

Health Check Executive Summary

Southampton City Centre Health Check

This document, published by Southampton City Council and Streets Ahead Southampton Ltd, provides an executive summary of the results of the 13th annual City Centre Health Check undertaken between April 2009 and March 2010.

The Southampton City Centre Health Check is intended for a wide audience and ultimately aims to improve the vitality and viability of the city centre and act as a key input to city centre management. It also acts as a helpful and relevant aid to retailers and other businesses, investors, developers and the Chamber of Commerce, as well as the public sector in examining how the city centre is changing and evolving.

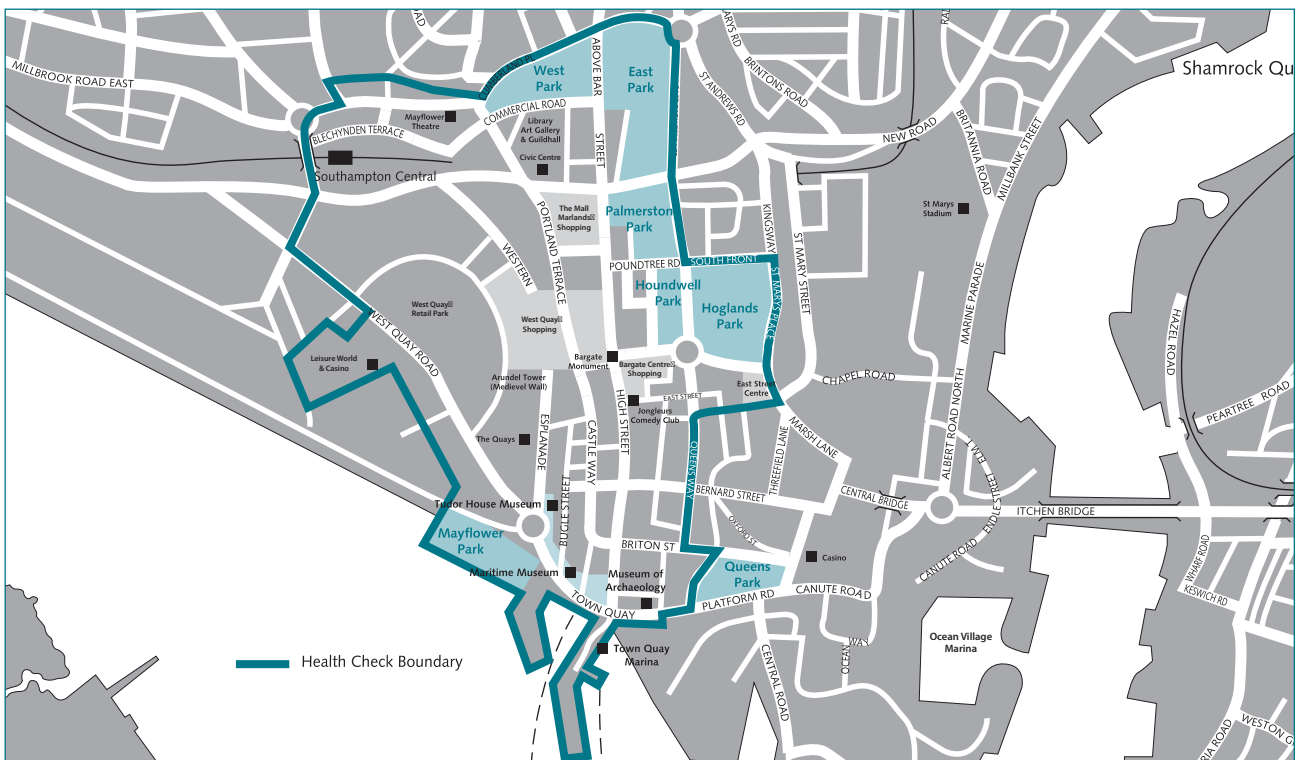
Southampton

There are an estimated 236,700 people living within the city boundary, amounting to approximately 18% of the Hampshire area. Of these, just under 70% of the working age population are economically active. Of the population living in Southampton, approximately 40,000 are students with approximately 6,000 graduates entering the labour market each year and 30% staying within Southampton to seek a career.

This gives the Region's employers access to a large pool of graduate labour, and specifically skills in the following sectors:

- Marine
- Science
- Biotechnology
- Law
- Electronic engineering
- Medical sciences
- Opto-electronics
- Social sciences

Health Check boundary



Source: Southampton City Council

Key facts and figures

Key indicators

Several key indicators are looked at to assess the vitality and viability of the city centre and assess change and its implications. The indicators below show the state of the city centre in 2009/10 and look forward to predict the 'health' of the city centre in the future.

Accessibility

The city is served by a wide range of transport modes including rail, air, coach, ferry, road and also the cruise and trade ports making it highly accessible by both private and public transport.

Southampton Railway Station serves national, regional and local destinations including London Waterloo (up to 3 times per hour), Birmingham, Bournemouth, Weymouth, Salisbury and Portsmouth.

Southampton International Airport welcomes around 2 million passengers a year and serves around 50 destinations across the UK and Europe. During 2010 Southampton Airport is investing over £7 million in improving passenger facilities.

The **Port of Southampton** continues to be Britain's premier cruise port, and the cruise capital of Northern Europe, with passenger throughput reaching record levels of 1,050,000 in 2009. To accommodate the continued growth of the port and improve passenger facilities, Associated British Ports has invested in excess of £41 million in Southampton's cruise business.

Southampton is well served by public transport including rail, bus, walking and cycling links. The use of more sustainable modes of transport has continued to rise with pedestrian, cycle and rail movement continuing to increase. In addition, over the past five years, the number of people travelling at peak times into the city centre has dropped, however it has risen for those leaving in peak times in the evening. These changes could be associated with more flexible working patterns and a greater understanding of the benefits of sustainable transport as well as improved public transport services.

As with recent years, the highest pedestrian flows in 2009 were recorded on Above Bar pedestrian precinct at the entrance to WestQuay. In addition, flows have increased around the Marlands Shopping Centre, WestQuay and Above Bar, possibly reflecting the wider retail offer in these locations. There was however a decrease in flows around the smaller shopping centres such as Bargate Shopping Centre and East Street Shopping Centre. This may be as a result of the vacant units in these locations.

Car parking

The city centre provides approximately 12,000 car parking spaces in designated car parks as well as over 1,500 on street spaces. The Council has introduced Pay as You Park cards which charge less than the standard car parking rate and aim to offer discounts to regular users.

The opening of WestQuay in 2000 saw a decrease in spare capacity from almost 50% to 41% in 2009. Between this period spare capacity has been as low as 22%, with weekends continuing to see the lowest levels of spare capacity. This demonstrates the popularity of Southampton as a retail destination.

Spare capacity levels for car parks within the city centre is an important source of information to retailers and investors on the ability of car parks to cope with the potential increased demand for spaces which could be generated by new development in the city centre. It appears that there is a good level of capacity in car parks in the city centre which may incentivise new retailers and developer to choose Southampton.

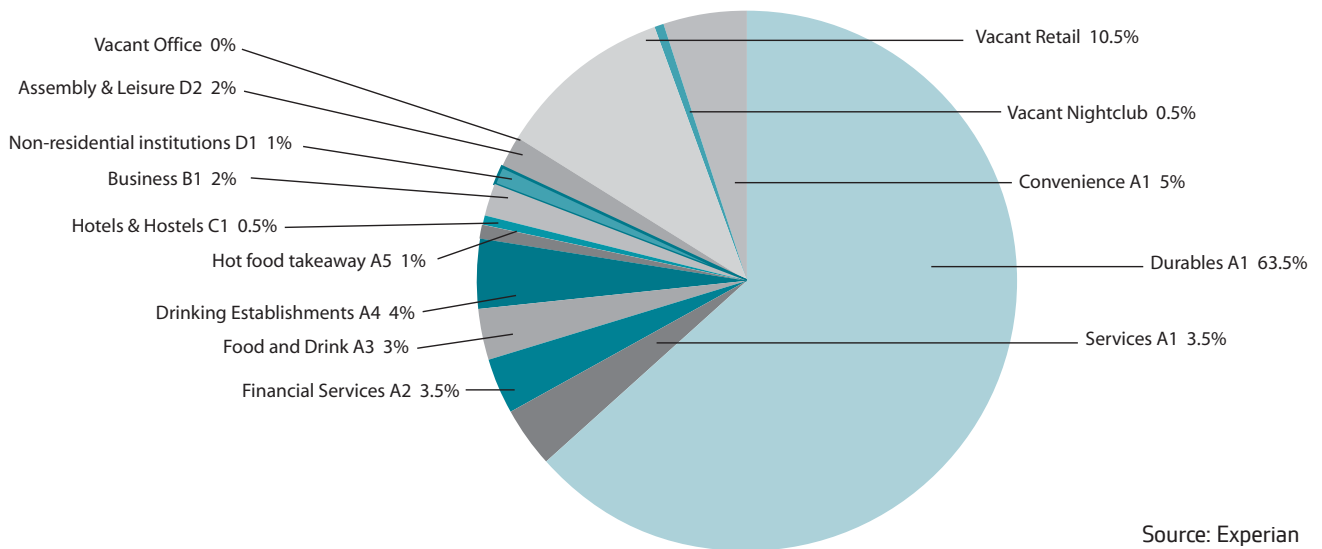
Key facts and figures

Retail performance and diversity of uses

The city centre continues to be dominated by retail units offering a wide choice of goods and attracting people from a wide catchment area. In 2009 Southampton was ranked 14th in the top retail destinations in the UK which demonstrates the strength and continued demand for retail in the city centre.

In 2009/10 A1 uses, including convenience, durables and services, represented the largest sector by floorspace (71.5%) with leisure use (A3, A4, A5 and D2) collectively constituting 10% of total floorspace.

Percentage share of total floorspace

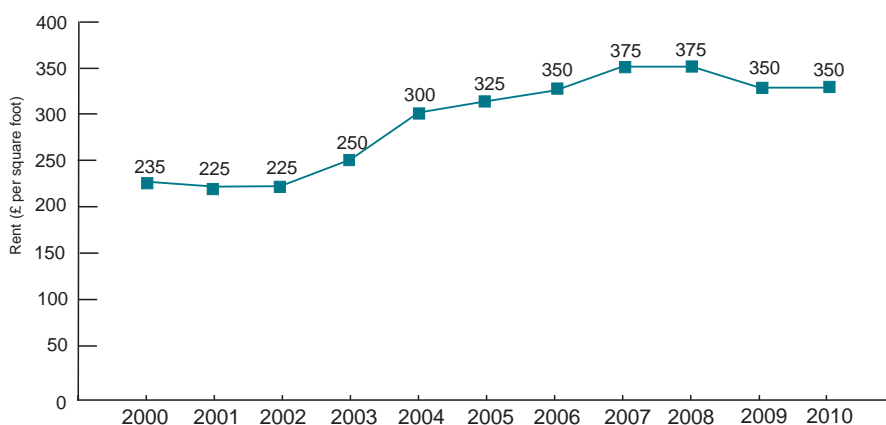


Of the total floorspace recorded in 2009/10 10% consisted of vacant retail units which is a relatively significant proportion, however this has reduced compared to 2008/09 with a number of previously vacant units in the city centre now being occupied. Two retail units on the High Street have now been occupied by foodstores. In addition retail units in The Mall Marlands, WestQuay and Hanover Buildings have been occupied by new retailers. This has further enhanced the retail offer of the city centre.

Guidance acknowledges that vacant units can arise even in the strongest of town centres, as in many cases these are vacant whilst they are being refurbished for new businesses as has happened in Southampton.

Whilst Experian predicts that it expects to see little change in the UK retail rankings in the period to 2014 due to schemes either being put on hold or scaled back as result of the economic climate, by 2019 it does expect to see a number of larger-scale developments to have come on-line as confidence and growth return to the economy.

Southampton Zone A retail rents 2000 - 2010



Source: Colliers CRE

Key facts and figures

Despite Experian's predictions, Southampton's Watermark WestQuay and WestQuay B developments are planned to be delivered in the short term. Watermark WestQuay proposes retail space, a hotel, cinema, cafes and restaurants and up to 200 residential units. WestQuay B proposes retail units, a hotel, office space and restaurants. It will therefore be important to monitor the impact of these on the city centre.

The opening of the WestQuay shopping centre in 2000 has resulted in a continued rise in rents, with rents remaining at a level between £300 and £375 per sqft. Rents for 2009/10 have remained at 2008/09 levels at £350 per sqft. This appears to reflect the wider national picture of a number of important centres which have also held their own. Southampton does however continue to lead the south-east in terms of Zone A retail rents, which demonstrates that there is still strong demand for retail space in the city centre.

In addition, the strength of the centre is shown by the continuing investment in the city including:

- Planning permission being gained for Watermark WestQuay, a new £150 million leisure-led destination in the centre of Southampton including 1,000 jobs, retail, cinema, hotel, restaurants, public open space and a landmark residential building.
- Proposals for the construction of the West Quay B site including restaurants, retail units, 5,600sqm of office space and a 155 bed Premier Inn hotel programmed to open in Summer 2011.
- Commencement of construction of the landmark eight storey 8,800sqm Police headquarter building in 2009 with completion expected by Spring 2011. It will house more than 500 police staff and will benefit from a state-of-the art custody centre with 36 cells.
- Continued physical investment in the city with a commitment to the creation of a cultural quarter which will include three new major developments - Guildhall Square, the Sea City Museum and Southampton's new Art Complex. The proposals will help secure approximately £175 million of private and public investment, bringing in more than 2,000 jobs and an additional £21 million of visitor spend each year.

Leisure and Culture

Southampton contains a diverse mix of leisure and cultural venues in the city centre including:

- Restaurants, cafes and takeaways
- Amusement arcades
- Central Library
- Night clubs
- Theatre and Art Gallery
- Public houses and bars
- Hotel
- Museums

The number and range of leisure uses in the city centre has stayed relatively consistent with the levels seen in 2008/9, with a slight increase in the number of restaurants, cafes and takeaways reflecting the continuing demand for such facilities despite the economic downturn.

Major leisure venues

In 2009/10 The Mayflower theatre was only open for 9 months due to the construction of a new scene dock and "get-in". It however hosted 303 performances attracting over 345,000 patrons. Using these attendee figures to calculate what the figure would have been for a 12 month period shows that attendance figures would have been up 15% on 2008/9 levels. The best selling shows in the year were The Sound of Music, Chicago, Thriller Live and Santa Claus and the Return of Jack Frost.

Southampton City Art Gallery is internationally renowned for its impressive permanent collection and varied temporary exhibitions. The gallery has over 3,800 works of art covering six centuries of European culture and has been designated by the government as having special national significance. Throughout 2009/10 the Gallery attracted just under 55,000 visitors despite its closure for part of the Easter holidays.

Prepared by Savills Planning & Regeneration
on behalf of Southampton City Council and Streets Ahead Southampton Ltd

A pdf copy of all the Health Checks from 2003/04 onwards are available at www.invest-in-southampton.co.uk/Economy/reports/health_checks.asp