

**MARTIN
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*Town Planning Consultants
Development Advocacy*

**ADDENDUM RETAIL ASSESSMENT
(incorporating the Planning
Statement)**

**PROPOSED FOODSTORE, BRETT
WORKS AND ADJOINING LAND,
HADLEIGH**

FEBRUARY 2008

Introduction

1. This Addendum provides an updated review of retail and policy matters relating to Tesco's proposal for a supermarket in Hadleigh. The Addendum explains the background to the allocation of the Brett Works in the adopted Babergh Local Plan and other relevant changes to local and national planning policy. The addendum should be read in conjunction with the December 2003 Retail Assessment.
2. The first part of the Addendum provides an updated assessment of quantitative need, which confirms an increasing requirement for additional convenience floorspace in Hadleigh. The proposed development is then described and a full assessment made in relation to the criteria of the Local Plan allocation. Conclusions are then drawn.

The Need for the Proposed Development

3. The requirement for additional convenience retail floorspace in Hadleigh has been accepted by the Secretary of State and his Inspectors on several occasions. Whilst the appeal into the 1999 application for a foodstore on the site was dismissed, the Inspector identified an urgent need to meet both quantitative and qualitative deficiencies in Hadleigh. The Secretary of State agreed with the Inspector's conclusions, stating, *"... a store and associated car park of the scale proposed is necessary to meet the existing shortfall of facilities and would also help to reduce the current and future leakage of expenditure to other shopping centres"*.
4. In December 2003, the accompanying Retail Assessment was submitted to Babergh District Council to support revised proposals for the development of a supermarket on the Brett Works site. The Assessment contained the results of two household surveys (1997 and 2002), which investigated shopping patterns in the Hadleigh area. The surveys indicated that over 80% of residents main-food shopping trips were to centres outside of the identified

retail catchment. This 'leakage' was found to be particularly acute in rural areas where 91% of respondents indicated that they undertook their main food shopping in stores located outside the catchment. These responses firmly support the Secretary of State's conclusions that an unsustainable level of expenditure leaks from the catchment.

5. The loss of expenditure is at odds with key objectives in PPS6 relating to retail development. Sustainability lies at the heart of the planning system and this is encapsulated by paragraph 1.1 of PPS6, which states that the planning system has "*... a key role in facilitating and promoting sustainable and inclusive patterns of development, including the creation of vital and viable town centres*". In creating sustainable patterns of development, it is crucial that town centres perform a role and function appropriate to their position in the retail hierarchy. As a district centre, Hadleigh should be capable of providing services and facilities which cater for the day to day needs of its population, including its rural hinterland. However, with a large proportion of residents travelling to more distant centres, Hadleigh is failing to perform this role.

6. As a result of 'leakage' from the catchment, residents travel unnecessarily large distances to access facilities which provide the range and product choice they expect. This has an environmental cost in terms of increased vehicle mileage and associated emissions. However, creating sustainable communities goes much further than reducing travel by private car. Rather, sustainability is something that Local Authorities should actively plan to achieve through the planning system and the identification of appropriate sites to provide new retail and leisure facilities. By allocating the Brett Works site for a supermarket development, the opportunity exists to enhance accessibility to a wider range of products and services. This will help meet the needs of the entire community, including socially excluded groups, another policy objective central to PPS6.

7. The above issues were identified by the previous Retail Assessment (2003), which sought to identify the level of additional convenience floorspace which could be supported by the catchment. Population and expenditure data for the assessment year (2006) identified a total of £23.2m of expenditure to support convenience floorspace retailing across the catchment. Surveys indicated that about 2,542m² of convenience goods shopping facilities existed in the catchment at that time, accounting for about £8.9m of the expenditure available. This included an allowance for the proposed extension to the Coop store on Hadleigh High Street. After deducting the turnover of existing facilities from the total available expenditure, the assessment found £14.3m to support additional floorspace. By applying robust trading intensities to available expenditure, and assuming a sustainable retention rate of 80%, the 2003 Retail Assessment found scope to support around 1,260m² of convenience goods floorspace.
8. Whilst the capacity for additional convenience floorspace is clearly demonstrated by the 2003 Retail Assessment, the requirement for a new supermarket in Hadleigh has more recently been examined through the Local Plan review. Here, the Inspector indicated there had been no significant change in circumstances which would deviate from the Secretary of State's earlier conclusions in support of a new foodstore in Hadleigh. It is however, appropriate to update the 2003 Retail Assessment given the potential for changes since that time. An updated assessment of quantitative need has therefore been carried out, which uses updated population and expenditure data and is supported by a further survey of household shopping habits (2006).
9. The updated household survey found that 79% of respondents currently use stores outside the catchment area to undertake their main food shopping. Whilst implementation of the Coop extension may explain the marginal increase in shopper retention (from 23% in 2002 to 29% in 2006), it is clear that Hadleigh's influence on the rural areas of its catchment have reduced

further, with 93% of respondents from this part of the catchment undertaking their main food shopping outside of Hadleigh.

10. Having identified an increasing level of expenditure leakage, it is necessary to identify the capacity of the catchment to support additional retail floorspace. An assessment year of 2012 has been selected, which is consistent with advise in PPS6 (paragraph 3.10) regarding the futurity of retail assessments. Indeed, this allows sufficient time for the planning application to be considered, the store to be constructed and a settling down period of approximately a year.
11. Updated population and expenditure data has been obtained from MapInfo and used to calculate total expenditure on convenience goods in the identified retail catchment (which remains unchanged from that accepted by the Secretary of State - see Appendix 1). In the assessment year 2012, the population of the catchment is projected to be 16,586 (comprising 7,527 in the urban area and 9,059 in the rural area).
12. Updated convenience goods expenditure data for the Hadleigh catchment has also been obtained from MapInfo. After making an allowance for special forms of trading (SFT) at 1.5% and taking account of growth in consumer expenditure, the annual per capita expenditure on convenience goods in 2012 is £1,601pa and £1,650pa for the urban and rural areas of the catchment respectively. Actual growth figures have been used where available and an annual growth rate of 0.9% where projected (recommended by MapInfo as the most statistically robust long-term estimation of expenditure growth).
13. By multiplying the projected population by locally generated expenditure per person, the assessment indicates that a total of £26.998m of convenience goods expenditure will be available in the catchment in 2012. This compares with £23.224m calculated in the previous Retail Assessment (an increase of around 16%).

14. As part of the updated assessment, a survey of existing convenience provision in Hadleigh and its outlying settlements has been carried out to identify changes in the structure of Hadleigh's retail environment. This identified a slight reduction in the total convenience floorspace, largely as a result of the closure of Alldays (73 - 75 High Street, Hadleigh). Whilst part of the reduction is ameliorated by a small increase in convenience floorspace at Buyright, the overall convenience floorspace of the catchment is now 2,480m². By applying a robust turnover to this figure, it is possible to calculate the total turnover of existing convenience provision in the catchment. This has been assessed at £9.399m.
15. Allowing for existing convenience goods floorspace to continue trading at £9.399m, leaves £17.599m (ie, £26.998m - £9.399m) to support new floorspace. In order to address the range of important policy objectives set out above (paragraphs 5 and 6), it is necessary to retain at least 80% of available expenditure locally. This represents a total of £14.079m (ie, £17.599m x 0.8). This 'sustainable retention rate' was previously accepted by the Secretary of State and his Inspectors. This represents an increase of £2.639m when compared to the level of available expenditure identified in the 2003 Retail Assessment.
16. Having updated the quantitative assessment to reflect current population and expenditure information, it is necessary to update the trading intensity applied to the floorspace of the proposed operator. Retail Rankings (2007 Edition) indicates that the average trading intensity of Tesco Stores Ltd in 2005/06 is £12,890m². Retail Rankings also notes that previous trading intensity data has tended to underestimate the importance of petrol sales. A reduction of 17% is therefore applied consistent with advice in Retail Rankings 2006. An additional adjustment is also made to reflect the smaller size of the proposed store (see Retail Assessment 2003).
17. The updated quantitative analysis therefore finds capacity to support around 1,644m² of additional convenience goods sales floorspace. This is slightly

smaller than the proposed sales area, since a limited range of comparison goods, consistent with offers in similar stores, will be provided. The total net retail sales floorspace proposed is therefore 1,860m² (allowing up to 20% of the floorspace to be occupied by comparison goods).

18. This, in addition to reconfirming the Secretary of State's acceptance of an unmet requirement for further convenience floorspace in Hadleigh, the updated assessment above confirms the urgency of meeting this requirement. Despite the extension to the Coop Store, the assessment indicates that the requirement for additional floorspace is increasing and that minor changes to the structure of Hadleigh's retail environment have not reduced the level of quantitative need.
19. Having established an increasing requirement for new retail floorspace, the Addendum now considers qualitative need. The survey of Hadleigh and its rural hinterland indicates that existing convenience goods provision is limited to a modest Coop and a number of independent convenience goods retailers. The Coop was visited on a number of occasions prior to the preparation of this Addendum and was found to have a number of qualitative deficiencies. The retail environment is cramped with narrow aisles and a constrained internal layout. The limited circulation space causes difficulties for customers with trolleys or those with prams. This is particularly acute when shelves need restocking. In these cramped conditions, the store manager will generally need to make decisions between the availability of goods at the expense of product choice. This is particularly relevant for those items purchased as part of a weekly main food shopping trip; ultimately it is the customer who does not fair so well.
20. The proposed store at Brett Works is larger and therefore, able to offer a wider a choice of products, better availability and a more pleasant shopping environment. In addition, 209 parking spaces are proposed as part of the development, which will help to improve the attractiveness of the foodstore and encourage customers to shop locally. This is consistent with the

Inspector's conclusions in the 2001 appeal decision where it was considered that a supermarket and appropriate parking facilities were the only viable option to address the under provision of convenience facilities in Hadleigh. The proposed foodstore will therefore address both a quantitative and qualitative need.

The Allocation of the Brett Works

21. Following the 2001 Appeal Inquiry, the Secretary of State agreed with his Inspector's conclusion regarding the appropriateness, in retail planning policy terms, of the Brett Works site, stating that it is "*... a suitable and only available sequentially preferable location*". He continued, "*It is within close and easy walking distance of the town centre, of the main bus station and of the urban residential population of Hadleigh, and would provide good opportunities for linked trips with the town centre*".
22. Despite the Secretary of State's conclusion, Babergh District Council resolved to allocate land at the out of centre Buyright store in the revised deposit Babergh Local Plan. In response, Tesco submitted representations to support the allocation of the Brett Works in accordance with the Secretary of State's conclusions, and later submitted planning applications, consistent with its representations (2003).
23. Prior to the commencement of the Local Plan Inquiry, and having considered duly made representations, the Council resolved to allocate the Brett Works and withdraw support for the Buyright site. This Pre-Inquiry Change was accompanied by a non-statutory period of consultation to help gather evidence to lay before the Local Plan Inspector.
24. The Local Plan Inspector's report concluded that, of the arguments against the allocation of the Brett Works site, these had been wholly dealt with by the previous Appeal Inspector. The Local Plan Inspector also considered that the Secretary of State's conclusions were based on detailed assessments of all

the issues raised at the time and in this respect, stated that *“on all these grounds it was concluded that the proposal was consistent with government objectives”*. Furthermore, the Local Plan Inspector referred to the previous Inspector’s conclusion *“...that the location and scale of the store were acceptable on this important site.”* He concluded that, in the absence of any significant change in circumstances or guidance, there was no need to revisit the principle of a supermarket development on the Brett Works site.

25. The Local Plan Inspector therefore, recommended the Brett Works site be allocated for a supermarket development through Policy HDO1b. The Council agreed and included the allocation in the Post Inquiry Modifications now carried forward into the adopted Babergh Local Plan (June 2006). The relevant policy text now referred to as HDO1 reads:

“A site of 3.7ha between Pound Lane and Bridge Street as shown on the proposals map is proposed for a food supermarket of up to 2,500m², subject to:

- Provision of a well designed scheme which will enhance the character and appearance of the conservation area and sensitive riverside environment;*
- Provision of a well designed landscape scheme to be managed in accordance with a Landscape Management Arrangement;*
- Provision of a safe access to Bridge Street which minimises the impact on residential property and residential amenity;*
- Provision of measures to mitigate the loss of any residential amenity;*
- The store including only food and ancillary retail sales, excluding a pharmacy and any other form of service outlet which might undermine the vitality and viability of the High Street;*

- *The environmental improvement of pedestrian links to the High Street, including the improvement and provision of public access to the area to the north of the churchyard and west of Church Walk;*
- *Provision of public open space shall be an integral part of the layout of the development;*
- *Replacement of any loss arising from access provision to the District Council offices car parking, storage facilities and the public allotments;*
- *Provision of a commuted sum for the improvement of public transport to serve the development;*
- *Agreement that the car park be available for use by any member of the public and be managed with the same regime as other car parks in the town;*
- *A Flood Risk Assessment being undertaken;*
- *Provision of a sustainable drainage system to deal with surface water; and*
- *Provision of information boards at the supermarket site showing the pedestrian and cycle links and promoting the shopping, car parking and tourism opportunities within the town centre.*

If a negotiated agreement cannot be reached to secure the necessary means of access for the proposed supermarket, the Council will consider the use of Compulsory Purchase Order powers.”

The Proposal and the Site

26. The accompanying planning application seeks full permission for the redevelopment of the Brett Works and adjoining land for the erection of a

