

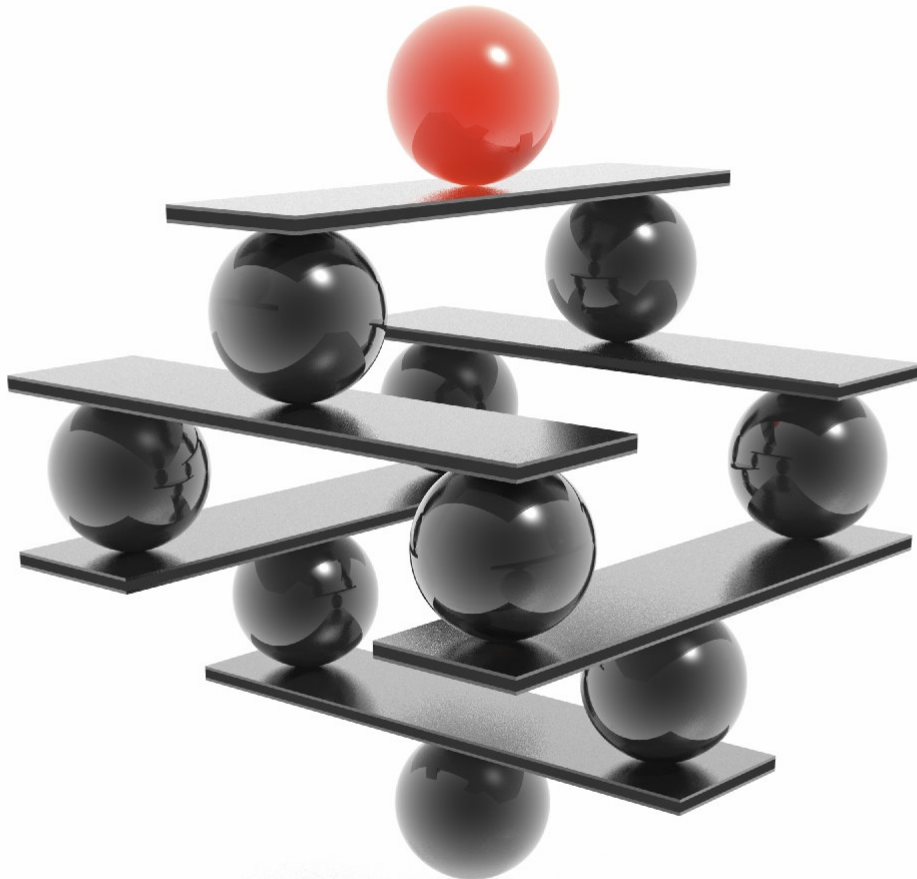


Real value in a changing world

Ashford

Town Centre Area Action Plan Review

March 2009



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1 Executive Summary

This report has been procured by SEEDA on behalf of Ashford Borough Council to provide a review of the development proposals for specific sectors and quarters of Ashford Town Centre to be included within the emerging Town Centre Area Action Plan (TCAAP).

The TCAAP is being prepared by Ashford Borough Council as part of the Local Development Framework (LDF) and will guide development of the town centre over the next 12 years up to 2021 as it makes a step change in its economic role at a county and sub regional level. The broad strategy and Masterplan by which this will be delivered has been agreed and we believe that it represents a robust basis on which to plan the town's future.

The plan has been well-researched and very extensive market studies have been undertaken over the last few years that underpin the proposals albeit, in reality, these have been prepared in the context of very different market circumstances than we see now and which may prevail for the next few years. Our most recent office, residential and retail market forecasts all point to no general market recovery until 2011.

The delivery of the TCAAP will take place over at least one if not two market cycles. Our experience from advising on some of the largest area regeneration projects in the UK including Greenwich, Stratford City and King's Cross, is that they take far longer to deliver than anticipated at the Masterplan stage. Ashford may well be the same. In any case, delivery will not take place in the context of current market circumstances and analysis of the current and forecast future market does not really provide a guide to future demand dynamics.

Ashford's population will double, and its accessibility to various demand segments (consumers and business) will change because of significant investment in transport infrastructure. This will place the town in a very different position in relation to demand and competition, and we contend that over the next 12 years this will lead to both a higher quantum and higher value demand.

Behind this though is an implicit assumption that marketing and delivery of Ashford will be focused, consistent and to the highest standards – an objective that we know Ashford Borough Council and its partners share.

The specific purpose of this report therefore is to assess and comment on the broad development mix and disposition proposed for the various sectors and quarters within the plan and in this respect we believe that the proposed quantum of development proposed for the majority of quarters / sectors is realistic for the following reasons: -

- Ashford, as a designated Growth Area, has an expanding population and is expected to roughly double in size, and consequently: -
 - It will generate more office and retail demand itself as a result
 - It will attract more demand from other towns and districts in the region because it will be a larger centre with a stronger gravitational pull;
- Ashford's economic and business role will change because its relative accessibility to London will improve with the commencement of the 37 minute fast domestic service to London.

- Improvements in regional connectivity will enable Ashford to compete with a different set of towns for mobile occupiers as it will fall into a similar range and labour market capacity as towns such as Stevenage, Guildford and Milton Keynes
- It will be better positioned to attract international firms which are looking for consolidated facilities to serve North West Europe. We note that this is an increasing feature of office demand and we expect it to become a stronger theme in the future;
- The investment programme itself (circa £60m over the next two years) linked with ongoing placemaking and market awareness will fundamentally shift perceptions of Ashford and what it has to offer as an office and retail destination.

New Demand Profile

New types of demand will be created for commercial floorspace as a result of the town's emergence as a major sub regional centre and we see this coming primarily from the following types of occupier: -

- London Decentralisers
- Kent Consolidators
- Regional Consolidators
- International Companies

Comparative Analysis

Ashford's repositioning of itself makes it more akin to the comparative centres identified within this report. For example, Chelmsford and Crawley support circa 186,000 m² and 111,500 m² of offices respectively and 93,000 m² and 81,500 m² of retail space respectively. It is therefore not unreasonable to expect that Ashford could move towards similar quanta of development if it is to transform itself into a major sub regional centre.

What are the Risks?

- Market Risk

The market is likely to remain depressed over the next two years with low levels of occupier demand and very limited finance available for development. Ashford can continue to deliver key elements of infrastructure to ensure it is well placed to deliver when market conditions improve.

- Timescales.

We consider these to be ambitious particularly in light of current market conditions. In our experience, even in a strong market delivery often takes considerably longer than first envisaged. As a result it is our view that it could take up to 15 -20 years to achieve the vision for Ashford Town Centre.

Recommendations

We would recommend that in order to mitigate the above risks that the following be undertaken: -

- Preparation of delivery strategies for key commercial sites within the town centre
- Market testing to establish the types of demand for commercial space in Ashford.

- Preparation of an Ashford specific marketing strategy which will target identified occupier types.
- A phased approach to delivery of the TCAAP
- Pursue some early identification of further USP's for Ashford
- Addressing the lack of cohesion within the town centre due to the impact of the 'railway corridor'.

2 Introduction

This report was commissioned in January 2009 by SEEDA on behalf of Ashford Borough Council, in order to provide strategic property advice on the quantum and distribution of development for those quarters / sectors identified within the proposed Ashford Town Centre Area Action Plan (TCAAP).

We understand that Ashford Borough Council are now looking to finalise the TCAAP however prior to doing so it is considered appropriate to review the proposed development sectors to establish whether they are still valid or whether amendment is required.

We have been asked to give advice against the backdrop of the wider ambitions for Ashford rather than focusing on short term fluctuations in the current economy.

In undertaking this commission we have had regard to a wide range of documents including the following:

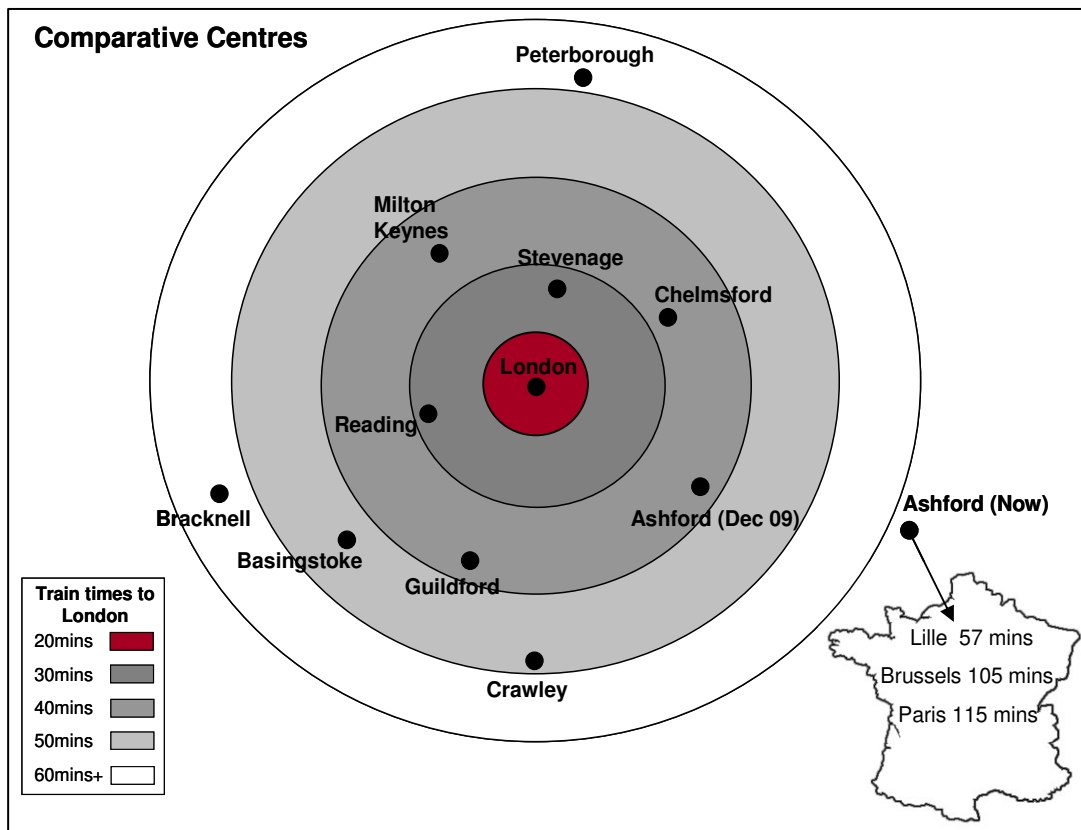
- The Greater Ashford Development Framework (GADF);
- The Ashford Town Centre Development Framework (ATCDF);
- Town Centre Area Action Plan Quantum Table;
- Ashford's adopted Core Strategy;
- Employment Land Survey
- Draft site and quarter policies for the TCAAP

3 Our Approach

Ashford's accessibility to the primary source of demand in the UK (London businesses) will change. It has the opportunity to present itself as an alternative business location to established decentralised office and business centres. We have adopted an evidence based approach to validation of the figures contained within the TCAAP having regard to anticipated population growth in Ashford and enhanced journey times to London.

We have identified centres around London which have similar journey times to a London terminus and undertaken an analysis of the stock levels for different uses within these locations.

The towns identified serve to demonstrate how Ashford could change over time giving an indication of the quantum of development that the town could support given its projected population growth and much improved accessibility to London.



Sources: JLL analysis based on National Rail train times to relevant mainline termini. (E.g. Ashford to London Charing Cross) 2009

4 Analysis of Comparative Locations

4.1 Population and Stock Levels

The following table provides an analysis of Ashford and the comparative locations in terms of size of town centre population and quantum of town centre retail and office space. It should be noted that the retail figures provided for Ashford exclude the Factory Outlet Centre which amounts to an additional 16,732 m². The table allows for comparison between the centres identified and demonstrates the potential for change in Ashford's office and retail offer.

	Population size	Town Centre Retail (m ²)	Town Centre Offices (m ²)
Basingstoke	80,477	78,970	81,300
Bracknell	50,131	41,600	130,440
Chelmsford	120,000	92,820	192,310
Crawley	100,100	81,540	109,300
Guildford	100,383	79,640	130,440
Milton Keynes	184,506	96,290	234,120
Peterborough	163,300	111,310	145,860
Reading	143,096	140,250	437,390
Stevenage	79,400	60,320	68,900
Ashford (now)	60,000	62,710	9,290
Ashford (future)	125,000	138,240	92,900

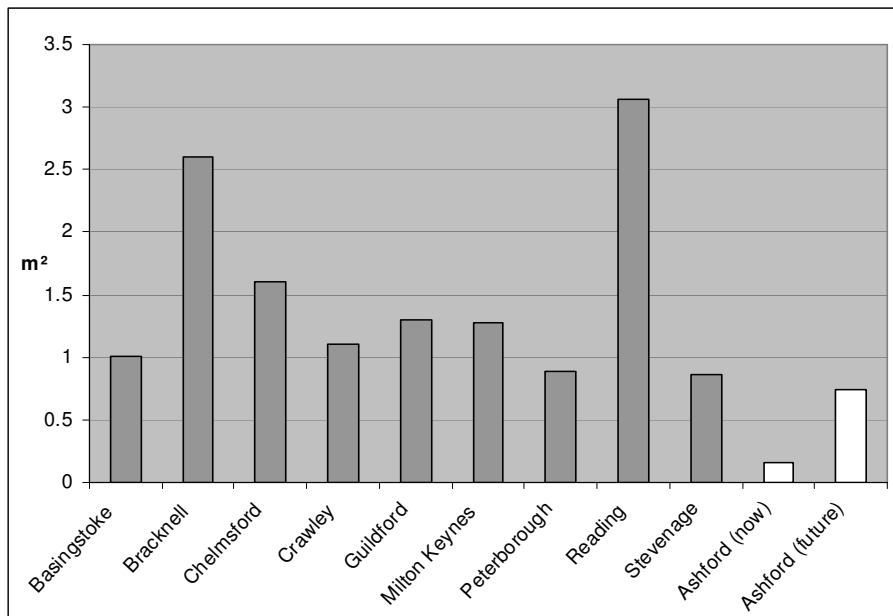
Source: GOAD 2009

Notes: CACI (Population based upon a 15 minute drive time to a Town Centre)

4.2 Key ratios

Amount of office space per capita (m²)

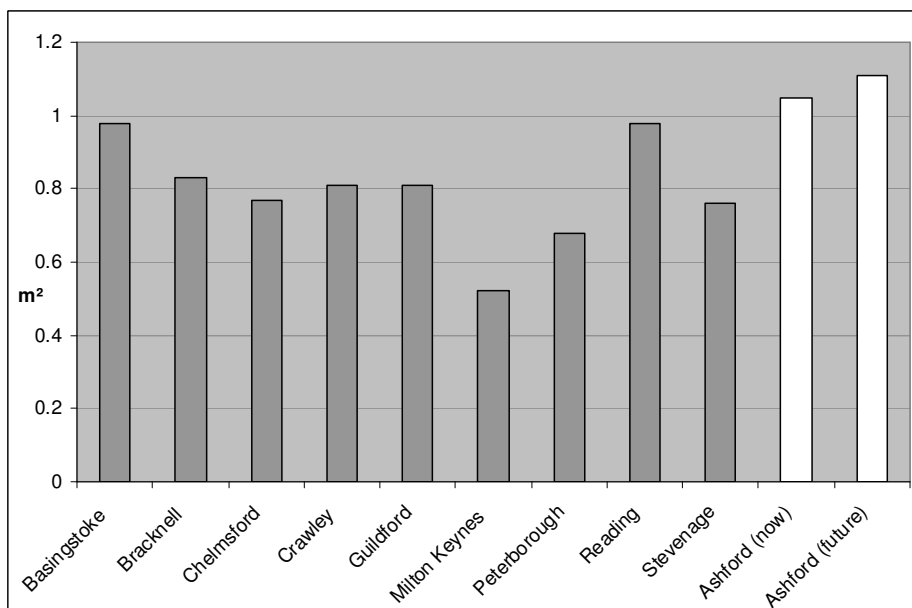
The following graphs provide further analysis of town centre retail and office space on a per capita basis. They demonstrate the under provision in offices and the existing potential for new office provision compared with the comparative locations based on the anticipated enhanced labour demographic and significantly increased levels of accessibility.



Source: CACI 2009

The retail provision per capita is in line with or even excess of some comparator centres indicating a healthy provision in terms of total size. However, in order to support the significant growth and employment objectives of the town, Ashford should be seeking to accommodate a modest proportion per capita of new retail space and through such provision, and potentially through redevelopment, to enhance the nature of its retail offer which will be attractive to new residents and commercial occupiers.

Amount of retail space per capita (m²)



Source: CACI 2009

4.3 Commercial Analysis

Basingstoke

Basingstoke has a wide range of occupiers including manufacturing, high tech, finance and business services.

Two of Basingstoke's major office occupiers are De La Rue and Arjo Wiggins who are involved in the niche printing and high security paper industry. In 2004 China's biggest telecom equipment manufacturer, Huawei Technologies, established their European Headquarters in the town.

One of the most substantial office occupiers is the AA who has its national headquarters located within the town centre.

Basingstoke is able to attract occupiers with high levels of good quality space and more economic rents compared with other centres in the Thames Valley.

Bracknell

Hi tech sectors account for some of the largest occupiers in Bracknell. As with Basingstoke, it is able to offer more affordable rents and high levels of available, good quality space.

Chelmsford

This centre is characterised by a significant number of "back office" functions given its easy rail access into the City of London. The financial sector is dominated by M & G Investment but insurance companies also have a presence including Royal & Sun Alliance and Amlin.

The public sector is a major employer given Chelmsford's role as the county town for Essex and hence the presence of the Borough and District Council offices.

Crawley

Gatwick Airport has a significant impact on employment in Crawley with the largest employers linked to the aviation and travel industries. By sector the key driver for demand in Crawley over the last five years has been manufacturing which accounts for 45% of total take up. The Thales Group, IT manufacturers in the aerospace, defence and security markets, has shown strong commitment to the town.

Guildford

Guildford is the county town for Surrey and therefore a significant public sector presence exists. Manufacturing firms also provide substantial demand for office space. Key office occupiers include pharmaceutical firms Colgate Palmolive and Sanofi Synthelabo who have headquarters based in the town.

The oil industry has also had a significant presence although this is now declining.

ICT industries are increasing their presence in Guildford with 27% of all take up related to this sector.

Demand for space in Guildford tends to come from local medium sized companies. This is due to the historic nature of the town centre which has limited the amount of large office developments that can be accommodated.

Milton Keynes

The success of Milton Keynes has been due to the significant supply of large and price-competitive sites, its accessibility to London and to key regional centres and promotional delivery through the New Towns Corporation.

There has been significant foreign investment with large multi national companies such as BP, Daimler Chrysler and Siemens having a presence. The largest financial employer is Abbey. Professional and business services categories include major accountancy and legal firms.

Milton Keynes has become attractive as a head office location for a number of major car manufacturers who use the location as a centre for import, sale and distribution.

Network Rail has recently chosen to relocate to Milton Keynes. Jones Lang LaSalle advised Network Rail and their principal selection criteria were:-

A cheaper location;

Centrally located within the UK (Giving accessibility to London and Regional centres)

Within 5 minutes walk of a mainline station.

Peterborough

Peterborough Development Corporation actively marketed Peterborough for over 20 years (1968-1988) as a back office location for financial and business services from London. Significant demand for space came from the insurance sector including Royal & Sun Alliance and Pearl Assurance. By sector the key driver of demand over the last five years has been business services accounting for over 58% of all take up although over the last year public services have accounted for 46% of total take up.

Expansions have occurred through mergers and acquisitions, for example, Thomas Cook chose to expand its operations following its merger with My Travel.

Manufacturing businesses are represented by Coca Cola and British Sugar.

Reading

Reading Borough Council is the largest employer in the town but it is also home to a number of decentralised government departments including the Rural Payments Agency, Environment Agency and HM Revenue & Customs all of which are based in the town centre. Reading is however home to some of the largest high tech firms with many operating UK and European Headquarters from the town.

By sector, the key demand in Reading over the last five years has been manufacturing which accounted for over 26% of all take up. Demand is generally characterised by small to medium sized requirements supplemented by large pre-lets at key locations around the town.

Stevenage

Demand from occupiers is good with particular interests from distribution and aerospace sectors. Pharmaceutical company GlaxoSmithKline are also a major occupier in the town; Stevenage offers attractive business units with shared facilities at affordable rental levels.

There is however scope for improvement of stock within the town centre and this will be achieved through a major regeneration plan that is currently being proposed.

5 The changing Role of Ashford

Historically a market town, Ashford now has the potential to transform itself into a major sub regional retail and business centre. As the town grows so will the quantum of development it can sustain and we set out here the key factors that are likely to drive this changing role.

Growth Area

In 2001 the Government identified Ashford as one of four key growth areas in the South East alongside Milton Keynes, Thames Gateway and Stansted/M11 Corridor. In 2002 a study was undertaken to assess Ashford's growth potential which concluded that the Borough had the capacity to provide a further 31,000 new homes and 28,000 new jobs. The Sustainable Communities Plan, introduced in 2003, confirmed these targets for delivery by 2031.

The plan envisages the population of Ashford will grow from 60,000 to 125,000 by 2031. (Population based on the Ashford Town only not Borough)

Investment

A £2.5bn investment programme is now underway to ensure that the necessary infrastructure including transport improvements, utilities, leisure and education facilities are in place to support the growth forecasts. These works are fundamental to ensure the future success of the town.

International Links

Ashford has the benefit of international rail links which provide easy access to European centres such as Lille (57 minutes), Paris (120 minutes) and Brussels, the latter being re-established in February 2009. The introduction in December 2009 of the high speed domestic service utilising High Speed 1 will cut the journey time into London from 83 minutes to 37 minutes. In addition Ashford is a hub for domestic rail services to other parts of Kent and to Brighton in East Sussex

Southeastern, the train operating company for the high speed domestic service is forecasting a 46% increase in annual journeys from Ashford to London by 2014 as a result of the introduction of the service.

Accessibility by road

Improvements to internal and major road networks have ensured that Ashford also has good access to airports and ports with Dover only 25 minutes away.

Site Ownerships

A number of key sites and buildings within Ashford town centre have been acquired by SEEDA since the introduction of the Sustainable Communities Plan. Previously Jones Lang LaSalle has advised on these sites (including some owned by HCA) and in particular the Elwick Place development which identified as a key site that would serve to drive the ambitions of the town forward. Such ownerships can only assist in accelerating the delivery of the vision for Ashford.

Unique Selling Points (USP)

Ashford's International rail links and the McArthur Glen Outlet are both in our opinion USP's for the town drawing people from a wide catchment area. We believe however that the town is in need of additional USP's

to further increase its International profile. We understand that there is the potential for the development of an entertainment based Arena and it is our view that such a facility could provide an additional USP in the future.

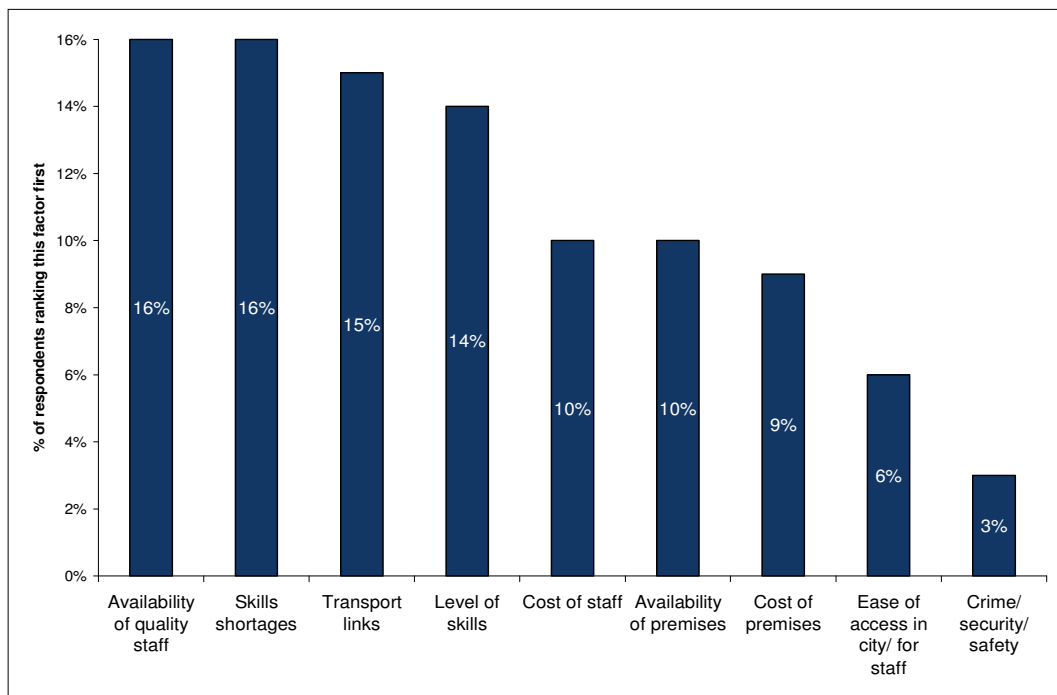
6 Success Factors for Decentralised Business Centres

What makes a successful decentralised business centre?

Jones Lang LaSalle has advised on both sides of the business relocation / decentralisation process; we advise on city marketing to attract companies, and we advise relocating companies themselves.

For the last 30 years we have monitored the source and destination of major moves and through direct company survey, have analysed the “push” and “pull” factors that are important. The table below sets out the predominant drivers for occupiers when considering new locations. The primary driver relates to cost and availability of staff. Labour quality, availability and cost remain key.

This graph below has been carried out by OMIS for the last three years to survey up to 2,000 business leaders in the UK across the different sectors to identify the key factors for relocating.



Source: OMIS 2007

The town centre must have the required levels of infrastructure to support and sustain continued growth over the medium to long term. This includes the provision of: -

- Hard infrastructure - roads, sewers, power supplies etc.
- Technology – good power supplies and fibre optic capabilities will attract new businesses.
- Housing
- Educational facilities
- Retail and leisure facilities

Workforce

Companies primarily decentralise in order to reduce costs and the major cost to any business is its staff. Decentralised locations will benefit from providing the following: -

- A large labour supply
- Sufficiently skilled workers to support new businesses
- Salary levels that will ensure cost savings

Decentralising London occupiers often avoid locations close to the M25 as these do not offer the savings that can be achieved in sub regional centres located further from the capital.

Delivery of the TCAAP needs to be viewed on a sequential process of change that becomes reinforcing; improved transport will improve the labour and skills catchment, transformational development will attract new business, the labour market in consequence will become more varied and dynamic.

Land and Buildings

- Availability and cost of land

A ready supply of sites capable of delivering the required product at an affordable price is essential.

- Ready supply of quality accommodation

The quality of accommodation is an important factor in attracting corporate occupiers. Given the relatively low rental values in Ashford the delivery of quality accommodation may prove a challenge without some form of subsidy in respect of initial phases.

- Rental Values

The balance of operational cost between property, people and technology clearly varies between different business sectors and the exact business model. It is the combination of the three (people, property and infrastructure) which will need to be competitive rather than rent alone.

In conclusion it is the low margin / low cost centres that can provide the necessary workforce and infrastructure to sustain development for the long term that are most likely to succeed.

7 Ashford Town Centre Sector Analysis

7.1 Retail and Leisure

Comparison goods space currently accounts for 40.5% of the total space within Ashford town centre and 63.3% of the total retail space (comparison, convenience, retail services and vacant retail). Total space within Ashford is 97,956 m² with total retail space making up 62,709 m². (See Appendix D for detailed breakdown of total space)

The extension to the County Square shopping centre opened in March 2008. An additional 18,766 m² of retail space was added to the scheme which is now anchored by Debenhams and Next. Next and New Look both relocated into the extension from the Park Mall shopping centre located to the north of the existing High Street.

Vacant units account for 12.2% of the total space in Ashford (all space as defined by Goad) and 19.1% of the total retail space (comparison, convenience, retail services and vacant retail).

Leisure services (including bars, restaurants, bowling, betting shops, night clubs and fast food outlets) account for 14.3% of the total town centre space.

Vacancy Rates

Town	Vacancy rate (total space)	Vacancy rate (total retail space)
Ashford	12.2%	19.1%
Tunbridge Wells	6.9%	11.7%
Bluewater	1.9%	3.7%
Maidstone	8.3%	12.2%
Canterbury	4.2%	7.7%
Folkestone	8.8%	14.5%
Dover	12.4%	19.6%
Tonbridge	3.1%	5.1%

Source: GOAD 2008/09

As can be seen from the table above, currently vacancy rates in Ashford are higher than in competing centres. This will be largely due to the County Square shopping centre extension as there are still units to be let within the scheme which account for 16.5 % of total floorspace. The opening of the extension also resulted in the relocation of Next and New Look from Park Mall and the units vacated remain unlet. Vacancies in Park Mall account for 14.9% of the total scheme. There is a need to address these vacant units in order to develop Ashford into a more vibrant town.

In order for Park Mall to be a successful retail element within Ashford a greater retail focus is required. Currently, the Centre is anchored by Wilkinsons and has the advantage of being in close proximity to town centre car parking. However, the presence of a number of vacant units makes the scheme seem unattractive when compared to the rest of the town centre. The retail within Park Mall needs to be regenerated, and a focus on both retail services and a value led retail offer would work well in this location. Wilkinsons provides a value led anchor and together with the presence of other value retailers such as Superdrug, means that there is already a base value retail offer trading. In terms of retail services, Thomas Cook and D&A opticians (recently merged with Boots) means that there is also a base of retail services which can be built on. By

focusing on a value led retail offer alongside retail services, Park Mall will be more purpose led and therefore be able to play more of a part in the regeneration of the town centre.

The alternative use for Park Mall is to develop a significant element as a food store. This would allow for the provision of a grocery offer which is something that the town centre currently lacks. Providing supporting car parking can be developed, this town centre location is considered to be suitable for a food store. It is well connected to the rest of the town centre meaning that food shopping can be combined with comparison goods shopping therefore making the town centre a more attractive destination for shopping.

Existing Retail Requirements

Currently there are limited specific retailer requirements for Ashford although many of the multiple retailers who are looking for additional space generally do not specify individual towns but instead conduct searches nationwide. As a result, there are likely to be retailers interested in Ashford who are missing from the following list.

Retail Operators: -

- Claire's
- Instore
- Republic
- Robert Dyas
- TJ Hughes
- Primark (known to be interested in the Elwick Place development)

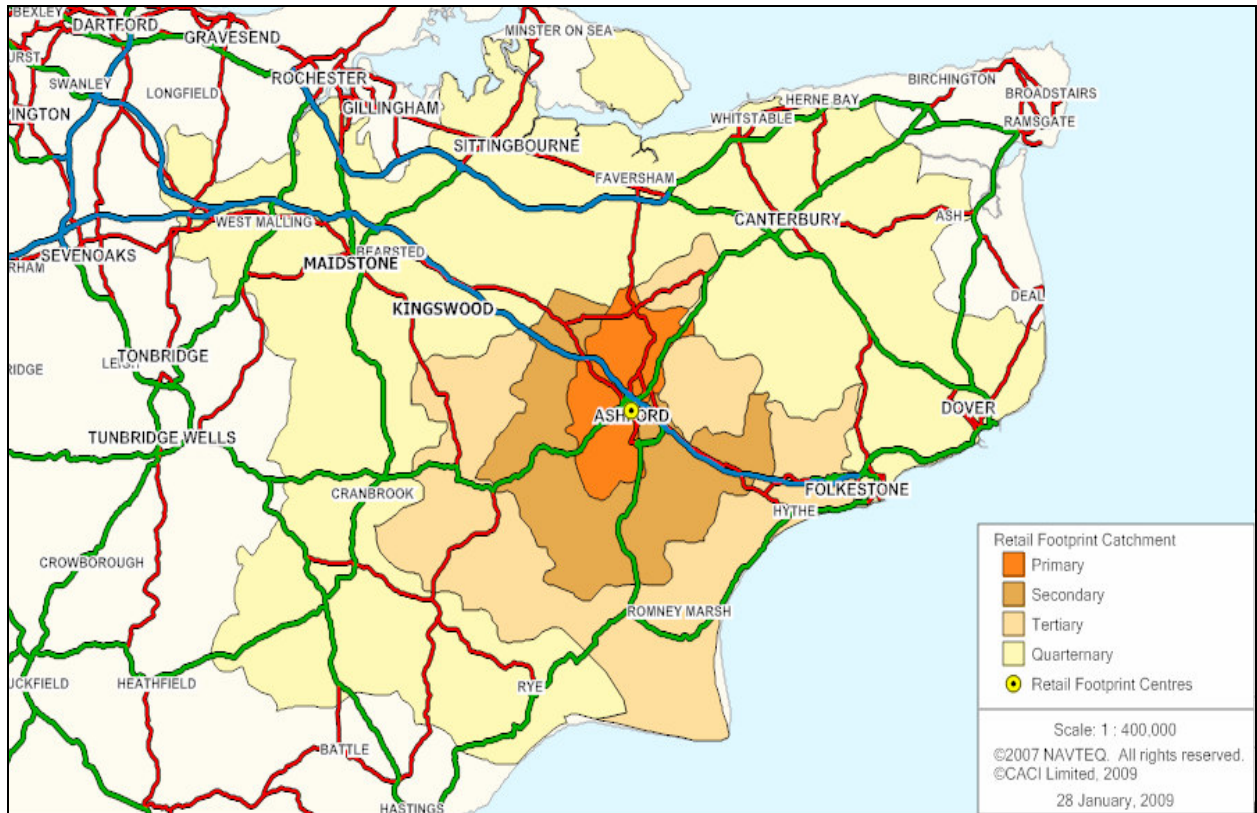
Leisure Operators: -

- Barracuda Bar
- Burger King
- Caffe Nero
- Greggs
- Gondola Restaurants (Zizzi, Pizza Express, Ask, Byron)
- Harvester
- Jamie's Italian
- Strada
- Subway

As a consequence of the proposals to increase the level of retail and leisure space within Ashford town centre, we would expect that retail requirements would similarly increase. The redevelopment of the town centre and the associated increase in retail and leisure space is likely to generate an increase in both the quantity and quality of retailer requirements.

Review of Competing Centres and Schemes

Ashford's Retail Catchment



Source: CACI Retail Footprint 2008

The map above shows the Retail Footprint catchment for Ashford's town centre. Retail Footprint is a gravity model which defines catchments for comparison goods shopping. The model calculates a centre's catchment based on the time taken to reach the centre, the attractiveness of the centre based on the number and type of retailers present, the level of competition and the population size.

The primary retail catchment of Ashford attracts a 66.6% market share demonstrating a relatively loyal local catchment which is reflective of the lack of strong immediate competition. The secondary market share of 49.7% is also high, again an indication of the lack of nearby competition. However, it is important to note that whilst the primary catchment does attract a 66.6% market share, it is leaking 33.4% of trade to other retail centres. An improved retail offer would need to address this with an appropriate retail mix. The total market share for Ashford's catchment is low at 8.7%. An improved retail offer would mean that Ashford would reduce leakage from its catchment leading to a greater level of retained spend.

Competing Centres

Retail Centre	South East ranking (based on comparison goods expenditure)	Retail Attractiveness score	Total Catchment population	Total Shopper population	Primary market share	Total market share	Value	Mass	Premium
Bluewater	1	792	8,282,581	463,824	25.7%	5.6%	5.4%	52.9%	41.7%
Tunbridge Wells	8	566	1,398,815	179,048	87.5%	12.8%	11.1%	61.8%	27.1%
Maidstone	9	620	1,101,042	167,358	78.3%	15.2%	27.6%	56.6%	15.7%
Canterbury	12	504	1,052,479	143,137	74.7%	13.6%	11.4%	64.3%	24.4%
Ashford	33	359	824,755	71,753	66.6%	8.7%	32%	62.7%	5.3%
Ashford – McArthur Glen FOC	39	71	1,706,535	58,022	19.9%	3.4%	19.5%	56.7%	23.8%
Folkestone	44	267	307,733	56,315	76.2%	18.3%	40.8%	52%	7.2%
Dover	49	185	228,193	45,410	80.8%	19.9%	36%	56.2%	7.9%
Tonbridge	73	140	355,959	23,493	40.2%	6.6%	34.8%	58.8%	6.3%
Tenterden	102	80	177,894	15,477	64.4%	8.7%	11.6%	40.5%	48%
Faversham	152	48	211,622	9,311	32.5%	4.4%	33.6%	66.4%	0%

Source: CACI Retail Footprint 2008

Ashford is ranked 33rd of all the retail centres within the South East. Tunbridge Wells, Maidstone and Canterbury are all ranked above Ashford and due to the strength of their retail offer and their locations relative to Ashford, represent its main competitors. In terms of retail mix, all three have a considerably higher percentage of their retail attractiveness score made up from premium retailers than Ashford does.

Value retailers have a retail offer predominantly focused on the lower end of the market. Retailers that fall into this category and are trading in Ashford include New Look, Superdrug and Wilkinson. Mass retailers focus on the middle of the market, retailers within Ashford include Next, Clarks, Debenhams and Boots. Premium retailers have a retailer offer aimed at the higher end of the market. Retailers within Ashford that fall into this category include Waterstones and Jessops.

The shopper population is the number of people in Great Britain that the model calculates will shop in a particular centre. It accounts for the fact that as in reality catchments overlap and that the population of a given area will visit different centres, the shopper population will always be smaller than the resident population. The primary market share for Ashford is lower than that of Tunbridge Wells, Maidstone and

Canterbury demonstrating that with their retail mix they are able to retain a greater percentage of their primary catchment than Ashford does.

In order to decrease the leakage from Ashford, new retail development within the Town Centre Core will need to include a stronger mix of premium retailers. Zoning of town centres is a practice that is becoming more common particularly with the opening of new shopping centres. As such, it is recommended that Park Mall is redeveloped in due course as a value led retail offer in combination with retail services, and that the County Square Shopping Centre along with the remainder of the Town Centre Core focuses more on a mass market offer alongside an increased number of premium retailers. Based on gap analysis of centres comparable with the future Ashford, premium retailers who are likely to be interested would include Beaverbrooks, Fat Face, Hobbs, Laura Ashley and Monsoon.

The McArthur Glen Outlet Centre



Source: CACI Retail Footprint 2008

The McArthur Glen Outlet Centre draws from a wider catchment than Ashford due to the difference in retail offer that it provides when compared with competing towns. By providing a retail mix from high end retailers at reduced costs, the Centre generates a wide catchment. However, it is not seen as a competing centre to Ashford town centre mainly due to the difference in retail offer it provides. The outlet centre is considered to be a complimentary to the main town centre retail offer and provides a point of difference to the major competing towns of Tunbridge Wells, Maidstone and Canterbury.

Development Pipeline

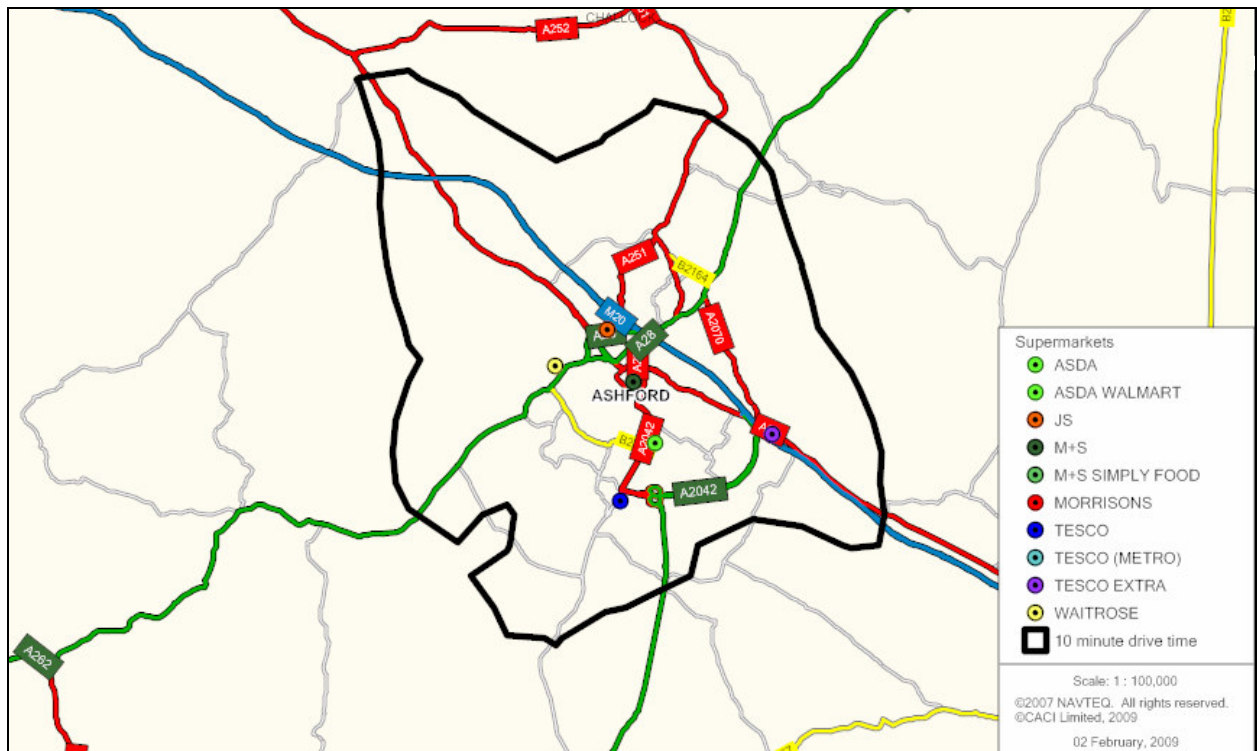
Location	Scheme	Proposed opening date	Retail sales area gain (m ²)	Status	Developer	Comment
Tunbridge Wells	Former Cinema Site	n/k	6,968	Planning application to be submitted	TBC	Mixed use development to also include offices and a hotel
Gillingham	Hempstead Valley shopping centre	August 2009	2,787	Extension – no confirmed start date has been agreed at this stage for the new Phase II extension	British Steel Pension Fund & Cushman & Wakefield	Three extra retail units are to be built

Source: Egi 2009

The table above indicates those proposed schemes currently in pipeline which may have an impact on the performance of Ashford's retail sales. As can be seen these are limited which is clearly a positive factor and with the proposed development within the town will help to secure Ashford's future as a strong retail destination.

Attractiveness to Investors

Supermarket Provision



Source: CACI and Jones Lang LaSalle 2009

Tesco, Sainsbury's and ASDA are all currently represented within Ashford. Tesco have two stores, one standard store of 4,738 m² sales and a Tesco Extra of 4,181 m² sales giving a total of 8,919 m² within the urban area. Sainsbury's have a 4,274 m² store to the north of the town centre, and ASDA are located next to the outlet centre to the south of the town and are trading from 3,809 m² sales. Waitrose are due to open a 1,393 m² store in December 2009 at Repton Park to the west of the town centre. The store is to form part of the new High Street of the Persimmon Homes South East and Taylor Wimpey housing development which will provide some 1,250 new homes.

With the current supermarket provision (looking at the top five grocery retailers only) and the addition of Waitrose, Ashford is similar to the following towns. The table shows that whilst, with the addition of Waitrose, Ashford will have a high count of supermarket fascias, the total m² is in line with other towns with a similar sized population thereby justifying the addition of the new Waitrose store. This is important as although the Waitrose is to be built, and perhaps therefore does not need justifying, the table puts Ashford into context with comparable towns in terms of grocery retailing.

Town	Count of top 5 supermarkets	10 minute population	Total m ² (sales)
Ashford	5	74,451	18,336
Aylesbury	4	81,769	14,861
Basingstoke	4	93,306	19,190
Bracknell	4	93,751	19,174
Chester	3	78,275	17,195
Harrogate	5	82,646	19,564
Southport	4	75,126	16,368
Taunton	4	70,166	17,608

Source: Jones Lang LaSalle 2009

A key measure for understanding supermarket provision within a town is to look at the available square metres per population of the key retailers. A figure close to or below 0.2 suggests that there is potential for additional provision. Figures considerably greater than 0.2 demonstrate that the catchment does have sufficient supermarket provision, although there maybe an opportunity for a different format of supermarket, i.e. a higher end grocer.

To assess Ashford's grocery market, stores with a sales area less than 929 m² have been discounted as these tend to serve a different market to the larger supermarkets. The three key players (Tesco, Sainsbury's and ASDA) all fall within a 10 minute drive time of the town centre, as will the proposed Waitrose store. Looking at simply the current trading stores, the square metre per population within a 10 minute of Ashford is 0.23. The proximity of this figure to 0.2 suggests, based on the current level of population, that there is some potential for an additional store particularly if it can provide a differentiated offer to that of the three supermarkets currently trading. Waitrose will achieve this with a grocery offer marketed more at the upper end consumer, than Tesco, Sainsbury's or ASDA. The addition of the 1,393 m² Waitrose takes the square metre per population to 0.25 indicating that there is limited potential for an additional food store in the near future.

The above analysis is an indication only of the potential for additional grocery provision. Looking at the absent grocery retailers (top 5 only), Morrisons do not have a presence within Ashford, their nearest store being in Canterbury. Consequently, for strategic business reasons including improving their market share within this part of Kent, they may want representation within Ashford. As a business they are actively looking at new sites, and although there is significant grocery competition within Ashford, a town centre store would mean they would be trading with a different type of grocery mission, predominantly top up and convenience. Morrisons do currently trade from town centre stores with towns including Grantham, Solihull, Cannock and Kettering being examples, indicating that this is a format they are comfortable with.

There is also the potential to improve the food provision on offer within Marks & Spencer who currently trade from a store within the County Square Shopping Centre. Marks & Spencer would benefit from either relocating into new retail space proposed within the Town Centre Core, or extending their existing store. By taking such action an extended food offer, focusing on convenience foods could be provided, thereby both increasing and improving food provision within the town centre itself.

The town centre itself could support a grocery offer. It is recommended that a small supermarket offer between 1,393 m² and 2,322 m² is developed within the Town Centre Core. This could either be achieved by a sole operator or by a combination of a small supermarket and a convenience operator. As mentioned

earlier in this report, the Park Mall shopping centre is considered to be a location able to support a grocery offer which would improve the functionality of the town centre and complement the out of town grocery retailing.

Existing Cinema Provision

The map below shows the existing cinema provision within Ashford.



Source: CACI and Jones Lang LaSalle 2009

Ashford has a 12 screen Cineworld cinema (which has consent to be extended) located on the Eureka Leisure Park to the north of the town centre. Whilst this is a large cinema, there is no other cinema provision within Ashford and therefore potential for further smaller provision within the town centre. Within a 30 minute drive time of Ashford's town centre there is only one other major cinema (Maidstone Odeon) with another (Canterbury Odeon) which falls just outside of the drive time. If the Canterbury cinema provision is taken into account there is a population of 148,000 per cinema within the 30 minute drive time. If the number of cinemas were to increase to 4, the population per cinema would fall to 111,000 which would place Ashford alongside the towns set out in the table below.

Town	Count of cinemas in 30 minutes	Population per cinema
Ashford	4	111,268
Cardiff	4	120,565
Oxford	4	107,372
Swansea	4	96,923
Bath	5	117,937
Birkenhead	5	124,020

Source: Jones Lang LaSalle data base 2009

In order to develop a strong leisure offer within the Town Centre Core a suitable anchor is required. A cinema will provide this anchor and help to generate interest from restaurant owners. Without a strong anchor it is unlikely that operators such as Zizzi, Wagamamas and Nandos would be as keen to develop or interested in paying higher rents.

A new cinema would need between 1,393 m² and 2,322 m². Alongside this, four to five restaurant units would be recommended needing space of between 1,393 m² and 1,672 m². Assuming the larger space requirement, a total of 3,995 m² would be needed for the new leisure development within the town centre core.

7.2 Residential

Having been identified as a Growth Area, Ashford needs to provide over 31,000 new homes by 2031 of which 2,750 units are to be provided in the town centre. A significant quantum of development is now in the pipeline and this has been analysed by quarter in Section 8 of this report.

The current market conditions will inevitably impact on delivery of this development pipeline. We are currently forecasting a drop in house prices of 13 to 15% this year and a further 1 to 3% in 2010 with the bottom of the market expected in quarter 3 or quarter 4 of next year before recovering by 4 to 6 % in 2011. During 2012 and 2013 we expect growth to accelerate by a further 8 to 10% while peak quarter 3 2007 levels will not recover until the end of 2015.

In Jones Lang LaSalle's latest market forecast we have advised that there are signs that the market is improving with the Halifax reporting a rise in prices in January this year and with the RICS claiming that buyer enquiries are increasing. The cut in interest rates and the consequential benefit for affordability will also have played their part in improving perceived market conditions. However we do not believe that these traits will be sustained or sufficiently outweigh the increasing burden of higher unemployment, the greater financial caution by consumers, the difficulties of borrowing and the inevitable increase in housing supply.

It is our view that we had already built in a very weak housing market in 2009 but the deeper recession this year than previously anticipated does not imply that the housing market will be overly sensitive and fall at an even faster rate. We maintain the view that the housing market's biggest hit will have been 2008 rather than 2009, both in terms of price falls and turnover. However, we still expect 2009 to be a very poor and troublesome year for the UK housing market. The three monthly trend in house price falls has already begun to ease and when this becomes a more established trend over the next few months it should signal that the bottom of the market is in sight.

Having regard to schemes already within the development pipeline and given our current forecasts we believe that the quantum proposed within the TCAAP are still achievable by 2021.

It is however important to ensure that the appropriate product is delivered to meet new types of housing demand. Given Ashford's enhanced accessibility to London there is likely to be a significant increase in commuters living in the town. Proposed development within the town centre therefore should be of high density and high quality to meet the needs of this growing type of occupier. The provision of quality public spaces in and around proposed town centre residential developments will be critical to ensuring a sense of place is created. Retail and leisure facilities will also need to meet the specific requirements of new occupier types.

7.3 Commercial

There is currently no established office economy in Ashford Town Centre. Any significant development to date has been focused out of town, for example, at Eureka Park where a total of some 93,000 m² is proposed of which 32,500 m² has so far been constructed.

Having analysed the comparative locations in terms of demand and having regard to the changing role of Ashford, we believe the town will have the potential to sustain significant growth over the medium to long term. It is considered that demand for commercial space in Ashford town centre could come from a variety of occupier types including: -

Decentralising London Occupiers

These businesses are seeking to reduce costs significantly and will be looking to relocate sufficiently far from London and the M25 to benefit from lower operating costs. These occupiers will however require an appropriately skilled workforce to service their businesses. Such occupiers could include government departments, back office functions for Central London based businesses (perhaps with a European function). Recent JLL research has also identified that regional locations will benefit from growth in both 'direct' and 'on line' insurance.

Decentralising consolidators

These would include businesses that have been acquisitive over time and are now seeking to consolidate into one regional centre in order streamline their business and control expenditure. In particular it is our view that insurance companies will be looking to consolidate regional portfolios as mergers and acquisition activity continues.

Kent Consolidators

These will comprise Kent based companies seeking economies through consolidation into a single Kent based regional centre.

Local Companies

The majority of Ashford's current office occupiers are local companies with small space requirements. International House provides a good example of the type of local demand with businesses occupying suites within the building ranging from 45 m² to 1,625 m².

International Companies

It is our view that demand from International Companies along the European Rail Route has tended to be 'magnetic' in nature with companies seeking to locate at the poles (i.e. London or Lille/Paris) rather than along the intervening corridor. To date demand for space from international companies in Ashford has only amounted to small start up units.

Whilst there is no proven major demand from international companies, given the changing role of Ashford coupled with the UK's lower operating costs it is our view that demand will grow. Recently a global internet company has been searching for a location within the South East England / Northern European area and this represents a growing trend in the nature of these enquiries which would include the Ashford area.

Locate in Kent have also indicated that there is increasing interest in Ashford as a location given its accessibility to Europe and fast links into London. A recent enquiry by an American Company looking to

locate in Sussex due to proximity to Gatwick became very interested in the Ashford area once it understood its transport links and levels of accessibility.

It is our view that specific marketing of Ashford town centre as a business location is critical to ensuring the town makes it onto the radar of companies seeking a new location.

8 Analysis of proposed Quarters within the TCAAP

The Borough Council's approach to the proposed development within the town centre area is focussed on a series of quarters as follows: -

- The Town Centre Core
- The Commercial Quarter
- The Southern Expansion Quarter
- The International Station Quarter
- The Civic & Educational Quarter
- Residential Transition North

These quarters and sectors are indicated on the plan included as appendix A to this report.

The TCAAP Quantum Table published in April 2006 provided an indication of the quantum and mix of development within the various quarters / sectors. As Ashford moves towards finalising the TCAAP, it is appropriate to review these quantum figures to take into account new developments which have either commenced or have been completed in the last three years in addition to changes in market conditions. A schedule indicating the indicative quantum figures included within the TCAAP Quantum Table and the proposed amended quantum figures for the TCAAP are included as appendix B to this report.

We have considered these amended proposals to the quantum of proposed development and have commented below by market sector.

8.1 Retail

The Town Centre Core – 58,000 m² Retail / Leisure space

Following completion of the extension to the County Square Shopping Centre (19,000 m²) a further 40,200 m² of retail and leisure floorspace is proposed within this sector up to 2021.

Currently proposals being developed for the Elwick Place site indicate that this will be one of the principle locations for new retail and leisure floorspace in the medium term (16,000 m² of retail and 4,000 m² of leisure represented by a cinema and associated restaurant space). The remaining 19,000 m² is likely to be provided in a variety of locations within the sector and range from extensions of existing properties to ancillary space as part of more mixed use developments particularly where there is a desire to create "active frontages".

Providing that the growth in the resident population experienced over the last 5 years continues and gains greater momentum, it is considered that the Town Centre Core should be able to support the level of new retail and leisure floorspace proposed.

Due to the considerable amount of space allocated to this sector, it is recommended that careful consideration is given to the phasing and timing of new developments.

It is important that the sector has additional strong anchors added to the centre in order to increase the shopper market shares. The expansion and possible relocation of Marks & Spencer would certainly assist in achieving this along with the addition to the town centre of footfall generators such as Primark.

The Commercial Quarter – 2,500 m² Retail / Leisure space

Main retail and leisure activity within this quarter is likely to be ancillary to the principle business space uses proposed and as a potential expansion of the retail offer around the domestic station area. It is recommended that a combination of cafes, bars and restaurants, sandwich shops and small retail units are developed as part of the business space as a focal point for those employed in the area. A mixture of gift shops, card shops, health & beauty retailers, accessories retailers and womenswear may all be appropriate to service office worker demand at lunch times and after work. It is likely that independent retailers would work well here and they would generate a different environment from the town centre more multiple focused retailers. The possible inclusion of a small convenience store (Tesco Metro, Sainsbury Local etc) could also work well in this type of location.

It is important within this quarter that the retailer offer is relevant to the office workers and can be shopped easily. A good example of this is New Street Square near Chancery Lane, London where the retail and leisure mix is focused towards delivering an appropriate mix for office workers.

As a result of the above the level of retail / leisure floorspace for this quarter appears achievable as part of a wider phased development of the business space offer. However, the timing of delivery will be directly related to successfully attracting major office occupiers to the town and the development sector having the confidence to deliver.

The Southern Expansion Quarter – 8,500m² Retail / Leisure space

Outline planning consent has recently been granted at Victoria Road, close to the International Station for a mixed use development which is in line with the proposals set out by SEEDA and the Homes and Community Agency. This site will help meet the criteria set out in the TCAAP and deliver the first phase of Victoria Way which will be delivered by HCA's development partner Bellway Homes. If implemented, the former Powergen site provides a considerable contribution for a mixed use development of up to 3500 m² of retail floorspace. If this scheme proceeds then the quantum for retail and leisure floorspace for the quarter will remain on target.

Within this quarter we also understand that a new further education Learning Campus is to be developed within the period which is anticipated to cater for 10,000 + students. As a result it is reasonable to assume that additional retail and leisure offers that support the learning campus may develop such as restaurants which have a focus on students, children and the family market along with retailers serving the needs of students.

In our view this quarter could also be a suitable location for a theatre / arts centre. This would provide the community with a facility that is not currently present in Ashford and would feed in successfully to proposed community projects. The development of a theatre would increase the anchor developments in this quarter and help to bring in restaurants and bars.

International Station Quarter – 4,000 m² Retail / Leisure space

We would anticipate within the period that the majority of new retail / leisure floorspace would be within the vicinity of the International Station which dominates the area. The majority of floorspace should be allocated to a good quality business hotel which could account for some 75% of the proposed floorspace. The remainder could include retail to serve the local market and additional restaurants and bars. Further ancillary

retail uses could develop as part of the provision of additional business space although we would anticipate that it is unlikely this sector would significantly develop within the period.

The Civic Quarter – 1,000 m² Retail / Leisure space

Having analysed the nature of existing uses, the potential availability of sites either currently or in the future and the constraints of the flood plain on this sector, it is not immediately clear where the quantum of floorspace proposed may be delivered. The majority of the quarter is public open space and the existing leisure facilities around the existing Stour Leisure Centre could be supplemented. There are limited opportunities along the Station Road frontage although it is possible that in the later part of the period some more commercially focused redevelopment may be able to take place with supporting retail and catering uses included.

Residential Transition North – 2,000 m² Retail / Leisure space

We consider that the retail and leisure opportunities within this sector are limited and, in the main will be small scale to support the established residential uses. The main area of existing retail / leisure use is currently focused around the New Street junction and there does appear to be some opportunities in this location to extend these uses.

8.2 Residential

A break down of current schemes in the various quarters is located in Appendix E. There would appear to be a concentration of potential new developments emerging in the Southern Expansion Quarter which if implemented will take the quantum of development in this quarter over and above that proposed under the TCAAP. Meanwhile there would appear to be little development activity in some other quarters. We believe that the overall quantum of new development is achievable. It should however be recognised that the eventual spread of development across the quarters may prove different to that proposed in the TCAAP.

Town Centre Core – 1,000 units

Ashford's original historic core is the focal point for the town's population offering both retail and cultural activities. This quarter is central to the town's vision for 2021 with substantial growth in services proposed and new development required in order to support the predicted increase in population. Residential development is seen as key to bringing a sense of vitality into the area particularly by creation of an evening economy.

Key development sites include: -

- Elwick Place which proposes in the order of 321 units as part of a mixed use scheme adjacent to the railway. The exact number of units within this scheme will be determined once the mix of flats townhouses/duplex apartments has been finalised.
- Charter House, Park Street has planning permission for 224 flats as part of a mixed use redevelopment of an existing office building. In addition two new buildings are proposed which will provide 110 units in total.
- Site at East Street / West Street is now under construction and will provide 46 flats and two houses.
- Former Ashford Working Men's Club, Station Road is a completed scheme providing 11 units.
- The above developments reflect the historic and dense nature of this quarter providing a mix of small schemes, conversions and redevelopments of redundant Brownfield sites.

Despite the above development activity there is still significant additional residential development required in order to deliver the quantum proposed under the TCAAP. It is reasonable to assume that over the period of the TCAAP there will be sufficient additional sites coming forward to accommodate the balance of units proposed this may be achieved through higher density developments.

Commercial Quarter -150 units

As the proposed new principal business sector for the town, this quarter will be predominately commercial in nature. However, given the quarter's close proximity to the station it does provide a good location for some residential which could sit comfortably alongside office accommodation. Key sites have been identified on the river frontage or Station Road frontage which will create a balanced quarter of townhouses, apartments and office development.

We believe that the quarter has the potential to become an attractive residential location and that the quantum of space proposed in the TCAAP are achievable.

Southern Expansion Quarter – 1,400 units

This quarter currently comprising a dense urban area is proposed to become a substantially residential area enjoying excellent accessibility to both the town and stations. It will also house the proposed Learning Campus which it is anticipated will bring a young and cosmopolitan feel to the quarter. The construction of new public spaces will also serve to create a sense of place as well as improving linkages with the adjoining quarters. The delivery of Victoria Way will bring about greater connectivity between key development sites and enhance overall accessibility within the quarter. There have been a number of residential approvals granted in this quarter for high density development, which if developed out, will result in the proposed allocation within the TCAAP being exceeded. These schemes include: -

- The former Powergen site - If implemented this will provide a high density residential development of 1002 units. Outline planning permission has been granted for the whole site with detailed consent having been granted for 634 units in the southern part of the site.
- Victoria Way (South side) - has outline permission for 248 units
- Victoria Road - outline permission for 355 one and two bedroom homes opposite the proposed Learning Campus

International Station Quarter – 100 units

This quarter is a key area providing the opportunity to improve connectivity between the Town Centre and areas to the south of Ashford which include existing residential areas and the Designer Outlet centre. Any redevelopment should respect this objective. It is recognised that flooding is an issue within part of this quarter especially in the residential area to the South. We understand that there are proposals to undertake flood mitigation measures through the use of a 'floodwall' as mentioned in the Area Action Plan

There are currently two proposals for residential development in this quarter. The former B & Q site at Beaver Road where there is currently a residential development proposed as part of a mixed use scheme. This site is located immediately adjacent to the International Station providing excellent accessibility to the Town Centre.

The former Eastmead Trading Estate in Eastmead Avenue will provide a further 41 apartments as part of a mixed use scheme.

Civic & Educational Quarter – 0 units

The general purpose of this area is to maintain the protected green space ensuring an attractive transition between the Stations and established residential areas to the north of Ashford and any redevelopment would need to respect this aim. Whilst the sector provides a desirable setting for new residential, given its green spaces and river frontage there is a risk of flooding. Whilst the Civic and Educational Quarter sits partly in a flood plain there is the potential for residential development on Station Road subject to flood mitigation works being carried out.

Residential Transition North – 100 units

This sector comprises a well established residential area and such the main focus is to protect this existing stock and residents. As such the area provides relatively little opportunity for development however we are aware of 50 units proposed on the upper floors of a small mixed use scheme at New Street North. It is most likely that development activity will focus on the redevelopment of ageing stock with higher density development as and when it becomes available.

8.3 Commercial

In order to establish a thriving office economy in Ashford a critical mass of high quality office development needs to be created. With its high level of accessibility and connectivity by road and rail (international and domestic), a 37 minute rail service to London commencing in December 2009 and a continued programme of investment to improve business infrastructure, Ashford town centre would appear well placed to achieve this. As indicated in section 4 of this report, there are a number of examples of towns within a similar rail travel contour from London where a thriving office economy has developed and it is our view that Ashford has the potential to develop in a similar way.

It is our view that the majority of commercial development would be best achieved within the Commercial Quarter and Town Centre Core. Notwithstanding this we believe that some commercial space can be supported in other quarters on a small scale, for example administrative back up offices, live work units or studio space.

It is our view that the majority of commercial development will be best achieved within the Commercial Quarter and Town Centre Core. Notwithstanding this we believe that some commercial space can be supported in other Quarters on a smaller scale, for example live work units or studio space.

Town Centre Core – 16,000 m²

This sector is currently, and will continue to be, the focal point for retail and leisure for the town. It is however recognised that a range of different uses could serve to inject a sense of vitality into the quarter and given it's adjacency to the Commercial Quarter it provides a logical extension to the critical mass of commercial development proposed at Dover Place.

The historic character of the town centre core will mean that office development is unlikely to be on the scale of that proposed within the Commercial Quarter. It will however serve to compliment the large scale cluster of development proposed within the Commercial Quarter.

There are already proposals for 5,000 m² of office development within the sector which form part of a mixed use scheme proposed at Elwick Place. As with the Commercial Quarter, SEEDA have again sought to enable this development by providing the site. Given the mixed use nature of the Elwick Place proposals, the likelihood is that this office space could be the first new space to be delivered in the town and being a

relatively small proportion of the overall development area proposed, could therefore be constructed without a pre let having first been secured.

Further developments are proposed across the quarter at Park Mall, Vicarage Lane and Station Road comprising between 1,000 m² and 3,000 m².

Commercial Quarter – 55,000 m²

This quarter is envisaged to be a dynamic new business sector for the town. It benefits from excellent links to the domestic and international stations and proposed new areas of public realm will create a lively and active transition space between the existing town centre and the stations. The high speed domestic rail service is likely to have a strong impact on the development of this quarter. Encouraging larger scale corporates and more locally based companies to consolidate within this area.

The area is already established in part as an office location with the 11 storey International House being located in the south east sector immediately opposite the existing domestic station which is fully let albeit to multiple tenants.

Development opportunities are already being facilitated within the quarter through the strategic acquisition of land and relocation of existing occupiers led to date by SEEDA. Therefore, any proposals coming forward can only serve to validate this quarter as the most appropriate location future commercial development and will serve to generate further interest and investment therein.

Southern Expansion Quarter – 7,000 m²

This quarter is proposed to be predominantly residential in nature benefiting from excellent accessibility to the town centre and stations and the provision of new public spaces. It will also include the Learning Campus that will inevitably inject additional vitality into the area. There are proposals for 4,000 m² of office development off Victoria Way however opportunities are limited. We are of the view that given the significant amount of residential proposed in this quarter, the majority of office accommodation likely to be provided will be of a smaller scale and include live work and studio type accommodation.

International Station Quarter – 10,000 m²

It is proposed that this quarter becomes the gateway into the town centre offering a range of business, travel and tourist related functions and services. It is also seen as a transition space between the Outlet Centre and the rest of the town, seeking to significantly improve linkages to areas south of the town including existing residential areas and the Outlet Centre.

Proposals for a potential USP, such as the entertainment focused arena mentioned earlier within this report may be best located here together with a business class hotel. It is our view that demand for commercial space will be generated by businesses related to those key development uses identified for the site and support services related to them.

Civic Quarter & Educational Quarter – 3,000 m²

Limited new development is envisaged within this quarter. It is proposed that offices would only form part of mixed use schemes with retail/leisure frontages at ground floor level.

A significant area of the quarter sits within the floodplain and we are not aware of any proposals to alleviate the flood risk. As a result little development potential exists in this area. The majority of the remaining quarter is occupied by Ashford School which is well established in this location.

How this area would be able to accommodate the quantum of commercial development proposed is not clear at this time although it would be reasonable to assume that some limited development opportunities may arise within the period particularly in the area fronting Station Road. However we believe that any shortfall in quantum could be made up within adjoining quarters and particularly the Commercial Quarter.

Residential Transition North – 2,000 m²

This sector is an existing residential area and currently provides limited opportunity for new development.

We consider small scale commercial development such as studios or live/work units would be most appropriate in this location. We are however currently aware of two mixed use schemes proposed at New Street North and South which provide for 500 m² and 1,000 m² of commercial space respectively.

9 Conclusions

- In our opinion Ashford does have the potential to transform itself into a major sub regional retail and business centre.
- Having had regard to the comparative locations identified, it is apparent that these centres have the ability to sustain a significant quantum of development and it is our view that over time Ashford has the potential to achieve the same.
- We would however advise that current economic circumstances may serve to delay the timescale for delivery of the quantum of space proposed in the ATCAAP.
- Whilst located in an edge of town location we consider the Outlet Shopping Centre to be a Unique Selling point (USP) for Ashford drawing people to the town from a significant catchment area. It is however our view that further USP's are required in order to consolidate Ashford's position as a major decentralised centre. We understand that currently the feasibility for the development of an entertainment related Arena is under consideration and in our view this would prove to be an excellent additional USP for the town.
- It is our opinion that a phased approach to delivery of the TCAAP will produce the best result long term for Ashford. Commercial development should be phased to ensure that a sufficiently large and appropriately skilled workforce can be established. Retail development and delivery of a further USP should run concurrently with residential development.
- It is our view that in order to deliver the quantum of commercial space proposed in Ashford a strategy for the delivery thereof is critical to ensuring a successful outcome.
- We have already identified the issue of low rental values versus quality of product in section 6 and consideration needs to be given as to how this issue can be best addressed.
- We would recommend that a degree of market testing and additional sector analysis be undertaken to better understand the demand profile for Ashford.
- This market testing should feed into an ongoing marketing strategy for Ashford.
- There is a lack of physical cohesion within the town owing to the 'railway corridor'. We believe it is important to address how those areas in and around the station are developed to ensure a more unified town centre for Ashford. To assist in this we would seek to improve integration of the FOC with the Town Centre through the use of street frontages within the International Station Quarter.
- It would appear that the Plan adopts a flexible approach towards those sites identified within it. This pragmatic approach will serve to encourage development against a backdrop of difficult market circumstances that are likely to prevail for some time to come and will assist in delivery of a challenging agenda for the town centre and indeed the wider Growth Area.

10 List of Appendices

Appendix A: Plan of Quarters

Appendix B: Proposed Development by Quarter

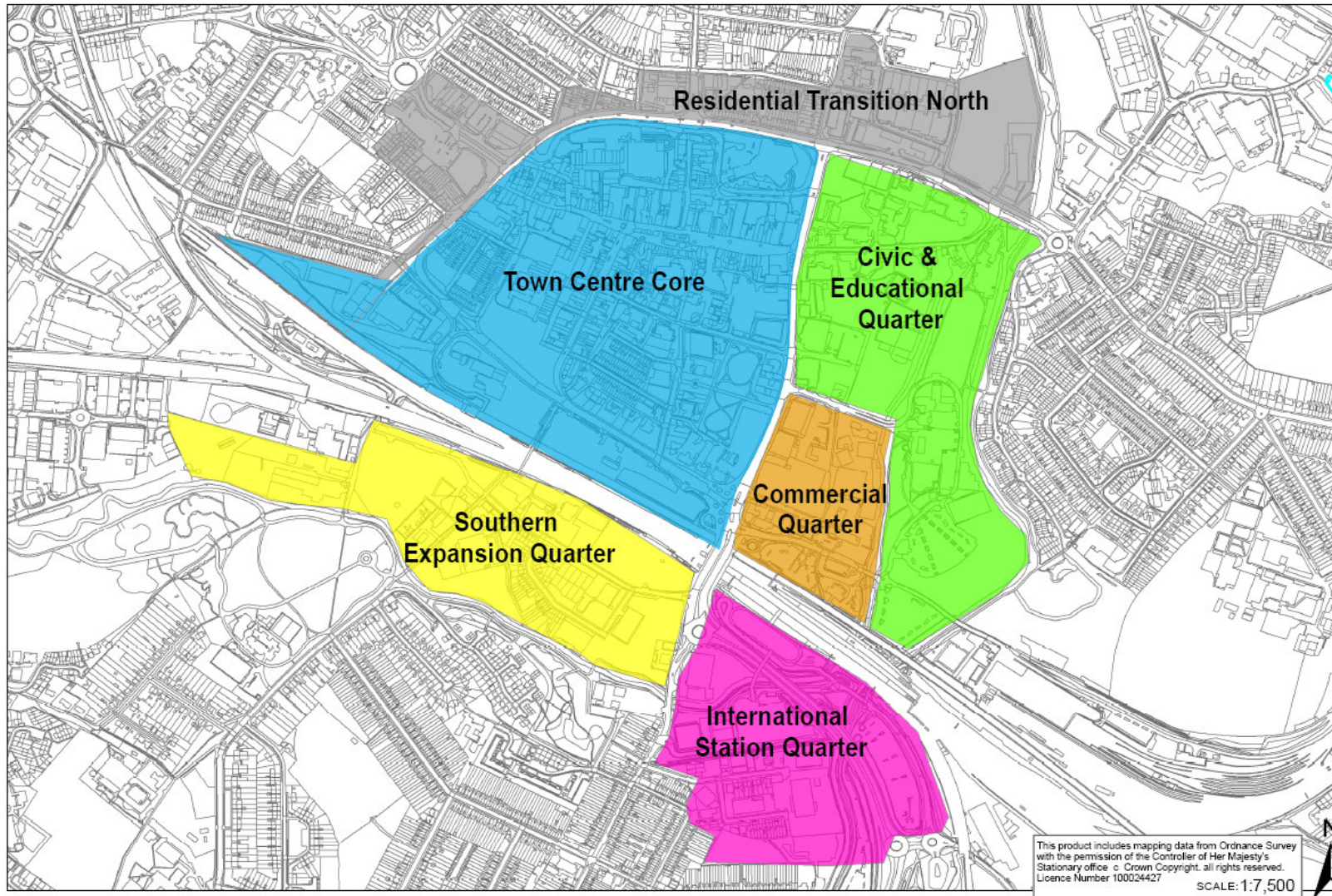
Appendix C: Ashford's Demographic Profile (based on a 15 minute drive time)

Appendix D: Retail Classification

Appendix E: Ashford Residential Development

11 Appendix A

11.1 Plan of Quarters



12 Appendix B

12.1 Proposed Development by Quarter

Indicative Quantum's of Development

	<i>Uses (sq.m. - gross)</i>			
Quarter	Retail / Leisure	Commercial	Residential	Other
Town Centre Core	40,200*	16,000	1,000	4,000
Commercial	2,500	55,000	150	-
Southern Expansion	8,500	7,000	1,400	Learning Campus
International Station	4,000	10,000	100	-
Civic	1,000	3,000	-	-
Residential Transition	2,000	2,000	100	-
Totals	58,200*	93,000	2,750	
<i>No. of Jobs</i>	<i>3,860**</i>	<i>4,650</i>	<i>-</i>	
Sites	Retail / Leisure	Commercial	Residential	Other
TC3	22,000	5,000	300	
TC4	9,000	3,000	100	-
TC5	5,000	2,000	100	-
TC6	2,000	4,000	200	1,500
TC7	-	-	-	Gateway Plus
TC8	-	-	300	-
TC9	2,500	55,000	150	-
TC11	2,000	5,000	450	Learning Campus
TC12	5,500	-	50	-
TC13	1,000	-	600	-
TC14	-	2,000	300	-
TC16	4,000	6,000	100	-
TC19	1,000	-	50	-
TC20	2,000	1,000	50	-
Totals	56,000	83,000	2,750	Approx 24,000

	<i>Uses (sq.m. - gross)</i>			
<i>No. of Jobs</i>	<i>3,750**</i>	<i>4,150</i>	<i>-</i>	

Indicative Quantums of Development

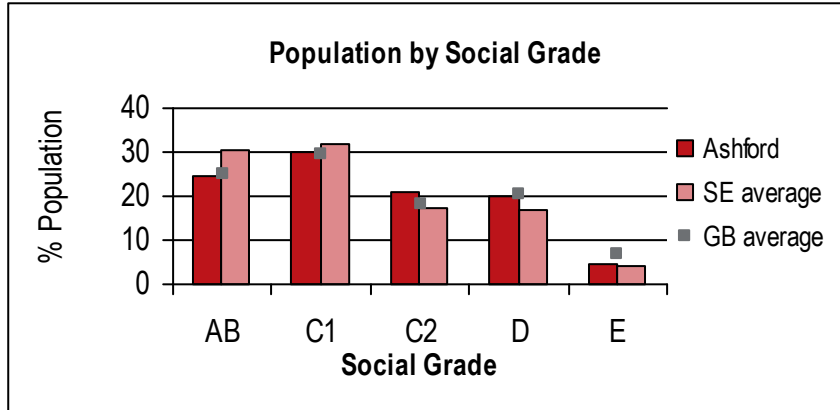
* these figures exclude the 19,000 sq.m. retail expansion of County Square, completed in 2008.

** the job figures include an assumed 950 jobs created by the 19,000 sq.m. County Square extension based on an average job density of 1 job per 20 sq.m.

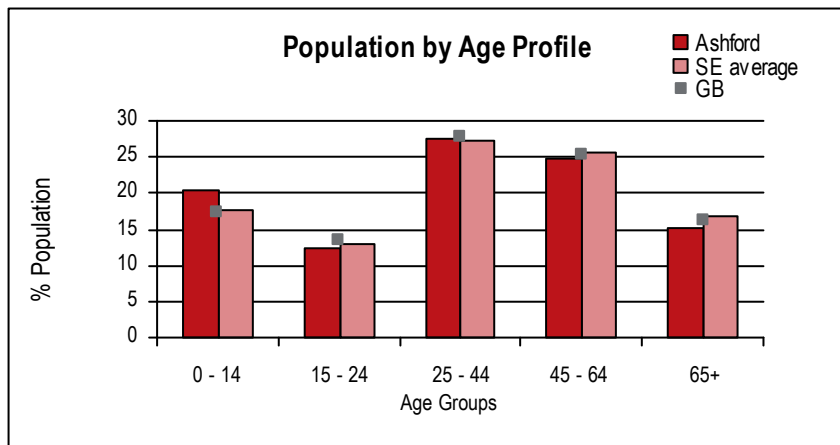
13 Appendix C

13.1 Ashford's Demographic Profile (based on a 15 minute drive time)

Ashford has a strong level of population growth forecast. Focusing on a 15 minute drive time, for the period up until 2013 growth of 8.2% is forecast against a GB average of 3.6% and a South East regional average of 4.0%. Projected population growth from 2008 – 2018 is 16.1% (GB average 7.3%, South East average 8.1%). This strong population growth is extremely positive and will help Ashford to become a more vibrant town.



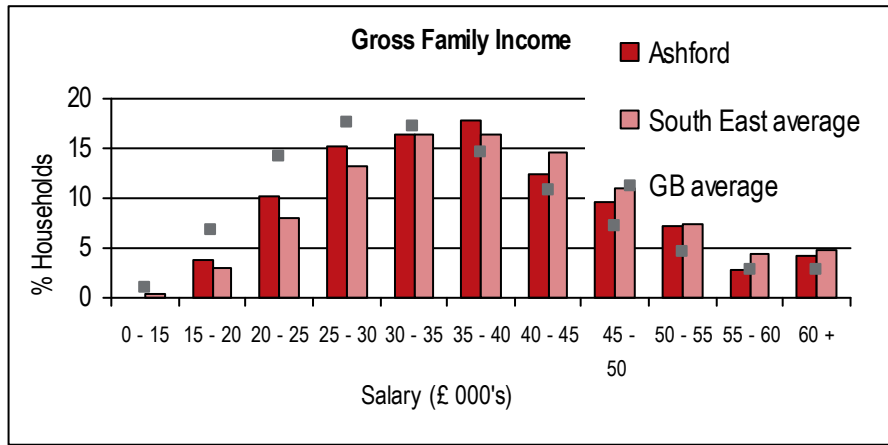
Source: CACI 2008



Source: CACI 2008

Against the GB age profile, Ashford over indexes in 0-14 year olds and 35-44 year olds. Looking at Ashford's social grade profile C1s account for the largest percentage of the population at 30.2%, a slight over index against the GB average (102) and a slight under index (95) against the South East average.

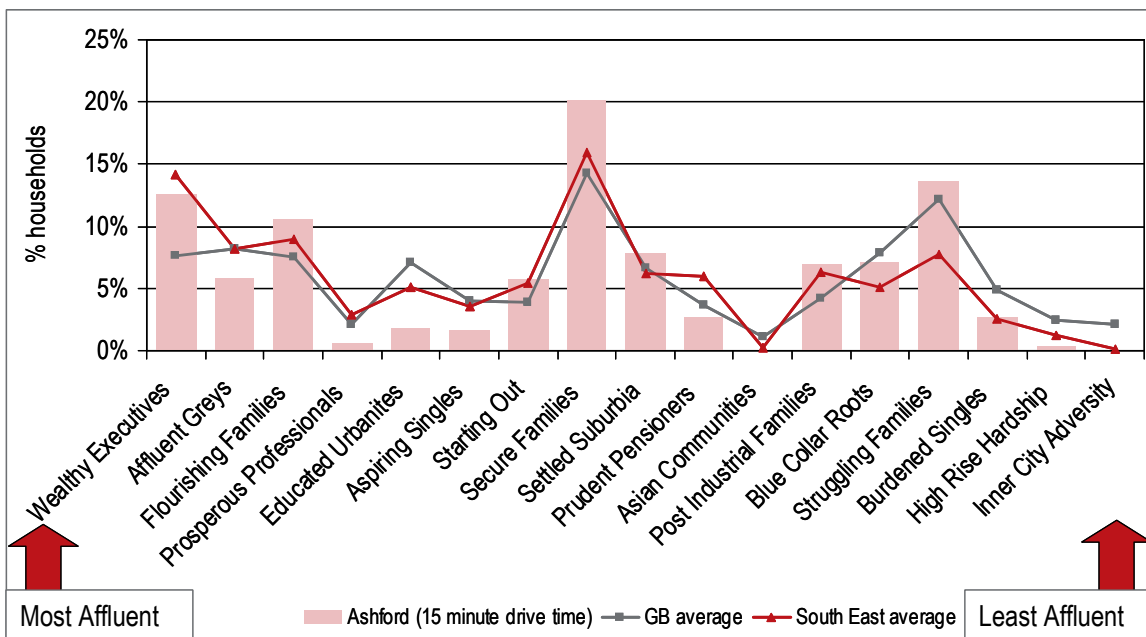
The highest income bracket in Ashford is £35-40k at 17.8% of households. 36.4% of the 15 minute catchment earn greater than £40k compared with the GB average of 28.4%.



Source: CACI 2008

Acorn (A Classification of Residential Neighbourhoods) was developed by CACI over 25 years ago, and is a consumer classification tool which combines geography with demographics and lifestyle information in order to create a classification for the country. Acorn categorises all 1.9 million UK postcodes which have been described using over 125 demographic statistics within England, Scotland, Wales and Northern Ireland, and 287 lifestyle variables. Acorn groups the UK population into seventeen groups. Acorn groups comparable types of people together on the basis that people in similar areas have the same needs and lifestyles. For further information on how Acorn was created and more detailed explanations on the individual types please see: www.caci.co.uk/acorn

Ashford's Acorn profile –



Source: CACI 2008

Ashford has a relatively affluent catchment which is mainly in line with the South East regional average. The dominant group is Secure Families which account for 20.1% of households within a 15 minute drive time. This group is made up of home owning families with at least average incomes, many earn well above the national average. Struggling Families, Wealthy Executives and Flourishing Families are all present within the catchment at greater than 10%. Struggling Families (13.7%) are low income families living on traditional low rise estates. Incomes are low and unemployment relatively high. Wealthy Executives (12.6%) live in large houses, are well educated and have high incomes. Flourishing Families (10.6%) are wealthy families with good incomes. The families are likely to still be making mortgage payments.

14 Appendix D

14.1 Retail Classification

- The table below shows how Goad classifies the space within a town centre, in this case Ashford. Goad categories are the same for all towns across the UK and are simply a way of categorising the space within a shopping or town centre.

Goad Sub Class	Total m ²
Comparison	39,679
Convenience	3,623
Financial & Business Service	6,485
General Offices	3,205
Health & Medical Services	111
Leisure Service	14,047
Public Services	1,468
Religious Service	1,877
Retail Service	7,423
Transport Services	8,017
Unclassified Building	37
Vacant Retail	11,984
Total	97,956

15 Appendix E

15.1 Ashford Residential Development

Schemes/ Quarter	Status	Town Centre Core	Civic & Educational Quarter	Commercial Quarter	Southern Expansion Quarter	Residential Transition North	International Station Quarter	Total
Ashford Working Mens Club	Completed	11						
East / West Street, Ashford Town Centre	Under Construction	48						
Charter House, Park Street	Planning Permission	334						
Former Powergen Site	Outline Planning Permission				1,002			
Opposite Learning Campus on southern side of Victoria Way	Under Consideration				248			
Elwick Place	Pending	321						
Eastmead Trading Estate, Eastmead Avenue	Pending						41	
New Street North	Pending					50		
Former B & Q Site	Pending						100	
Victoria Road	Proposal				355			
Total (at present)		714		62	1,605	50	141	2,572
Proposed within TCAAP		1,000	-	150	1,400	100	100	2,750

This table shows that a substantial amount of the proposed residential development for the town centre has been accounted for already through either completed, consented or pending applications.



Real value in a changing world

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