jersey is retaining very high market shares of total Island expenditure, and whilst off-Island shopping occurs, it accounts for only small market shares of expenditure. It is therefore not possible for market shares to be increased significantly by means of attractive new retail development. We have therefore not modelled a second or subsequent scenarios, because development scenario modelling is about assessing the degree to which new retail development can become partially self-supporting by attracting increased market shares of available expenditure from a catchment area. In the case of Jersey, the opportunities are only for displacement of market share from one location to another, for example from St Helier Town Centre to a new location on the Island. However, we have undertaken some testing within Scenario 1, to assess how changes in key variables, such as population or ‘benchmark’ sales densities for foodstores, might affect the retail capacity forecasts, and thus alter our overall conclusions.

## Format of the RECAP Model Tables

- 3.40 The detailed RECAP Model Tables are set out in Appendix 6. Table 1 sets out the population forecast for each of the 7 catchment zones. Table 2 indicates per capita expenditure, growth in that expenditure, and growth in SFT. Table 3 is total catchment area expenditure by zone for convenience and comparison goods over the period 2008 to 2025. Table 4 indicates total catchment area expenditure by zone in 2008 in each of the 8 categories of comparison goods.
- 3.41 In Scenario 1, for St Helier Town Centre, Tables 5 and 6 set out the pattern of market shares of catchment area convenience and comparison goods expenditure respectively, and the weighted averages of each, which are attracted from the catchment area to that destination. The market shares in Table 7 are based on the weighted averages set out in Tables 5 for convenience goods, and 6 for comparison goods. Table 8 shows the expenditure attracted on each of the 8 comparison goods categories, together with the resulting overall market shares of such expenditure currently attracted by the town centre. It is the product of Table 4 (catchment area expenditure by comparison goods product group) and Table 7 (detailed market shares by comparison goods product group). Table 9 is the product of Table 3 (catchment area expenditure) and Table 7. It indicates the convenience and comparison goods expenditure attracted from each catchment zone by St Helier Town Centre at each date. Table 10 sets out the sales potential of the existing main food stores at estimated 'benchmark' levels; whilst Table 11 indicates the sales potential of committed new developments in the town centre, in this case Liberty Wharf and re-use of the former Co-op Homemaker store.
- 3.42 Table 12 compares the expenditure attracted by St Helier Town Centre and hence sales, with existing shop floorspace. The top line of Table 12 (spending by catchment area residents) is taken from the bottom line of Table 9. An uplift for visitor expenditure is then added in, as described above. As appropriate, an allowance (of 1.5% pa for comparison goods) is made for the average sales density of the existing shops to increase in real terms, following the trend towards higher town centre sales densities in most town centres, and to help ensure the long term prosperity of the existing town centre.
- 3.43 A similar arrangement of tables for Scenario 1 applies to the non-central shops and stores in Jersey (Tables 13 to 21 in Appendix 6).
- 3.44 Tables 22 and 23 set out the combined market shares of total Island expenditure attracted by St Helier Town Centre and the Non-central Shopping. They show the high market shares, between 72 and 94% from different catchment zones for convenience goods, as in Table 23, and amounting to 87.7% for Jersey as a whole; and between 90 and 98% overall for the 8 comparison goods categories, as in Table 22, amounting to 93.9% for the Island as a whole. The balances of market shares are accounted for by

local village shops, farm shops and other isolated shops; and by off-Island shopping (but not internet and mail order shopping, which has already been accounted for by means of our SFT deduction).

### The RECAP Model Forecasts

3.45 In the remainder of this section, we set out our retail capacity forecasts for Jersey; and discuss the relationship between St Helier Town Centre and existing potential new retail developments. The forecasts are summarised in Table 3.3. We also comment on the implications for future development strategy. In setting out our forecasts, we distinguish between convenience goods and comparison goods. In the RECAP Model in Appendix 6, we model expenditure in St Helier Town Centre, and in the non-central retail warehouses and main foodstores. As indicated above, we do not model expenditure in local shops in St Helier outside the area covered by the Goad Plan of the town centre, in farm shops and in other isolated local shops.

**Table 3.3: Summary of Retail Capacity Forecasts**

|                          | 2010<br>(sq m net) | 2015<br>(sq m net) | 2020<br>(sq m net) | 2025<br>(sq m net) | RECAP<br>Model Table<br>(Appendix 4) |
|--------------------------|--------------------|--------------------|--------------------|--------------------|--------------------------------------|
| <b>Scenario 1</b>        |                    |                    |                    |                    |                                      |
| <i>Convenience Goods</i> |                    |                    |                    |                    |                                      |
| St Helier Town Centre    | 650                | 1,000              | 1,300              | 1,600              | 12                                   |
| Jersey Non-Central       | -1,050             | -450               | 100                | 650                | 21                                   |
| <i>Comparison Goods</i>  |                    |                    |                    |                    |                                      |
| St Helier Town Centre    | -700               | 3,650              | 10,050             | 17,050             | 12                                   |
| Jersey Non-Central       | -4,650             | -3,600             | -2,100             | -450               | 21                                   |

Source:

RECAP Model Tables in Appendix 6 as indicated, rounded to the nearest 50 sq m net.

Notes:

The forecasts in Table 3.3 are cumulative, i.e. the forecasts for each date include the forecasts for the previous dates and are not additional to those earlier forecasts. The forecasts are for further floorspace in addition to the committed developments in RECAP Model Tables 11 and 20.

### Convenience Goods

3.46 It is important to note that the convenience goods retail capacity forecasts for the town centre and non-central locations set out in Table 3.3 are theoretical maxima. This is because they are based on the assumption that sales densities in the existing main foodstores will all rise or fall to currently estimated company average levels in future years. This is a conventional assumption in retail studies of this type. However, an

average is only an average; and the more attractive stores will continue to trade at levels above the company average, whilst others may trade successfully below the average. In addition, company average sales densities may well rise as food retailers become more efficient. It would therefore not be realistic to plan on the basis that such an across the board reduction in sales densities should or would occur.

- 3.47 It is also important to note that the capacity for non-central floorspace in Jersey was forecast separately from that for St Helier Town Centre merely for forecasting convenience and reliability. In deciding how these forecast needs should be accommodated therefore, other spatial and economic issues should be taken into account. In the interests of sustainability and social inclusion and to support St Helier Town Centre, it would be desirable to give priority to town centre and edge-of-centre sites, over out-of-centre locations. The town centre is the location most accessible by public transport from the whole Island, thus enabling access by those who do not have the use of a car, and facilitating switching from car to public transport. It is also the location where one journey can serve several purposes, thus helping to minimise the need to travel.

#### ***St Helier Town Centre***

- 3.48 Scenario 1, RECAP Model Table 12 shows that in 2008, we estimate that the main foodstores and other conveniences goods shops in St Helier Town Centre were achieving combined sales of £57.4m; at a combined average sales density of £8,747 per sq m net. Table 10 shows that based on the 'benchmark' sales densities (described above), the combined sales density of these stores in 2008 would be £7,164 per sq m net. Thus, these stores as a group are estimated to be trading at somewhat above the 'benchmark' level.
- 3.49 In Table 12, we have allowed for sales in the existing convenience goods shops as a group, to fall to the level based on the 'benchmark' level. On this basis, summary Table 3.3 above shows that there will be capacity for about 650 sq m net of additional convenience goods floorspace in 2010 in St Helier Town Centre. This should rise to about 1,600 sq m net in 2025, if forecast trends occur.
- 3.50 These forecasts are on the basis that the additional floorspace would be provided in the form of modern food superstore floorspace, trading at £13,000 per sq m net, which would be a realistic level for the food superstore retailers which have expressed interest in operating stores on Jersey. However, the format of the store(s) and identity of the operator(s) would alter the forecast capacity. In the event that the additional floorspace was provided solely in the form of deep discount supermarkets, for example, the capacity would be more than double the forecasts, because of the lower sales densities achieved

by such retailers (in the UK, the average of the estimated convenience goods company average sales densities for Aldi, Lidl and Netto was £5,432 in 2006).

### ***Jersey Non-Central Stores***

- 3.51 Scenario 1, Table 21 shows that in 2008, the main non-central foodstores in Jersey were estimated to be achieving combined sales of £105.0m; at a combined average sales density of £8,174 per sq m net. This is somewhat below the 'benchmark' level of £8,942 per sq m net, indicated in Table 18. Thus, these stores as a group are estimated to be trading at slightly below the level based on estimated UK company averages. This is broadly corroborated by confidential information provided to us by retailers.
- 3.52 In Table 21, we have allowed for sales in the existing convenience goods shops as a group, to rise to the 'benchmark' level. On this basis, summary Table 3.3 above shows that capacity for additional floorspace will not start to arise until about 2020, if forecast trends occur. Indeed, Table 3.3 shows that there is currently a moderate over-supply of convenience goods floorspace in non-central stores, which will reduce over time as a result of growth in population and per capita expenditure.
- 3.53 Taking Jersey as a whole, the convenience goods forecasts in Table 3.3 for St Helier Town Centre and the Non-central stores show that there is no expenditure-based capacity to support additional convenience goods floorspace on the Island at the present time.<sup>6</sup> Capacity will not start to arise until about 2012; but by 2025 forecast capacity will be approaching that required to support a new superstore of 5,000 sq m gross, if forecast trends occur. However, this should be reviewed and such a need validated much nearer to that date, taking account of changes in the forecasting variables which had occurred in the meantime.
- 3.54 This conclusion that there is currently no quantitative need for any additional foodstores is broadly corroborated by a comparison with the Isle of Wight. The latter currently has 0.12 sq m net sales area of main foodstores per resident for a population of 138,500, compared with Jersey's 0.14 sq m per resident for a population of 90,800.
- 3.55 A new superstore of about 5,000 sq m gross would be likely to generate convenience goods sales of about £35m. RECAP Model Tables 12 and 21 show that the total convenience goods sales in the existing main food stores and other convenience goods shops included in the Model would be almost £179m in 2015. Because Jersey is an island and so modelled market shares cannot be increased (except at the expense of the

<sup>6</sup> Since we undertook the Household Interview Survey and completed the forecasts, an Iceland frozen foods store has opened in part of a Wine Warehouse in St Helier. This is one of the isolated convenience goods outlets not included in the RECAP Model; and is in any case replacement of one form of convenience goods outlet with another, with no increase in floorspace. However, because it is an additional small foodstore, it reinforces our conclusion that there is no quantitative need for additional foodstores on the Island.

small village convenience goods stores and other isolated shops not included in the Model), if a new superstore of this size was opened in 2015, it would have an average impact on the existing main food stores included in the Model of almost 20% of their forecast 2015 sales. If it opened significantly earlier than 2015, the impact would be greater (almost 21% at 2010). Of course, this impact would be uneven, and would be likely to fall disproportionately upon the large supermarkets, some of which would suffer a much greater impact (with lesser impacts upon the smaller foodstores).

- 3.56 To assess the sensitivity of the forecasts to variations in the 'benchmark' sales densities, we have tested the 'benchmark' sales densities in the existing main foodstores which would be implied by the development of a 5,000 sq m gross food superstore opening in 2010. For our forecasts to demonstrate sufficient expenditure to support such a store in full by that date, the 'benchmark' average sales density for the large and small foodstores included in the RECAP Model would have to fall to £5,835 per sq m net, which is slightly below the 2006 average for UK Co-op stores. This would be about 7% lower than the benchmark' figure we have used for the small stores, and about 42% below the figure which we have used for the large stores, both as described above. This implies impacts of about those levels on the small and large stores respectively.
- 3.57 UK Co-op stores are mainly much smaller than the 6 large supermarkets on Jersey (4 of which are operated by Sandpiper rather than the Jersey Co-op) and fulfil mainly a local 'top-up' convenience shopping role, rather than a main food shopping role. In contrast, the large supermarkets on Jersey are used substantially for main food shopping. They are not therefore comparable with UK Co-op stores. In view of the size and nature of these six larger stores (five non-central and Checkers Express in St Helier Town Centre), we consider that such a low 'benchmark' would be wholly unrealistic; and would amount to a very substantial impact upon them. Use of such a low 'benchmark' sales density for the existing stores would mean that our forecast would no longer be a forecast of quantitative need for new floorspace, because it would contain a large amount of impact on existing stores. None of these is substantially overtrading, and some are undertrading when assessed against realistic 'benchmarks'.
- 3.58 This means that if a new food superstore was to be developed in the next few years, at least one of the existing large non-central foodstores would be highly likely to close. There may also be closure of some local village convenience stores and some small food specialists. We estimate that in retail capacity terms, a new superstore would require a population increase of about 20,000 above the increases already included in the RECAP Model (almost 7,000 people from 2008 to 2025) to support it fully without adverse impact on the existing foodstores. However, as discussed in Section 4 below, there is a qualitative need case for one or two deep discount supermarkets at an early date, despite the absence of forecast capacity to support them.



## Comparison Goods

### *St Helier Town Centre*

- 3.59 In Appendix 6, Scenario 1, Table 12 shows that we estimate St Helier Town Centre to be achieving an average sales density for comparison goods in 2008 of about £4,105 per sq m net. Based on our retail studies of a large number of other town centres, we consider that this is a low sales density for a centre the size and nature of St Helier. This is generally corroborated by our interviews with retailers and the results of our postal survey of retailers, which suggest that there is too much retail floorspace for current needs, following the decline in visitors to the Island. On this basis, Table 3.3 shows that after allowing for the Liberty Wharf development there will be a small theoretical oversupply of comparison goods floorspace of about 700 sq m net in 2010, falling to a balance between supply and demand by 2011, if forecast trends occur. Capacity for additional comparison goods floorspace in St Helier Town Centre will start to arise thereafter, and will reach about 17,050 sq m net by 2025 in addition to the comparison goods floorspace in the Liberty Wharf development, if forecast trends occur.
- 3.60 These capacity forecasts are on the basis that sales in the existing town centre floorspace will grow at 1.5% per annum (in real terms) throughout the forecasting period, from the current low base of £4,105 per sq m net. In view of this current low average sales density for the town centre as a whole, it might perhaps be considered that the existing retail floorspace has the capacity to grow its sales at a greater rate than 1.5% per annum, thus reducing the retail capacity forecasts below those set out in Table 3.3. However, much of the existing stock of floorspace is in the form of small shops in old buildings, which do not provide the size of floorplates required by modern multiple retailers. This constrains the potential for sales density increases in the existing shops. It also means that new multiple retailers cannot easily be attracted without development of new floorspace. We therefore consider that an allowance of 1.5% per annum for sales density increases in the existing shops is realistic; and will allocate sufficient expenditure to new floorspace to make the attraction of new retailers possible in due course.

### *Non-central Locations*

- 3.61 RECAP Model Table 21 shows that the non-central retail warehouses and comparison goods floorspace in the 5 large supermarkets as a group are achieving combined comparison goods sales of £30.1m, at an average sales density of £2,255 per sq m net. This is a little less than the 'benchmark' average sales density for these stores in 2004, £2,451 per sq m net, in Table 19. Thus these stores as a group are slightly undertrading. In Table 21, we have allowed the average sales density of the existing stores as a group to rise to the 'benchmark' level (increased from the 2004 figure in Table 19 at 1.5% per

annum in real terms), before allocating expenditure to support new floorspace. Table 3.3 shows that on this basis (and after allowing for committed developments), there will be no capacity for additional comparison goods floorspace in non-central food stores and retail warehouses throughout the forecasting period to 2025. Indeed, the forecasts show that after allowing for the committed developments, there is currently a moderate theoretical oversupply of non-central comparison goods floorspace, most of which will be steadily made good throughout the forecasting period, if forecast trends occur.

### **Comparison Goods Retail Sector Analysis**

- 3.62 To assist with assessing the need for additional retail floorspace in St Helier and elsewhere in Jersey, we have undertaken an analysis of the market shares of catchment area expenditure on each of the eight sub-categories of comparison goods, which each shopping destination is attracting from the catchment area in 2008. RECAP Model Table 4 in Appendix 6 sets out the available catchment area expenditure on each of the eight comparison goods categories. Tables 6 and 14 indicate the pattern of market shares of such goods which the Household Interview Survey indicates as being attracted from the catchment area by St Helier Town Centre, and by retail warehouses and non-central food stores respectively. The product of these Tables with Table 4 is set out in Tables 8 and 16. These latter tables also indicate the overall market share of expenditure on each comparison goods sub-category, which is estimated to be attracted by each shopping destination. These market shares are repeated (rounded to integers) in Table 22.
- 3.63 Table 22 shows that there is some variation between the market shares attracted by St Helier Town Centre for each of the eight comparison goods categories. The highest is the 'all other comparison goods' category, for which the town centre attracts 94% of total Island expenditure in retail shops; followed by clothing and footwear with 86% of expenditure attracted. All the above categories are lower but still above 70%, with the exception of hardware DIY and garden goods, for which St Helier Town Centre attracts only 44% of expenditure. This is not surprising, because the retail warehouses are attracting significant expenditure on these 'bulky goods' categories, in particular the B&Q store for DIY and garden goods. Table 22 therefore shows the market dominance of the town centre for comparison goods, and non-bulky comparison goods in particular; and its somewhat more limited role (in common with most town centres) as a location for 'bulky goods' shopping.
- 3.64 The pattern of attraction of expenditure by non-central stores is approximately a 'mirror image' of that for the town centre, with negligible market shares for the non-bulky goods categories of clothing and footwear, and 'other comparison goods' respectively; and higher market shares for the 'bulky goods' categories.

3.65 When the market shares attracted by the town centre are combined with those attracted by retail warehouses and non-central superstores, the overall market shares retained on the Island as a whole vary from 90% (clothing and footwear) to 98% (household appliances). These are high market shares. The balance of 100% is accounted for by local shops in St Helier outside the Goad Plan area, small shops in village centres, farm shops and other isolated shops, which are not included in the RECAP Model; and off-Island shopping. Being 90% or more, these high combined market shares do not indicate any conspicuous weakness in the availability of particular comparison goods categories on the Island. They suggest that the retail market has been working well to deliver a wide and balanced range of comparison goods from a variety of retail formats.

### **USE AND REVIEW OF THE FORECASTS**

3.66 Finally, and in accordance with our usual practice, we must emphasise that all expenditure based forecasts of future shop floorspace capacity are based on imperfect data and contain a number of assumptions. Our forecasts set out in this report are based on the most up-to-date and reliable information currently available to us. However, they are intended as an indication of the likely order of magnitude of future shop floorspace capacity (if forecast trends are realised) rather than as growth targets or rigid limits to future growth. The forecasts should be periodically revised as necessary in the light of actual population and expenditure growth, and as development proceeds and its effects become measurable.

## 4 Qualitative Retail and Town Centre Needs

---

4.1 In this Section, we discuss qualitative retail planning and development needs in Jersey, based principally on our visits to the Island, our inspections of St Helier Town Centre and other retailing, and our extensive experience elsewhere. However, we have also taken account of the results of our surveys and consultations.

### **Convenience Goods Shopping**

4.2 There is now a large number of shops and stores on Jersey selling food and other convenience goods. These include:

- Five large non-central supermarkets selling a wide range of foodstuffs covering the mass middle market and together attracting a substantial proportion of all households' expenditure on main food shopping (approximately half).
- Five Marks & Spencer stores (including the store in St Helier Town Centre) selling high quality prepared foods.
- A substantial number of small supermarkets and local convenience stores both in St Helier Town Centre and in village centres and elsewhere, selling mass middle market foodstuffs.
- One specialist Iceland frozen foods store, with others planned for incorporation into existing food outlets.
- A number of small specialist food shops, mainly in St Helier Town Centre, but including out-of-centre wine shops.
- Market stalls in Central and Beresford Markets selling a range of specialist foods, some of high quality, such as the fish shops in Beresford Market.
- Farm shops in the rural areas selling increasing ranges of local fresh and preserved foods.

4.3 Together, these outlets provide a wide range of foods covering the upper and middle-mass markets. However, there are no deep discount foodstores on the Island at present. In the UK and continental Europe, these are typically of up to about 1,300 sq m gross, operated by companies such as Aldi, Lidl and Netto. They sell limited ranges of foods (typically several hundred lines, compared with many thousands in large supermarkets and superstores); together with increasing ranges of non-food goods. The absence of such stores on Jersey means that this segment of the food shopping market is not currently served by the existing outlets. We therefore consider that there is a conspicuous qualitative need for one or more deep discount supermarkets on Jersey, to

enable a full range of food shopping opportunities to be provided, and to complete the convenience goods retail offer.

- 4.4 Typically, such discount supermarkets achieve convenience goods sales of around £4m each per annum (compared with about £35m typically needed by a superstore of about 5,000 sq m gross operated by one of the front ranking UK food retailers). Being of modest scale, whilst they would have an impact on existing foodstores, two such discount supermarkets developed in the next few years would be very unlikely to cause closure of any of the existing large supermarkets, or other main foodstores.
- 4.5 There is also both a need and an opportunity to improve the Central and Beresford Markets for food shopping in St Helier Town Centre. Both occupy attractive buildings, but which need refurbishment and improved ongoing maintenance. Central Market contains a mixture of food stalls, cafes and unrelated non-food stalls. It appears to have no clear food-focused merchandising strategy; and in our view, does not achieve its full potential as a destination in the town centre for high quality specialist foods. With the initiatives outlined below, we believe Central and Beresford Markets together could become a highly attractive destination for such shopping, akin to Borough Market in Southwark, London – which has been a significant engine of regeneration on that part of the South Bank.
- 4.6 In terms of spatial distribution, Jersey’s foodstores are well distributed around the Island. The five large non-central supermarkets are located in or close to the largest concentrations of population, thus obviating the need to drive to one central location for main food shopping. All the village centres have at least one small supermarket or convenience goods store, providing local walk-in top-up food shopping facilities. The five Marks & Spencer Simply Food stores are reasonably well distributed around the Island and close to the main population concentrations. Most of the specialist food shops and the Markets are in St Helier Town Centre, where they can be used by people working in the town centre or visiting it for other purposes. We therefore consider that the existing arrangements represent a well distributed spatial provision, which has evolved in response to consumer needs. There are no conspicuous deficiencies in the spatial distribution of food shopping facilities.

#### **Comparison Goods Shopping**

- 4.7 Comparison goods shopping is very largely concentrated in St Helier Town Centre. This is a substantial town centre comprising a large number of shops and stores, including UK multiple retailers, two local independent department stores, a large number of local independent retailers, financial and personal services, and many cafes, restaurants and public houses. Comparison goods retailing covers almost the full spectrum of such goods; and somewhat unusually for a town centre, includes a wide range of shops and

stores selling ‘bulky’ comparison goods such as furniture, carpets and other floor coverings, household textiles and soft furnishings and domestic appliances. In terms of the availability of comparison goods therefore, there are no conspicuous weaknesses in the retail offer of St Helier Town Centre.

4.8 Elsewhere on the Island, there are two large retail warehouses: B&Q selling DIY goods, decorating and home improvement goods, and garden products; and the JE store selling a wide range of goods, including furniture, electrical goods, toys, household goods and art supplies. There are also smaller non-central outlets selling carpets, computers, and Marks & Spencer clothing and homewares. In addition, the 5 large non-central supermarkets sell limited ranges of general non-food goods; and farm shops and garden centres sell garden products and other comparison goods. In comparison with most UK towns with similar catchment populations to that of Jersey, the Island is somewhat lacking in traditional ‘bulky goods’ retail warehouses. However, this is because most retailing of such goods is still in St Helier Town Centre; where it contributes to a rounded and full spectrum retail offer, and is accessible by public transport and on foot as well as by private car, thus contributing to sustainability and social inclusion.

4.9 Our Retail Sector Analysis described in Section 3 above shows that on the Island as a whole, there are currently no conspicuous weaknesses in the comparison goods retail offer. We therefore consider that ‘bulky goods’ retailing should only be decentralised to new non-central retail warehouses if doing so would release suitable sites in St Helier Town Centre for redevelopment or re-use for non-bulky comparison goods retail development; and if this is the only way in which the latter can be accommodated in the town centre once sufficient expenditure has grown to support it. Since this is not yet the case, we do not see any urgent qualitative need to identify sites for new retail warehouses. In the longer term (probably from about 2020), it might become necessary to consider some such decentralisation in the interests of creating new non-bulky comparison goods retailing in modern shops and stores closely linked to the prime retail area in the town centre. However, this would need to be checked and validated at that time.

### **St Helier Town Centre**

4.10 St Helier Town Centre is densely developed, with the prime retailing located along King Street and Queen Street, and substantial but more secondary streets of shops and service businesses to the west, north and east of this area. The highest pedestrian flows are in King Street and Queen Street, which is where most of the multiple retailers and the two department stores are located.

4.11 King Street and Queen Street are both pedestrianised; as are Royal Square (not primarily a retail area), Market Street and the part of Bath Street south of Beresford Street. Apart

from these streets, traffic can penetrate close to and through the retail streets; and north to south traffic divides the prime retail core at New Street/New Cut and Halkett Place. Elsewhere in the town centre pedestrian/vehicular conflict is apparent at Broad Street/Charing Cross, and at the Bath Street/Beresford Street/Peter Street junction, in particular. Public car parks are located at various places around the retail core, e.g. at Minden Place, Sand Street, Pier Road, Esplanade and Gas Place (although the latter is to be replaced by a new public park).

- 4.12 Although there are a significant number of UK national multiple retailers in the town centre, many are occupying premises which are smaller and less well configured than they would normally require, and/or are in more secondary locations. This is because there are few large modern shops and stores in the primary retail area. On the one hand this means that St Helier retains a considerable charm as a historic town centre with many small shops occupied by independent retailers; and is far from being a UK 'clone town', thus helping to attract visitors, particularly from Britain and France. On the other hand it constrains the ability of the town centre to attract modern multiple retailers to provide access to popular brands. Such retailers will only be attracted if they are able to occupy large modern stores and shop units which are in the prime retail area. There is therefore a qualitative need to develop larger modern shops and stores by means of extension of the prime retail area, provided that this can be done sensitively in a manner which does not compromise the unique character of the town centre or create a competing retail destination. This means that such development should only take place when expenditure has grown sufficiently to support it without adverse impact upon the existing shops and stores. The timing of new development will therefore be important.
- 4.13 It also strongly suggests that new comparison goods floorspace will need to be woven into the existing urban fabric as far as possible, by means of selective redevelopment, adaptive re-use of existing buildings, and extension and remodelling of existing retail premises; rather than in the form of a single large scale redevelopment such as a new retail mall. In Section 5 below, we discuss possible ways in which additional comparison goods retail floorspace in modern unit sizes and types could be accommodated within the town centre, and indicate the implications for planning policy to enable such development to occur.
- 4.14 Traffic access and car parking were the two most important weaknesses of the town centre which emerged from our consultations. We concur that these are problem areas, and have identified some traffic issues above. We appreciate the great difficulties of providing adequate vehicular access and parking, resolving pedestrian/vehicular conflicts, and enabling adequate servicing access for shops and other businesses in a densely developed historic town centre such as St Helier. However, this calls for innovative solutions. We therefore consider that the whole traffic management arrangements within the ring road should be reviewed. The objectives of any changes

should be to reduce separation between different parts of the retail core of the town centre, overcome pedestrian/vehicular conflict, extend pedestrianisation out from the prime retail area, and improve access for service vehicles at appropriate times of the day. It should also be to restrict general access traffic to the outer edges of the retail core, whilst improving access to peripheral car parking.

- 4.15 A possible model for St Helier Town Centre could be the York City Centre 'Footstreets Zone'. York City Centre has some similarities with St Helier, having a large number of small shops occupied by independent retailers, a very attractive historic environment of many small narrow streets, and insufficient large modern shops and stores for the needs of multiple retailers. It is also a major visitor destination, and has very high pedestrian flows in some streets. Almost the whole of the City Centre retail area has been designated as a pedestrian only 'Footstreets Zone'. In much of this area, the existing pavements and carriageways remain, but the whole area is closed to almost all vehicles during core shopping hours. These vary between different parts of the Zone and on different days of the week, being closed for longer hours on Saturdays. The only exceptions are vehicles registered with the Local Authority on the basis that access during the hours of closure is essential to the user's business.
- 4.16 Such an arrangement could have significant advantages for St Helier. In particular, it could result in improved conditions for pedestrians during the core shopping hours across a wider part of the town centre, whilst giving better vehicular access for businesses outside these hours. Thus for example, outside the core hours service vehicles would be able to enter streets such as Halkett Street, which is currently fully pedestrianised. If appropriate, such an arrangement could be applied flexibly, for example only during the summer months and leading up to Christmas, if pedestrian flows did not justify it at other times of the year. It would not require substantial capital expenditure for its introduction, as it would need only appropriate new signage, together with movable barriers such as rising bollards or lockable gates. It would not be necessary to renew pavement and carriageway surfaces. For its efficient operation, however, it would require substantial publicity, and effective management and enforcement.
- 4.17 As in most town centres, the limited availability of car parking is a weakness in St Helier. Opportunities to increase it in close proximity to the retail core of the town centre, and where it is easily reached from the ring road, should be taken wherever possible. We also consider that the current scratchcard charging arrangements are a major inconvenience for users. We consider that the charging method in all the public car parks should be changed to pay on exit, which would be likely to result in greater dwell times in the town centre, and would remove the stresses of not having appropriate scratchcards or not having correctly anticipated one's length of stay and thus suffering penalties.



- 4.18 From observation of the town centre, it appears that there may be insufficient parking space for motorcycles, since all the bays observed were full at the time, and some informal parking was evident. It also appears that within the retail core there may not be enough cycle racks to which cycles can be locked. Again, all those observed were fully occupied and some cycles were informally secured to railings and posts.
- 4.19 The Central and Beresford Markets are a very important attraction in the town centre, and provide a range of high quality foods in an undercover market stalls environment. However:
- The Buildings and fitments are in need of some repair and refurbishment;
  - Central Market comprises a somewhat disparate mix of food stalls, cafes and non-food stalls, with no clear merchandising strategy;
  - Signage to the markets is not adequate to bring them to the attention of visitors to St Helier;
  - There is no dedicated car parking available in close proximity.
- 4.20 We therefore consider that the Markets need improvement if they are to fulfil their potential as important specialist food shopping attractions. We suggest that the buildings and stalls should be sensitively refurbished and cleaned so as to retain their undoubted character. Without refurbishment followed by ongoing planned maintenance, the Markets will inevitably decline, and the income from them with it. We believe that these markets should then be focused on high quality specialist food shopping, akin to Borough Market in Southwark, London; and that the non-food stalls should be removed from Central Market as soon as new specialist food traders and cafes can be found to occupy their stalls. Alternatively or in addition, retailers selling food related non-food goods, such as specialist kitchenwares or cookery books, could replace the existing unrelated non-food stalls, thus contributing to the food-focused theme. New signage to the Markets should be installed in the town centre. Whilst the lack of dedicated parking cannot be overcome, we suggest that Minden Place car park be linked to the Markets, both through direct signage, and by a promotional initiative such as reduced car park charges for customers of the Markets. Once these improvements are in place (but not before, since promotion is not an effective substitute for improvement action), a promotional campaign needs to be inaugurated, together with ongoing promotionally focused management.
- 4.21 Although the results of our Survey of Businesses suggested some concerns about street cleansing in the town centre, this was not significantly corroborated by the results of our On-street Interview Survey of Shoppers and other town centre users. From our inspections of the town centre, it appeared to be generally clean and well cared for. In the prime retail areas of King Street and Queen Street and in some other streets,

pavement surfaces and street furniture is high quality and in generally good condition. There are also some attractive pieces of public sculpture, for example 'Jongleurs', the Jersey Cows and the amphibian on the column at Charing Cross. However, there are some pockets within the town centre which would benefit from improved street cleaning, for example regular pressure washing of pedestrian surfaces and seats where people sit out to eat and drink. West Centre off Bath Street is one such location.

4.22 Most of the buildings in St Helier Town Centre are in good repair, and together present an attractive streetscape. However, some are showing signs of inadequate repair and maintenance. A campaign to co-ordinate repair and painting of facades throughout the town centre, coupled with cleaning and maintenance of street furniture and pavement surfaces, would be a good way of further raising the standard of the streetscape and the attractiveness of the town centre as a whole. Some older buildings have shopfronts which are architecturally unsympathetic to the building, thus compromising the historic environment. A campaign for restoration of historic shopfronts, backed by grants if possible, would help to improve conservation and strengthen St Helier as an attractive historic destination for visitors.

4.23 Some of the initiatives outlined above fall within the ambit of Town Centre Management (TCM). If not already in existence, we suggest the formation of a formal TCM Partnership between the private sector and the States of Jersey; and the appointment by the Partnership of a Town Centre Manager with executive powers and a budget, tasked with the role of increasing the attractiveness of the town centre through physical improvements, higher standards of management, and promotional initiatives. Such an approach has been shown to provide economic benefits in many town and city centres in the UK and elsewhere in the world. The Association of Town Centre Management in the UK can provide model terms for such a partnership, and other advice and support.

## 5 Accommodating Identified Retail Needs

---

- 5.1 In this section, we discuss how the retail development needs which we have identified can be accommodated on the Island, in a way which would accord with sustainability and social inclusion objectives. Whilst we have not identified a need for a new food/non-food superstore, we are aware that such a development (of about 5,000 sq m gross) has been proposed in principal. We therefore also consider whether such a superstore could be accommodated satisfactorily.
- 5.2 In advising on the suitability of potential sites for new retail development, we have not undertaken any detailed assessment of issues such as traffic generation and highway capacity, environmental impact, urban design, etc. These are matters which would need to be checked before planning permission is granted. Our review of potential sites is principally of their commercial suitability, but has regard in broad terms to issues of accessibility and site planning, which would affect retailers' commercial decisions about site acceptability. We have also not undertaken any financial appraisals – but have again had regard to general principles of financial viability in assessing commercial suitability. Again, developers and retailers would need to satisfy themselves that their proposed developments would be financially viable.
- 5.3 In reviewing potential sites, we have had regard to the planning principles for sustainable retail location; and those for social inclusion. Both of these objectives mean that new retail development should if possible be located where it is accessible by a choice of means of transport, so as to make possible switching from cars to public transport and meeting the needs of shoppers who do not have cars; and where one journey can serve more than one purpose, thus reducing the need to travel. In practice, this means locations in or on the edge of existing centres, particularly town centres; which are the locations best served by public transport, and where the greatest concentration of complementary attractions is located. We consider that these principles should also be applied to site selection in Jersey. In addition to benefitting sustainability and social inclusion, they also increase the prospects of new retail development reinforcing existing shopping facilities, for mutual commercial prosperity. It means that sites in or on the edge of St Helier Town Centre should be preferred to those on out-of-centre sites.

### **Food Stores**

- 5.4 We have identified a qualitative need for one or two new deep discount supermarkets of about 1,300 sq m gross, for development in the next few years. Such retailers normally prefer free-standing stores built to their standard format, with adjacent surface car

parking for up to about 100 cars, thus necessitating a site of not less than about 0.4 hectares. In order to be able to operate their deep discount format, these stores need to be built on relatively low cost land, so are not normally constructed on sites which have abnormal development costs. Ideally from the retailers' perspective, sites should be visible from main roads and have good car access, together with public transport access.

*Former Odeon Cinema site and adjacent land*

5.5 Because it is so densely developed, there are few sites in and on the edge of St Helier Town Centre which would comply with these criteria. One such site is the land adjacent to the former Odeon Cinema between Bath Street and James Street. We estimate that this site is approximately 0.5 hectares, excluding the former cinema which we understand may now be listed for preservation. This flat site would therefore be large enough to accommodate a deep discount supermarket and surface car park, together with limited other uses. In contrast, even if the former Cinema was to be demolished, the surface car park on the north-west corner of the site included and a new superstore built on two levels with decked car parking, we doubt that the site would be large enough for a 5,000 sq m gross food superstore.

5.6 The site is within a short walk of the primary retail area and a new supermarket would effectively extend the secondary retail area. As such it should help to generate increased pedestrian flows in the northern part of the town centre. Although some way from the bus station on Esplanade, it would be accessible to shoppers who had come to the town centre by bus. It would also be accessible to shoppers coming on foot from the high density residential areas to the north (45.9% of people we interviewed on-street in St Helier Town Centre had arrived on foot). However, this site is almost centrally located within the ring road, meaning that it has somewhat indirect car access (which would be greater problem for a superstore, with its much greater traffic generation). It is therefore not certain that it would attract a deep discount supermarket retailer. Even if it proved possible physically to accommodate a superstore and its car park, we consider that its location would make it unattractive to retailers for such a store – bearing in mind that the store would have to take most of its trade from the existing large supermarkets on the Island, and to do so would require a more accessible location than they occupy.

*Green Street car park and adjacent land*

5.7 A small site exists to the south of Green Street car park, which although comprising a deep valley, could have the potential to be decked over with a new development above, served by the existing car park. It would be highly visible from La Route Du Fort, and accessible from the ring road via the existing car park. We estimate that this site is about 0.125 hectares, which would be too small for a deep discount store and its service access, even though no new car parking would be needed. The need to deck over the

site to create a level platform for the store would increase the site development costs, and may make it financially unviable for a new foodstore. The presence of the existing car park would obviate the costs of creating a new car park for the store; but the retailer would require an exclusivity agreement with the owner for free use of the ground floor for its customers. On balance, because of the small size of this site and the probable high construction costs, we consider it unlikely that this site could in practice attract a deep discount supermarket.

*Land at the Waterfront*

5.8 We are aware that apart from the Esplanade site, there are some undeveloped or apparently underused parcels of land in the port/waterfront area of St Helier. We believe it should be possible to identify a sufficiently large site in this area for a deep discount supermarket and car park, particularly if some land used for port-related uses could be released, and/or car parking for the new foodstore could be shared with car parking for other uses such as the cinema (since the highest parking demand for the latter is at different times of the day than for the foodstore). We consider that a site in this area would be attractive to retailers in locational terms. It would also be centrally located for the Island's population and very accessible by car. However, a deep discount supermarket would be a somewhat low value use for high value land at the port/waterfront; and may not fit well with the development vision for the wider waterfront area.

5.9 Having reviewed potentially available sites in and around St Helier, we consider that the Esplanade Square site is the only site which would be large enough and suitable for a new superstore of about 5,000 sq m gross; if the States of Jersey decides that it wishes to attract such a development and is prepared to accept the closure of other foodstores which we strongly expect to result. This site would be one of the most central for the most people on the Island; and would be easily accessible by car and well served by public transport (being almost adjacent to the new Bus Station). Being an edge-of-centre site, it would create opportunities for linked trips food and non-food shopping with the town centre; thus potentially helping to reinforce the town centre and contributing to sustainability. We understand that the Masterplan for the Esplanade site does not include provision for such a food superstore, and has recently been adopted as States policy. It would therefore be necessary to amend the Masterplan if a food superstore was also to be included on this site, for example at ground and first floors as part of a mixed use development, with underground or decked parking. However, we are advised that there is no prospect whatsoever of the Masterplan being amended to allow this to happen.

*Out-of-centre sites*

- 5.10 We understand that sites on the north-east edge of St Helier (a former dairy) and south of the Airport have been canvassed as potential sites for a new food superstore. We consider that these sites would be unsuitable, because a superstore on either site (which would include comparison goods sales as well as convenience goods sales) would act as a competing shopping destination for St Helier Town Centre rather than helping to reinforce it; and because (being out-of-centre and having relatively poor public transport access) it would run counter to the principles of sustainability and social inclusion. Car access for either site is also poor relative to the Esplanade site. The Airport site is also not well located for a large traffic generating use such as a food superstore, because it is some distance from the largest concentrations of population on the Island. However, it could be a suitable site for a second deep discount supermarket (which has much lower traffic generation than a superstore), where it could serve the population on the western side of the Island (with one in St Helier serving the eastern side).

**Comparison Goods Development**

- 5.11 We have identified a quantitative need for new comparison goods retail development, which will start to arise from about 2011 and grow steadily thereafter. We have also identified a qualitative need for this to be mainly in the form of large modern stores and shops, so as to attract multiple retailers. Such a development must be in or on the immediate edge of the primary shopping area (such that it extends the latter), if it is to attract such retailers and reinforce the existing town centre shopping; rather than being a new competing shopping destination adversely impacting upon the existing town centre.

*Land between Broad Street and the Bus Station*

- 5.12 This block is bounded by Broad Street, Conway Street, Esplanade and Castle Street; and is divided into two unequal parts by Commercial Street. It is located between the primary shopping area of King Street, and the new Bus Station and Liberty Wharf shopping centre (the latter being under construction). The site is therefore very well located for a new prime retail development to connect the town centre retail core to the Waterfront. However, there are substantial obstacles to such a development. The block is already densely developed, including high value uses such as the Post Office and a Bank, together with modern offices and other recently developed uses. This means that only parts of the block may be available for redevelopment, making it very difficult to achieve a scheme which would include the right mix of stores and shops in a financially viable development. Whilst it may still be possible to create a new retail route through to the Bus Station and Liberty Wharf, this would be of limited benefit in terms of strengthening the existing retail core. It would be unlikely to create an effective new retail circuit which would link to the existing primary shopping area at both ends, and be properly 'anchored'

by major new stores, so as to generate sufficient pedestrian flows to make the scheme a commercial success. It is unlikely that a retail link to the waterfront on its own would be sufficient to achieve commercial success

- 5.13 We consider that conversion to retail use of the best existing buildings fronting onto Broad Street, together with redevelopment of those of lower quality to create large modern stores and shops, would be more realistic than a retail scheme in depth linking Broad Street to the waterfront. A frontage development of this type could occur more incrementally as demand builds up and existing buildings become available, and would substantially strengthen Broad Street as a retail destination, without compromising old listed warehouse buildings behind. It may also be possible to include a new shopping street of smaller shops linking to the waterfront, but this would not be a major scheme accommodating many multiple retailers.

*Esplanade Square*

- 5.14 We understand that the recently adopted Masterplan for the Esplanade Square site envisages mainly offices and residential development, but with retail and catering uses to provide active ground floor frontages and support the office and residential occupiers. The scale of new offices proposed should be able to support significant new retail development of this type. However, we consider it important that this area does not become a major prime retail development area. Whilst an edge-of-centre site, it is detached from the primary shopping area by Esplanade and non-retail uses. If it was to include major new stores and shops on a substantial scale, therefore, it would form an alternative shopping destination to the existing town centre, rather than reinforcing it to mutual benefit. The result could well be decline in the vitality and viability of the eastern end of the town centre, in particular Queen Street, as some retailers relocate into Esplanade Square to achieve larger and more modern premises. We therefore consider that Esplanade Square should be limited to smaller scale support retailing and services associated with the new office and residential developments.

*Land North of King Street*

- 5.15 We consider that the area north of King Street could provide some opportunities for new prime retail development on a fairly substantial scale. The small block at the extreme west end of King Street, west of Pitt Street and north-east of Charing Cross, has potential for redevelopment for new prime retailing. The block bounded by York Street, Dumaresq Street, Union Street and Old Street is occupied by Romerills furniture and homewares store and other uses, but is less densely developed than some other parts of the town centre close to the primary shopping area. Some of the buildings on this block are architecturally undistinguished. The area to the north of De Gruchy and Voisins department stores is occupied by a variety of uses, some of which could be susceptible

to redevelopment. Thus for example, if the northern ends of the these two department stores could be incorporated (with their lost ground floor space replaced at a new upper floor level) a new retail circuit could potentially be created linking Charing Cross, via the Romerills block (with new 'anchor' stores at that end), behind De Gruchy and Voisins, and through to Don Street, Halkett Place and Central Market, thus increasing pedestrian flow to the latter.

5.16 We do not underestimate the difficulties of creating a new prime retail development in this area. The area is in a variety of ownerships, and there are 'hard' uses such as a community centre and a church which could be obstacles to satisfactory redevelopment. A new development to create a new retail circuit (as opposed to a simpler redevelopment of a single block such as the Co-op foodstore block) would be likely to necessitate public sector site assembly. It would also present a considerable design challenge to create a scheme with the right mix of modern stores and shops, properly serviced, which respects conservation constraints and is financially viable. Nevertheless, we consider that it represents a realistic long term retail development opportunity, which could eventually be realised (perhaps in phases) by an experienced town centre retail developer working in partnership with the States. This would necessitate identification of the area as a potential prime retail development area, coupled with planning policies supporting such an initiative. It would also necessitate preventing other developments in the area which would inhibit or prevent such a more comprehensive approach to increasing prime retail floorspace.

5.17 The next step would be for an Architect with substantial experience in shopping centre design to prepare an indicative 'masterplan' for the area, to explore and if possible prove the concept in more detail, and develop it as the basis for a new planning policy for this area. If the outcome of this process is positive, a Planning and Development Brief should then be prepared based on the indicative masterplan, setting out the States' requirements for the development. The principles of this Brief should also be incorporated into the Island Plan, so as to provide policy support for site assembly and the grant of planning permission in due course. At an appropriate time as expenditure support grows, the development opportunity would need to be marketed by the States, an experienced development partner appointed, the site acquired, and the development undertaken.

*Former Odeon Cinema site and adjacent land*

5.18 In the event that this site is not used for a new deep discount foodstore, we consider that it would be suitable for certain forms of comparison goods retail development. These are principally stores which need large floorplans but do not need (and cannot afford to pay for) the highest rented prime retail locations in the town centre. Examples are stores selling 'bulky goods' such as furniture, floorcoverings and household textiles, domestic



appliances, camping and boating equipment, together with sports goods shops, pet supplies, computers, audio-visual equipment; rather than prime retailing in the fashion goods and lifestyle sectors. This site is large enough to accommodate several such stores, as part of a retail-led mixed use development. As an edge-of-centre location, we consider that such a scheme (which would not need large scale car parking) would contribute to the vitality and viability of the town centre as a whole, and would help to strengthen pedestrian flows in the north-east part of the town centre. It could also accommodate some non-prime retail uses relocating to make way for a new prime retail development north of King Street, thus helping to facilitate the latter.

#### *Out-of-centre sites*

- 5.19 We have not identified any need for additional out-of-centre retail warehouses. We therefore consider that such stores should only be developed in circumstances where they are to accommodate 'bulky goods' retailing decentralising from St Helier Town Centre in order to make way for new prime retail development – and where this is the only way in which such town centre development can be effected. The principal out-of-centre site of which we are aware is land immediately south of the Airport. This could be attractive to retailers for new 'bulky goods' retail warehouses, subject to the road access being adequate, perhaps associated with a new deep discount food supermarket. However, it will vital to ensure that the scale of new bulky goods retailing is limited to that needed to facilitate new prime retail development in St Helier Town Centre; and that any planning permissions are strictly limited to this, and conditioned to permit 'bulky goods' retailing only.

## 6 Conclusions for the Retail Planning Strategy

---

- 6.1 In this section, we summarise the principal conclusions arising from the Study, and set out our recommendations for the Jersey Retail Planning Strategy. In doing so, we distinguish between a strategy for the development of new foodstores and new comparison goods retail floorspace (although new foodstores, particularly a food superstore, would sell significant amounts of comparison goods).

### **Foodstores**

- 6.2 From the retail capacity forecasts, it is clear that there is no forecast quantitative capacity for additional foodstore floorspace (beyond current commitments) up to about 2012. Thereafter, capacity will grow modestly to 2025, if forecast trends occur. This means that if a new food superstore of a size needed to attract a front rank UK or French food retailer (about 5,000 sq m gross) was to be developed in the next few years, it would be highly likely to cause the closure of at least one of the existing large supermarkets and perhaps also some of the smaller local foodstores. In quantitative terms therefore, there will be no need for any more large foodstores on the Island in addition to the existing stores and already committed developments, for the foreseeable future. This conclusion accords with the results of our independent consultations with retailers and the Chamber of Commerce; and we are not aware of any up-to-date and reliable evidence from other parties that there will be sufficient expenditure support and thus a quantitative need for a new superstore in the next few years.
- 6.3 There is however a qualitative need for about two deep discount supermarkets of up to about 1,300 sq m gross each. This is because all other segments of the food shopping market are already well served in terms of availability of goods, but there are no deep discount supermarkets on the Island. Being of much smaller scale than a superstore, and generating very much lower sales, two such supermarkets could be developed in the next few years without a serious adverse impact on the existing foodstores, and with a low probability of causing closures of existing stores. Development of two such stores would round off and complete the food retail offer.
- 6.4 The existing foodstores on the Island are well distributed to serve the main concentrations of population, both for main food shopping and local walk-in shopping. There are therefore no conspicuous weaknesses in terms of the spatial distribution of foodstores. Any new deep discount foodstores should be located where they can serve the greatest numbers of people with minimum car usage. This indicates a new store in or

on the edge of St Helier Town Centre, and one on the west of the Island, for example south of the Airport or (if a site could be created) at Red Houses (St Brelade).

6.5 There are few sites in or on the edge of St Helier Town Centre which would be commercially suitable for a deep discount supermarket. The best prospects are land between Bath Street and James Street adjacent to the former Odeon Cinema; and various possible sites in the waterfront/port area (particularly if port related uses can be given up, and/or car parking can be shared with the new leisure developments in this area). A store on the land adjacent to the Odeon Cinema would bring benefits to the north-east part of St Helier Town Centre; whilst a site in the waterfront/port area would probably be more attractive to retailers, being more accessible by car and probably closer to the Bus Station. On the west side of the Island, a (greenfield) site exists immediately south of the Airport which could be suitable for a second deep discount supermarket, subject to the capacity of the highway network to accommodate the additional traffic generated.

6.6 In the event that the States of Jersey decides it wishes to proceed with a new food superstore, accepting the closure of existing stores which would be highly likely to result, we consider that the only suitable location would be the Esplanade Square site on the waterfront at St Helier. This site is the most accessible from the whole Island by car and public transport. Being an edge-of-centre site, it would provide opportunities for food shopping journeys to be linked with non-food shopping and use of services in the town centre; thus contributing to sustainability – or at least helping to offset the effects of the more concentrated pattern of food shopping which it would cause. However, we understand that this site is now subject to a recently adopted Masterplan for an office and residential development with supporting retail and catering uses at ground floor level, and that this Masterplan does not make provision for a food superstore and its car park. We have been advised that there is no prospect whatsoever of the Masterplan being amended to allow this to happen.

### **Comparison Goods**

6.7 In the case of comparison goods in St Helier Town Centre, the new Liberty Wharf development will accommodate forecast needs for more floorspace until about 2011. After that date, rising expenditure will create a growing need for more comparison goods floorspace, which should reach about 3,650 sq m net sales area by 2015, 10,050 sq m net by 2020 and 17,050 sq m net by 2025, if forecast trends occur. Liberty Wharf will therefore provide a short 'breathing space' in which to plan for and work up proposals for the next phase of town centre retail development. Such new developments can take many years from inception to completion, so it will be important that the States is proactive in using this time to prepare such proposals. Applying the principles of

sustainability and social inclusion, we consider that such new retail development should be in or on the edge of St Helier Town Centre, in preference to out-of-centre locations.

- 6.8 St Helier Town Centre is a very attractive historic centre, providing almost a full range of comparison goods shopping, together with a wide range of catering outlets and other services. We estimate that as a whole, it is trading only moderately however. This was corroborated by retailers, who suggested that it has too much floorspace for current demands, in view of the decline in the number of visitors to the Island. Much of that floorspace is in small shops in historic buildings, which are unsuitable for the needs of modern multiple retailers. Thus the town centre includes a large number of independent retailers, and relatively few multiples. If the retail offer is to be rebalanced therefore, without adverse impact on the existing shops and stores, it will be important that new floorspace is provided in locations and formats capable of attracting multiples; and that it only occurs when fully supportable by growth in expenditure, and is subject to a detailed impact assessment at that time.
- 6.9 Providing new floorspace which can attract multiple retailers will mean locating it where it is very closely linked to the existing primary shopping area of King Street (rather than at Esplanade Square for example), and where it can effectively expand that prime area. Frontage properties on the south side of Broad Street may provide some opportunities to create large modern shops and stores in an incremental fashion, as demand grows and buildings become available, thus making Broad Street an increasingly prime shopping street. It may also be possible to provide a new retail link to the Bus Station, Liberty Wharf and the waterfront through this area; but it is unlikely that such a link could provide large stores and shops capable of accommodating multiple retailers.
- 6.10 Elsewhere in the town centre, we consider that there is a potential opportunity to create by means of well designed redevelopment a new retail circuit on the north side of King Street, to extend the primary shopping area and attract new multiple retailers to St Helier. This could run from Charing Cross via the Romerills block, then to the rear of De Gruchy and Voisins (and incorporating the rear parts of those stores, probably replacing their lost ground floor space at upper floor level), through to Don Street and Halkett Place. Achieving this would require the States to work in partnership with an experienced town centre shopping developer, to assemble the site and deliver a new development, if necessary in phases as demand grows. It would require supportive planning policies, together with restriction of any piecemeal developments in this area which would inhibit or prevent such a scheme occurring in future years.
- 6.11 The proposed Esplanade Square site is an edge-of-centre site in retail planning terms. It is too far removed from the existing prime retail area to form an extension of it. If developed for large prime retail shops and stores therefore, it would not complement and reinforce the existing town centre, but would be likely to act as an alternative shopping

destination adversely impacting on the vitality and viability of the existing centre. We therefore recommend that it be limited to smaller scale retailing, catering and other services, to support the proposed new office and residential development on the site.

- 6.12 There is no forecast capacity in terms of expenditure support for additional non-central retail warehouse floorspace and comparison goods floorspace in large food stores over the forecasting period to 2025. There is also no conspicuous qualitative need, because St Helier Town Centre still retains almost a full spectrum of comparison goods retailing, including 'bulky goods' retailing. If substantial new retail warehouse development occurred, or development of a large food/non-food superstore, therefore, it would be likely to result in closure of some of the existing shops and stores in St Helier Town Centre. These impacts would depend on the scale and occupancy of the new non-central stores; but would be most likely to fall on shops selling goods such as furniture, carpets and other homewares, domestic appliances, sports goods, audio-visual equipment, pet supplies.
- 6.13 New non-central retail warehouses would therefore only be justified in terms of qualitative need if it was necessary to decentralise some 'bulky goods' retailing from the town centre in order to create sites for new comparison goods stores and shops in the fashion and lifestyle goods sectors. We recommend that the first choice site for any such relocations should be the land adjacent to the former Odeon Cinema in St Helier Town Centre, if this site is not used for a new discount supermarket. Otherwise, we consider that the greenfield site immediately south of the Airport would be commercially suitable for such relocations, subject to the capacity of the highway network to accommodate the traffic generated. We recommend that any such new out-of-centre retail warehouses be limited to those necessary to accommodate retailers relocating from the town centre in order to make way for new prime retail development there, and be strictly conditioned to 'bulky goods' retailing only.

#### **Other needs in St Helier Town Centre**

- 6.14 St Helier Town Centre is a very attractive historic centre, with a wide range of retailing and services. We consider that it is providing well for the needs of shoppers and other town centre users in most respects. This is supported by the results of our On-street Interview Survey of shoppers and other town centre users, which showed a good positive balance of likes over dislikes, and positive ratings of a number of aspects of the town centre. Their principal concerns include traffic congestion and the difficulty and cost of car parking, perceived poor range of shops, and perceived poor value for money or high prices. However, there is only a limited desire for large new stores operated by UK multiple retailers. The cafes, pubs and restaurants are significant attractions and are widely used. Street cleansing and safety and security are seen as generally good.

6.15 We have identified some needs and opportunities for improvement of the town centre. Apart from the above identified future need for new shops and stores to attract multiple retailers, we consider that:

- The traffic management arrangements inside the ring road should be reviewed, with the aim of improving accessibility to car parks, and for service vehicles outside core shopping hours, whilst reducing pedestrian-vehicular conflicts.
- A wider pedestrian zone covering the great majority of the primary and secondary shopping streets during the core shopping hours (similar to the York City Centre 'Footstreets Zone') could be a practical way of achieving this objective.
- Any opportunities to improve car parking for shoppers close to the shopping core of the town centre should be pursued.
- The scratchcard charging method for the car parks should be changed to pay on exit.
- The Central and Beresford Markets should be refurbished, non-food retailers removed, and these markets themed for and promoted as a key destination for speciality food shopping and cafes; supported by improved signage to them within the town centre, and promotional linkage with Minden Place car park.
- Additional parking for cycles and motorcycles should be provided if possible.
- Town centre management should be formalised, and a number of improvements initiated, covering management and promotion of the town centre.

6.16 We believe that together these initiatives would significantly improve St Helier Town Centre, and help to make it more attractive to residents and visitors, with benefits for its overall prosperity.

Signed: 

Date: 25 July 2008

**Name: Jonathan Baldock**

**Position: Director – Head of Retail Planning**

For and on behalf of DTZ

## **APPENDICES**

---

- Appendix 1      Businesses Survey questionnaire and results
- Appendix 2      Key stakeholders interviewed
- Appendix 3      On-street Interview Survey Results
- Appendix 4      Catchment Zones map and Household Interview Survey results
- Appendix 5      Description of the RECAP Model
- Appendix 6      Jersey RECAP Model 2008

## **Appendix 1 – Businesses Survey questionnaire and results**

---



## Appendix 2 – Key stakeholders interviewed

---

## **Appendix 3 – On-street Interview Survey Results**

---

## **Appendix 4 – Catchment Zones map and Household Interview Survey results**

---

## Appendix 5 – Description of the RECAP Model

---

**Appendix 6 – Jersey RECAP Model 2008**

---

