

Charnwood Local Plan – Additional Retail Advice

Final Report

On behalf of



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Appendices

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1 Introduction and terms of reference

1.1 Introduction

- 1.1.1 Further to instruction from Charnwood Borough Council in August 2013, in this report we set out advice to the Council on a number of retail matters following our completion of the Charnwood Retail & Town Centre Study 2013 Update (RTCS) in February 2013. This advice has been requested following a number of representations to the Charnwood Local Plan Core Strategy – Pre-Submission Consultation Draft (henceforth Draft Core Strategy (DCS)), which was placed on consultation by the Council in June 2013.
- 1.1.2 Our advice extends to the following matters:
1. **An appraisal of a ‘District and Local Centre Requirements Study’**, which has been submitted on behalf of the promoters of a Sustainable Urban Extension (SUE) to the north east of Leicester (but within Charnwood Borough);
 2. **An impact assessment** of the notional proposed district and local centres within this SUE; and
 3. **Advice** in respect of other representations to the Charnwood Pre-Submission Draft Core Strategy.
- 1.1.3 We set out these matters in the following sections of the report. Data tables in relation to the impact assessment (Task 2) are provided at **Appendix A**.

2 Review of Nathaniel Lichfield & Partners' 'District and Local Centre Requirements' study

2.1 Introduction

- 2.1.1 Nathaniel Lichfield & Partners (NLP) prepared in May 2012 a study which establishes the case for a significant quantum of retail development to come forward as part of the North East Leicester Sustainable Urban Extension (SUE), termed the 'District and Local Centre Requirements Study' (henceforth, the 'NLP report'). NLP confirm the SUE will cover an area of approximately 335ha, and include approximately 4,500 new dwellings, which will form a SUE to the Leicester urban area. The report specifically provides an analysis of the retail issues and floorspace requirements. Subsequently, NLP have also submitted a representation to the DCS, which makes reference to the findings of the RTCS, and suggests a number of amendments to the draft policy wordings. The DCS supports the creation of a SUE to North East Leicester, but envisages a quantum of retail floorspace (1,500 sq.m net) smaller than that proposed by NLP.

2.2 Review of NLP Study

Section 2 – Development Strategy and Design Criteria

- 2.2.1 **Section 2** of the NLP report confirms the development strategy of the SUE – in terms of retail provision, it is proposed that the SUE will contain a district centre 'at an appropriate level within the established retail hierarchy', and a distribution of local centres throughout the SUE to enable day-to-day needs to be easily met. NLP propose that the district centre will contain a sufficient range of facilities to enable many residents' shopping needs to be met, i.e. they plan for the development to be self-sufficient, and will complement other centres and retail facilities.

Section 3 – Existing shopping patterns

- 2.2.2 **Section 3** of the NLP report discusses the existing shopping patterns in the north east Leicester area, making reference to the findings of the 2008 RTCS¹, which has subsequently been superseded by the 2013 Update. Nevertheless, there have been no major changes in shopping provision in this part of Leicester in the time between the two studies, other than an extension to the Asda foodstore at Thurmaston and the transfer of the former Somerfield store in Syston to Tesco. A Marks & Spencer Simply Food store has also commenced trading at Thurmaston Shopping Centre.
- 2.2.3 The 2013 RTCS was supported by an updated household survey, which confirms that foodstores in the area continue to attract strong levels of support from the local area: zone 5 of the RTCS household survey zone (which covers the Syston / Thurmaston area) retains 81% of local convenience goods expenditure. Of the total expenditure spent at the zone, 37% is spent at Asda in Thurmaston, 13% at Aldi in Syston, 17% at Tesco Metro in Syston, and 3% at the aforementioned M&S store. There is therefore a good level of provision of foodstores in the area, and these stores attract a good level of patronage from local residents. The RTCS identified that the Asda store at Thurmaston 'over-trades' when compared to company averages, although the level of over-trading has reduced relative to the 2008 RTCS.
- 2.2.4 In addition, and not included within the RTCS catchment, there are large Tesco Extra foodstores at Hamilton and Beaumont Leys District Centres, and recently-permitted (but as yet unopened) new foodstores at the former GE Lighting site on Melton Road, Leicester (to be operated by Sainsbury's) and Abbey Park Road, Leicester (to be operated by Asda). We

¹ Roger Tym & Partners for Charnwood Borough Council. Roger Tym & Partners are now part of Peter Brett Associates LLP

therefore consider that the north Leicester area is well provided for in terms of 'main' food shopping destinations.

- 2.2.5 In terms of comparison goods shopping, just over 50% of available expenditure to residents in zone 5 is spent at destinations in the wider Leicester area, including Leicester city centre (22%), Fosse Park (12%) and Beaumont Leys (6%). 35% is spent at destinations within zone 5, chiefly Thurmaston (24% including Asda) and Syston (11%). As noted in the RTCS, the trade draw of Thurmaston is greater than typically would be expected for a centre at 'district'-level in a hierarchy of centres, on account of the presence of a large number of national retailers at this location.

Section 4 – Spending available to the Sustainable Urban Extension

- 2.2.6 **Section 4** of the NLP report sets out a structured consideration of how much spending could potentially be available to support the development of new retail floorspace at the SUE. The methodology is set out at paragraph 4.2, and we do not have any particular concerns with the approach taken by NLP in this respect. Below we set out comments on the individual inputs into this capacity assessment.
- 2.2.7 The catchment area which NLP assume a new district centre is shown at Appendix 2 of the NLP submission. NLP have identified a primary catchment area (up to 2km radius) and secondary catchment area (up to 5km in radius). A catchment area extending up to 5km is clearly substantial and more than might be expected for a 'typical' district centre. NLP have not, to our knowledge, provided any justification as to why the district centre requires such a large catchment area, whereas in reality the role and function of a district centre should be to meet the shopping needs of a relatively localised catchment. Based on NLP's calculations, the total population in this catchment area is expected to increase quite substantially – from 150,197 in 2012 to approximately 190,000 by 2029 including the additional population growth arising as a result of the SUE development.
- 2.2.8 Tables 4.6 and 4.9 of the NLP report set out the per person convenience and comparison goods expenditure for the catchment area and its forecast growth to 2029 and these levels of growth are considered broadly robust. Tables 4.7, 4.8, 4.9 and 4.10 set out total expenditure growth. It is not immediately apparent how 'special forms of trading' such as online shopping has been accounted for, and some clarification on this matter may be beneficial.
- 2.2.9 As stated at paragraph 4.14 of the NLP report not all of the expenditure identified will be available to support retail facilities in the SUE. Turning to convenience goods first, Table 4.15 of the NLP report shows that it is assumed that 50% of all convenience goods expenditure available to the SUE will be retained by new floorspace at the district centre, and this will also capture 20% of expenditure in the primary catchment area and 5% of the secondary catchment area.
- 2.2.10 As noted above, the catchment area shown in the plan at Appendix 2 has simply been defined by distance isochrones, rather having regard to existing and planned provision of foodstores and retail facilities, the road network and so on. For example, the secondary catchment area boundary extends almost as far as Leicester city centre to the south, but does not take into account the villages in the Wreake Valley north of Leicester, which benefit from relatively good access to the area on account of the local road network. It is difficult to assess the robustness of the figures used in the trade draw assessment, without any clear explanation of how the catchment area has been arrived at. It may be appropriate for a more suitably-defined catchment area (for example, based on drive-time isochrones, or a series of survey zones, and having regard to existing and planned supermarket provision) to be used. In particular we question the inclusion of the part of the SCA which covers the Leicester urban area given the surrounding network of existing and planned foodstores in the Leicester urban area.

- 2.2.11 Tables 4.20 and 4.21 in the NLP report conclude that, on the basis of the catchment area adopted by NLP, there is surplus expenditure capacity of between £38m and £40m to support new convenience goods floorspace.
- 2.2.12 Paragraphs 4.22 to 4.28 of the NLP report repeat the same exercise for comparison goods, identifying that there will be between £30m and £32m of surplus expenditure to support new floorspace. In reviewing this assessment, we consider the levels of expenditure retention (20% from the SUE in particular) to be high, and question whether all of the categories highlighted by the NLP in Table 4.22 can realistically be expected to be traded from a district centre. For example, in reviewing the findings of the RTCS household survey, there is virtually no comparison goods market share attracted to the district centres of Shelthorpe or Gorse Covert in Loughborough. The exception is the Tesco Extra store at Shelthorpe – but this large store only attracts a comparison goods market share of no more than 8% from any single zone. Similarly, Thurmaston's strong comparison goods retail offer (which we would not expect to be matched by any provision at North East Leicester) attracts no more than 15% from any one zone. Therefore, we consider the comparison goods trade retention capable of being achieved by new development at the district centre has been over-stated. NLP may wish to test the levels of surplus expenditure available to support new comparison goods floorspace when a more realistic level of comparison goods expenditure retention (we consider 10% to be an appropriate maximum) is adopted.
- 2.2.13 Notwithstanding this it is clear that there will be significant expenditure growth arising as a result of the development of the residential population at North East Leicester, and this will in itself generate new floorspace capacity.

Section 5 – Retail floorspace requirements

- 2.2.14 **Section 5** of the NLP report converts the expenditure capacity identified in the preceding section and converts this to potential floorspace requirements. The comments set out at paragraph 5.2 in respect of the self-sufficiency of the SUE being improved through the delivery of a large store within the SUE are noted — although we consider that some residents in the SUE will in fact be equidistant or closer to existing foodstores outside the SUE.
- 2.2.15 The assumptions made in terms of the average turnover, and gross: net floorspace within the unit, are generally reasonable. We consider that a 'large' foodstore as a district centre anchor could include more than 15% comparison goods floorspace however.
- 2.2.16 Tables 5.1 and 5.2 of the NLP report indicate that, based on the assumptions adopted by NLP, a foodstore of between 2,900 and 3,000 sq.m net could be supported, with a further 1,900 to 2,000 sq.m net small shops (including smaller foodstores at the local centres. This clearly represents a substantial amount of floorspace, and in excess of what would normally be expected to come forward for district and local centres.
- 2.2.17 The exercise is repeated for comparison goods at Tables 5.3 and 5.4 of the NLP report. This identifies a need for between 4,800 and 5,100 sq.m net comparison goods floorspace. Paragraph 5.7 of the NLP report suggests that a comparison goods sales density of £9,200 per sq.m has been adopted to calculate the capacity for comparison goods floorspace. We consider that this represents an optimistic assumption in the context of the district / local centre nature of the proposed scheme, and suggest that a lower sales density (in the region of £6,000 to £7,000 per sq.m) is adopted.
- 2.2.18 In total, NLP forecast that there is capacity for between 13,500 and 14,500 sq.m net retail floorspace at the SUE. We consider that it is difficult to draw clear conclusions on the robustness of this assessment given the concerns we have set out above in respect of the catchment area, level of expenditure retention, and sales density used in the comparison goods capacity assessment. We therefore consider that the capacity forecasts identified by NLP have been over-stated and, at the very least, represent the upper end of the scale of floorspace which could be accommodated.

- 2.2.19 However, we do not dispute that the population and expenditure growth which will come forward as a result of the development of the SUE will generate capacity for new retail floorspace.
- 2.2.20 Finally in respect of the scale of floorspace proposed, paragraphs 5.19 to 5.21 discuss the split of the floorspace between the district and local centres. Correctly, the split assumes the majority of the floorspace will be developed at the district centres. Each local centre is expected to accommodate a foodstore of 1,200 sq.m net. This is considered excessive in regard to the role and function of the centre, and in reality foodstores of this size will be capable of meeting some main/bulk shopping trips as well as top-up items. We do not see any reason for the local centre foodstores to be of this scale.

2.3 The requirements of national policy

- 2.3.1 As the Council are aware, there is no outright policy requirement under the National Planning Policy Framework for planning applications to demonstrate quantitative need. The RTCS set out guidance on the general scale of development which is considered to be appropriate at the SUE. This guidance has been prepared having regard to the current network of existing shopping facilities in the south Charnwood / north Leicester area. The strong provision of comparison goods retail at Thurmaston Retail Park, and at a more local scale, Syston town centre, means the area is already well provided for in terms of comparison goods shopping. There is therefore not considered to be an over-riding need for a scale of floorspace which will do anything other than meet day-to-day shopping requirements of the new SUE. Similarly in respect of convenience goods shopping, the network of foodstores surrounding the SUE is strong. There is a large Asda at Thurmaston, and a large Tesco Extra at Hamilton. These will shortly be joined by a Sainsbury's store at Melton Road, and a further Asda store at Abbey Way. These latter two developments will reduce the scope for any store at the SUE to draw much trade from most of the Leicester urban area.
- 2.3.2 Notwithstanding this, the NPPF (and PPS4 Practice Guidance) place no requirement for an assessment of quantitative need. However the PPS4 Practice Guidance does require a consideration of the 'appropriateness' of new centres, and the 'scale and form' of development. This is confirmed at paragraph 6.18 of the PPS4 Practice Guidance:

'Proposals within planned new centres can pose problems of interpretation. As required by national policy, new centres should be considered through the [LDF] process. This should include considering the appropriateness of new centres, the scale and form of development likely to be appropriate on the existing network of centres'

- 2.3.3 Therefore, whilst there is no outright requirement to demonstrate need, there is a requirement to demonstrate that the scale of floorspace proposed is acceptable. Broadly speaking, we consider that whilst NLP have demonstrated that surplus expenditure capacity can be expected to arise, it does not justify why the level of floorspace proposed is necessary or required. Based on the evidence submitted by NLP, we are not convinced that there is a need for development of the scale proposed by the NLP report, and see no reason to deviate from the conclusions in the RTCS. In other words, we consider that the identified capacity can be absorbed through a combination of existing facilities, and modest additional provision within the SUE itself

2.4 Summary and conclusions

- 2.4.1 NLP have prepared detailed justification for the support of additional retail floorspace at North East Leicester, which is significantly over and above what is recommended in the RTCS. We consider that the broad approach which NLP have adopted in calculating the floorspace requirement is robust, in such that it follows the recommended approach for forecasting quantitative need in the PPS4 Practice Guidance. However, in terms of the assumptions used

in NLP's assessment, we do not consider that a robust demonstration has been made of need for the scale and form of the development proposed. In particular we consider that:

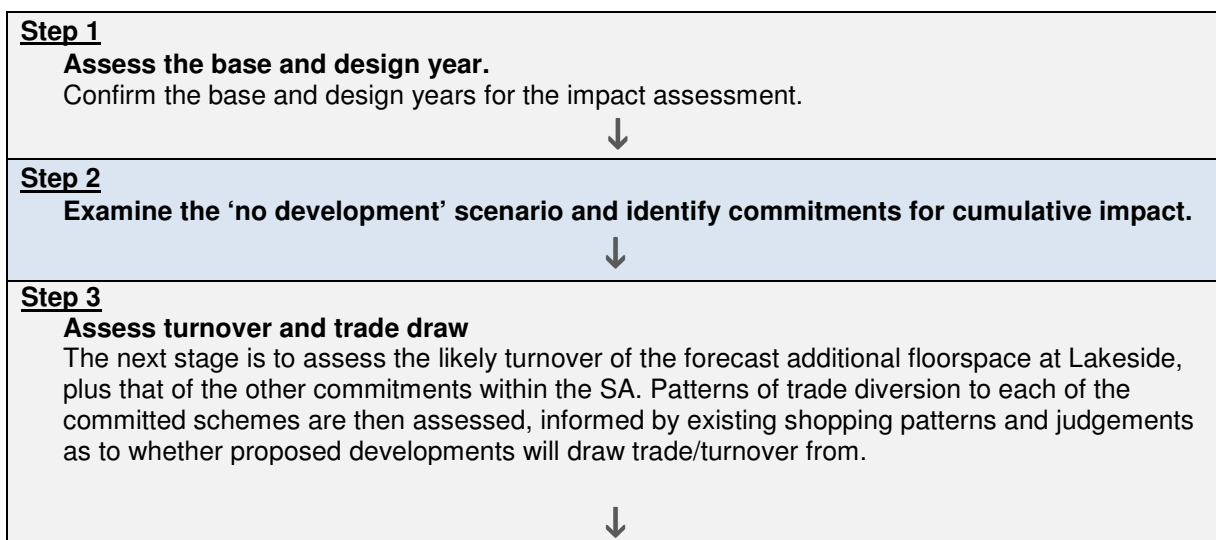
- The catchment area adopted by NLP has not been clearly justified, and does not appear to have regard to existing shopping provision in the Leicester urban area, nor the scope for the SUE to assist in meeting shopping needs of the surrounding rural area.
- No clear justification has been made for the patterns of trade draw to the catchment area. The comparison goods trade draw is particularly considered to be over-stated given the intended role and function of the proposed development as a district centre.
- The comparison goods sales density which has been adopted by NLP in the needs assessment is considered to be high in the context of the intended role and function of the proposed development as a district centre.
- Clarity on the approach taken in respect of Special Forms of Trading would be beneficial.
- The PPS4 Practice Guidance is clear that, although there is no explicit requirement to demonstrate the quantitative need for the development, there is a requirement to demonstrate the scale and form of the development proposed is appropriate. Presently, the applicants have not provided sufficient justification why such a large quantum of floorspace is proposed for the SUE, and why it should draw trade from a catchment area which is much wider than would be expected for a 'typical' district centre. Additional justification from the developers / NLP in this respect may be beneficial.

2.4.2 The Council may therefore wish to seek additional clarification from NLP in respect of the matters set out above. Based on the evidence submitted by NLP, at present we are not convinced that there is a need for development of the scale proposed by the NLP report, and see no reason to deviate from the conclusions in the RTCS.

3 Headline assessment of impact of proposed floorspace

3.1 Introduction and impact assessment methodology

- 3.1.1 The second part of our instruction is an assessment of the potential retail impact of the quantum of retail floorspace proposed at the North East Leicester SUE. We are aware that NLP have separately undertaken an impact assessment; however we have sought to provide an independent, headline assessment of impact which is based on our assessment of what the likely turnover of the scheme will be, and where any new development will draw trade from.
- 3.1.2 Paragraph 26 of the NPPF requires consideration of the impact of proposed out-of-centre developments on the following two criteria:
- (a) The impact of the proposal on existing, committed and planned public and private sector investment in a centre or centres in the catchment area of the proposal;
 - (b) The impact of the proposal on the town centre vitality and viability, including local consumer choice and trade in the town centre and wider area, up to five years from the time when the application is made.
- 3.1.3 The impact tests set out in the NPPF are a streamlined version of those set out under Policy EC16.1 of PPS4. The first of the impact tests shown above replicates criteria (a) of Policy EC16.1 of PPS4, whilst the second combined criteria (b) and (d) of Policy EC16.1.
- 3.1.4 We summarise the findings of our impact assessment below, which should be read alongside the data tables at **Appendix A**. Our assessment is informed by the findings of the RTCS, and we have had regard to NLP's own impact assessment where appropriate. In order to have an accurate turnover of the foodstores which fall outwith the boundary of Charnwood, we also make reference to the retail impact assessment submitted by Indigo Planning in support of a new Sainsbury's foodstore at Melton Road, Leicester.
- 3.1.5 The process for undertaking a quantitative impact assessment is set out in Appendix D of the PPS4 Practice Guidance. The methodology can be summarised as follows:



Step 4

Assess impact

Armed with the findings of stages 1 to 3, stage 4 requires the completion of a solus and cumulative impact assessment to establish the levels of retail impact the various commitments will have on existing centres in the SA.



Step 5

Consider the consequences of impact

Review the findings of the impact assessment against the impact test criteria set out at paragraph 26 of the NPPF.

3.1.6 We consider these stages in turn below.

3.2 Stage 1 – Assessment of base and design year

3.2.1 For the purposes of our retail impact assessment we have adopted an assessment of period of 2013-2019. The impact assessment thus assumes that 2019 will be the ‘design year’ for the proposed development — that is, the point at which the application scheme will be fully completed and operational, and shopping patterns in the local area will have ‘bedded down’ following the introduction of a new shopping destination for local residents to consider. As noted by NLP, this will require the retail units to be trading prior to the development of much of the surrounding planned residential community. The use of 2019 as the ‘design year’ reflects the design year adopted by NLP in their assessments.

3.3 Stage 2 – The ‘no development’ scenario

3.3.1 The findings of the household survey into shopping patterns of residents in Charnwood Borough undertaken in support of the RTCS provide the starting point of assessing a ‘no development scenario’. This study assumes that current market shares attracted to each centre / store will remain unchanged over the course of the study period to 2026. Therefore, it follows that the turnover of existing centres within the Borough would be expected to increase in line with forecast population and expenditure growth under a ‘no development’ scenario.

3.4 Turnover of the proposed floorspace

3.4.1 For the remainder of the assessment we consider the convenience and comparison goods elements of the proposed floorspace separately.

Turnover of convenience goods floorspace

3.4.2 Table IP1 of Appendix A summarises what we consider to be a typical turnover a new foodstore at the district and local centres might achieve.

3.4.3 Table IP1 shows that for the **district centre foodstore**:

- We have assumed that 65% of the gross area of the foodstore will be used as sales area (reflecting the assumption used in the calculation of floorspace in the RTCS²), and, of this, 80% of the net sales area will be used for the sale of convenience goods. The remaining 20% will be used for the sale of ancillary comparison goods. Although proportional floorspace splits vary by operator, our evidence indicates that retailers are currently reluctant to give over large amounts of floorspace within stores for the sale of non-food goods. In the absence of a named operator for the foodstore, this floorspace split is considered reasonable.

² Table 8, Appendix A of the RTCS

- To calculate the total turnover of the district centre foodstore, we have adopted a convenience goods sales density of £13,704 per sq.m. This is based on the assumption the store will be occupied by a major food retailer such as Asda, Morrisons, Sainsbury's, or Tesco. The sales density figure of £13,704 per sq.m reflects the figure used in the RTCS for calculating convenience goods capacity at 2019³
- Applying the net convenience goods sales area to the sales density produces a total turnover for the district centre foodstore of £33.49m in 2021.

3.4.4 Table IP1 shows that for the **other district centre convenience goods retail**:

- Of the gross sales area of 1,400 sq.m, we assume that 80% of this will be used as net sales area. This is based on the assumption that the remaining floorspace at the district centre will be developed for smaller-format units, requiring less area for storage. This equates to 1,120 sq.m net sales area floorspace. We assume that all of this floorspace will be used for the sale of convenience goods.
- It is appropriate to assume that specialist/ smaller-format convenience goods retailers will achieve a lower sales density compared to the main foodstore. We have therefore adopted NLP's sales density of £4,000 per sq.m for this floorspace.
- The remaining floorspace at the district centre can therefore be expected to achieve an estimated turnover of £4.48m in 2021.

3.4.5 Table IP1 shows that for the **local centre floorspace**:

- Of the gross sales area of 1,500 sq.m, we assume that 80% of this will be used as net sales area; again, this is based on the assumption that this floorspace will be developed as smaller-format units, rather than a single convenience store. This equates to 1,200 sq.m net sales area floorspace. We assume that all of this floorspace will be used for the sale of convenience goods.
- It is appropriate to assume that specialist / smaller-format convenience goods retailers will achieve a lower sales density compared to the district centre main foodstore. However, we also consider that there is scope for a local centre to be anchored by an 'Express' format supermarket (such as a Tesco Express, Sainsbury's Local, Co-Operative, etc), and therefore we adopt a sales density for the local centres of £6,000 per sq.m.
- We therefore expect the local centres to achieve a combined turnover in the region of £7.20m.

3.4.6 Therefore, in total, we estimate that the total convenience goods floorspace turnover of the district and local centre convenience goods floorspace will be in the region of £45.17m. We therefore adopt this figure for the purposes of our assessment of the potential convenience goods impact.

Turnover of comparison goods floorspace

3.4.7 Table IP3 of Appendix A sets out the turnover which can be expected to arise from the proposed comparison goods floorspace. Table 5.8 of the NLP report identifies that in total 6,900 sq.m (gross) comparison goods floorspace is proposed. This will be split between 6,100 sq.m gross at the district centre, and 800 sq.m gross at the local centres. Reflecting the gross: net sales densities adopted in the RTCS, we assume that 70% of the gross floorspace at the

³ Table 8, Appendix A of the RTCS

district centre will be used for net retail sales, equivalent to a sales area of 4,270 sq.m. Working on the assumption that the comparison goods floorspace at the local centres will be smaller-format units (which require less storage areas), we assume a higher gross: net ratio of 80% for the local centre floorspace, equivalent to a net sales area of 640 sq.m. In total we estimate that there will be 4,910 sq.m of net comparison goods floorspace at the SUE.

3.4.8 In calculating the turnover of this floorspace, we adopt the sales density of £5,200 per sq.m suggested by NLP. We have confirmed in the previous section of this report that we consider this sales density to be reasonable. Based on applying this to the net sales floorspace, Table IP3 of Appendix A shows that:

- The comparison goods turnover of the district centre is estimated at £22.20m
- The comparison goods turnover of the local centre is estimated at £3.33m
- The total comparison goods turnover of the retail floorspace at the SUE is estimated as £25.53m.

3.4.9 We therefore adopt the total turnover of £25.53m for the purposes of undertaking a comparison goods impact assessment.

3.5 Stage 4 – Assessment of impact

3.5.1 **Table IP2 of Appendix A** then presents a summary of the potential impact of the proposed convenience goods floorspace, and **Table IP4 of Appendix A** sets out a summary of the potential impact of the proposed comparison goods floorspace, using our professional judgement of where the proposed floorspace will draw trade from. We consider these assessments in turn below.

Assessment of convenience goods impact

3.5.2 Table IP2 is a summary of the potential impacts of the proposed convenience goods floorspace, and is structured as follows:

- **Column A** shows the turnover of the existing principal foodstores in Charnwood and the north side of Leicester. The turnovers of stores in Charnwood Borough are taken from the RTCS⁴. The turnover of the main foodstores outside Charnwood Borough but in close proximity to the SUE — the Tesco Extra foodstores at the district centres of Hamilton and Beaumont Leys — are taken from the Retail Planning Statement prepared by Indigo Planning in support of the proposed Sainsbury's foodstore at the GE Lighting site, Melton Road, Leicester, as the catchment area used for the RTCS would not have been expected to capture the full turnover of these stores, which also draw significant trade from the Leicester urban area.
- **Column B** makes an allowance for inflow of expenditure to the stores, informed by NLP's assessment. We agree with NLP that it is appropriate to allow for a degree of inflow into larger foodstores, which can be attributable to passing traffic, visitors to the area, business trips, and so on. However, in some instances (in respect of the smaller-format foodstores) we have reduced the level of inflow we consider a particular store might achieve. We have made an allowance for 10% inflow into foodstores in Loughborough (town centre and Tesco Extra, i.e. stores within zone 1), and 5% to stores elsewhere in Loughborough (zone 2). We have also made an allowance for 10% inflow into the Asda store at Thurmaston, Tesco Extra at Beaumont Leys and Tesco Extra at Hamilton. We make allowance of 5% to other supermarkets in Syston and Thurmaston Retail Park. We do not make any allowance for inflow to any other stores in Charnwood Borough.
- **Column C** shows the total turnover of each store, having made allowance for inflow (i.e. it adds the turnover in Column A to the percentage figures in Column B).

⁴ RTCS, Appendix 1, Table 7b, adjusted to 2021

- **Columns D to F** repeat the exercise shown in Columns A to C for the 'design year' of 2019. We have increased the turnover of the existing stores and centres in line with the population and expenditure growth rates used in the RTCS. The levels of inflow are unchanged from those shown in Column B. So Column F shows, for example, that foodstores in zone 1 (Loughborough) will increase their turnover from £154.08m in 2013 (as shown in Column C) to £165.09m by 2019 (Column F) on account of the population and expenditure growth in the local area. Similarly, the turnover of the Aldi and Tesco stores in Syston town centre will also increase, each by approximately £0.75m. However, on account of the impact of the new Sainsbury's store at Melton Road, some of the turnovers of larger foodstores — from which the Sainsbury's store will principally compete with — will already have decreased by 2019 relative to the 2013 position, even before any further trade diversion to new retail floorspace at the SUE. For example, we forecast that the Asda store at Thurmaston will see its turnover decrease from £46.97m (2013) to £41.06m (2019), and the turnover of Tesco Extra at Beaumont Leys will decrease from £75.66m (2013) to £59.14m (2019).
- **Column G** shows where the convenience goods floorspace proposed at the SUE can be expected to draw its turnover from. The patterns of trade diversion are professional judgements, based on the type of development proposed, the existing network of foodstores, and the findings of the RTCS. As the majority of the turnover will be accounted for by the district centre supermarket, we consider that proportionately the greatest levels of trade diversion are likely to arise from the surrounding network of larger-format foodstores. On this basis we consider that 23% of the turnover of the new convenience retail floorspace will be diverted from Asda at Thurmaston, 20% from Tesco at Hamilton, and 14.5% from Sainsbury's at Melton Road. We also assume that 6% of the turnover will be diverted from Aldi in Syston and 4.5% from Tesco Metro in Syston. The remaining trade will be diverted in smaller amounts from other locations across the surrounding network of centres.
- **Column H** converts the percentage trade diversion estimates listed in Column G to monetary values, by applying them to the total estimated turnover of £45.17m of the SUE convenience goods floorspace, as discussed above. Therefore it can be seen that based on our estimations, the greatest amount of trade in monetary terms will come from Asda at Thurmaston (£10.39m) and Tesco Extra at Hamilton (£9.03m). Three further stores will experience trade diversion upwards of £2m: Tesco Extra at Beaumont Leys, and the Aldi and Tesco Metro stores in Syston.
- **Column I** shows the residual turnover of the network of stores having made allowance for the trade diversion to the floorspace at the SUE, i.e. the figures in Column F (the 'no development figures') less the figures in Column H.
- Finally, **Column J** shows the impact in percentage terms of the proposed convenience goods floorspace.

3.5.3 The findings of the convenience goods impact assessment demonstrates that some potentially high impacts could arise as a result of the development of the levels of floorspace proposed by NLP. Column J of Table IP2 shows that the greatest levels of impact will fall on the following stores:

- Asda, Thurmaston (estimated 24% impact)
- Aldi, Syston (estimated 19% impact)
- M&S Simply Food, Syston (estimated 19% impact)
- Tesco Express, Birstall (estimated 16% impact)
- Tesco Metro, Syston (estimated 15% impact)
- Tesco Extra, Hamilton (estimated 13% impact); and
- Sainsbury's, Melton Road, Leicester (estimated 12% impact)

3.5.4 Therefore the greatest impacts can be expected to arise on stores in Thurmaston and Syston. Lower, but still nevertheless notable, impacts fall on stores in Birstall. We discuss the implications of these impacts in the section below.

Assessment of comparison goods impact

- 3.5.5 **Table IP4 of Appendix A** sets out our assessment of the potential impacts of the proposed comparison goods floorspace. The table follows the same structure as Table IP2, as discussed above. As previously, we adopt turnovers from the RTCS wherever possible, but adjust the turnover of Thurmaston Retail Park at 2019 based on information provided by IP in respect of the Sainsbury's application at Melton Road, Leicester. We also adopt the turnovers of the district centres at Hamilton and Beaumont Leys, plus the Sainsbury's commitment at Melton Road, from the IP assessment.
- 3.5.6 In common with the convenience goods assessment, we have made allowance for inflow of 10% into stores in Loughborough (zone 1) and Thurmaston Retail Park, plus inflow of 5% to the town centre of Syston. No allowance is made for inflow elsewhere.
- 3.5.7 The RTCS forecasts that comparison goods expenditure growth will increase at a greater rate than convenience goods expenditure. When allied to the population growth which is expected to come forward in the Borough, we have forecast that by 2019 the turnover of each of the existing centres in the Borough will have increased relative to the current position under a 'no development' scenario. This can be seen in Table IP4 which shows that, for example, the turnover of stores in zone 1 (which covers Loughborough) will increase from £175.96m (2013, Column C, including inflow) to £208.74m (2019, Column F), whilst the turnover of a smaller Syston will increase from £10.85m (2013) to £14.29m (2019).
- 3.5.8 **Columns G and H** of Table IP4 set out our assumptions in respect of where the comparison goods floorspace will draw its trade from. We caution that the patterns of trade diversion can be expected to be intrinsically linked to the nature and type of the comparison goods floorspace which will come forward at the district centre. For example, if the floorspace is developed as large-format units of the type presently trading at Thurmaston Retail Park, we would expect the floorspace to directly compete with Thurmaston to a greater extent than smaller centres such as Syston. Conversely, if the units are developed as smaller-format units, then there may be greater scope for smaller centres such as Syston to be impacted. This will be a matter which will need to be clearly established as part of any retail impact assessment submitted in support of a planning application.
- 3.5.9 For the purposes of our assessment we have assumed that the floorspace will draw 39% of its turnover (equivalent to £9.96m) from Thurmaston Retail Park (including Asda), and a further 16% (equivalent to £4.09m) of its turnover from Syston town centre. We also assume that 11% turnover will be derived from Beaumont Leys and 9% from Hamilton district centre. There will be minor trade diversions from a range of other destinations across Charnwood. However, for the reasons stated above, these levels of trade diversion should be considered indicative.
- 3.5.10 **Column I** shows the 'residual' turnover of each centre at 2019, having made allowance for trade diversion as described. It shows that:
- The turnover of Thurmaston Retail Park / Asda will be considerably reduced relative to the 2013 position, owing to the trade diversion to the SUE and also to the Sainsbury's commitment (the proposed Sainsbury's foodstore also includes comparison goods floorspace). However, as these locations do not form part of Charnwood Borough's retail hierarchy, this fact is not a material consideration.
 - The turnover of Syston town centre will be fractionally lower than the 2013 position – i.e. following trade diversion, the turnover of the town centre will not benefit from the planned increases in population in the surrounding area
 - The turnover of Birstall and Anstey town centres will experience a modest increase in their turnovers owing to the forecast population/expenditure increases.

- The turnover of Beaumont Leys district centre and Hamilton district centre will also be reduced relative to the 2013 position.

3.5.11 Finally Column J of Table IP4 shows the impact of the comparison goods floorspace in percentage terms. It shows that the quantum of comparison goods floorspace proposed will result in high impacts in percentage terms against Thurmaston Retail Park / Asda (an estimated combined impact of 28%) and Syston town centre (estimated impact of 29%). Relatively high impacts of 12% against Birstall town centre and 17% against Hamilton district centre are also identified. We discuss the implications of these impacts below.

3.6 The consequences of the impact

3.6.1 At paragraph 3.1.2 we set out the two principal impact 'tests' which applications for new retail floorspace must satisfy. We consider the consequences of the impacts identified above in respect of these tests in turn below.

3.6.2 In terms of whether the impacts set out above represent 'significant' adverse impacts, the PPS4 Practice Guidance is clear that what constitutes an acceptable or otherwise level of impact. Paragraph 7.3 states that *'It will be for the decision maker to determine what constitutes an 'acceptable', 'adverse' or 'significant adverse' impact, based on the circumstances of each case, having regard to national and local policy objectives'*.

The impact of the proposal on existing, committed and planned public and private sector investment in a centre or centres in the catchment area of the proposal

3.6.3 We have not been advised by the Council of any other public or private sector investment in the surrounding network of centres which may be adversely impacted by the development of the proposed quantum of retail floorspace at the SUE. The Council will need to take a view as to whether the proposed floorspace will impact upon its strategy for the network of centres in the Borough, and in particular that of Syston town centre.

3.6.4 We do not consider that the development of floorspace at the SUE will impact on the ambitions of the Council to improve Thurmaston local centre, which is a parade of retail units at the junction of Humberstone Lane and Wayside Drive. This centre will meet day-to-day needs of residents within an immediate local area, mostly within walking distance of the site, and we would expect diversion of trade to the proposed retail floorspace at the SUE to be relatively minimal.

The impact of the proposal on the town centre vitality and viability, including local consumer choice and trade in the town centre and wider area, up to five years from the time when the application is made

3.6.5 Based on this headline assessment, we are of the opinion that the **convenience goods impacts** of the proposed development may present cause for concern. The Asda store at Thurmaston experiences the greatest impact, however this store is not within a defined centre (and the DCS does not propose to change this), therefore any impact on directly on this store is not a material consideration. However, as DCS Policy CS9 shows Thurmaston Retail Park as part of the retail hierarchy for the Borough, there may be potential adverse implications on the loss of linked trips (notwithstanding the comparison goods impact which could also arise) on this location. Generally however we consider that Thurmaston Retail Park is a strong-performing retail location and could probably withstand trade diversion without closures of shops taking place.

3.6.6 However, we consider that the convenience goods impact on stores in Syston do presents a cause for concern. Both the Tesco and Aldi stores are important 'anchor' stores within Syston town centre, and again whilst it is considered that the level of impacts identified would probably not result in the stores ceasing trading, there may be implications for the vitality and

viability of the centre as a whole if there is loss of turnover, and therefore footfall/pedestrian activity, from the centre – as other businesses in the centre are likely to benefit from ‘linked trips’ spending from people visiting the foodstores. When combined with the comparison goods trade diversion from the town centre set out in Table IP4, it can be seen that a total of approximately £9m of trade could potentially be diverted from Syston town centre. We are of the opinion that this level of trade diversion would be likely to significantly impact the vitality and viability of the centre, through a combination of reduced footfall to the anchor stores, and a consequential deterioration in the range and quality of retailers in the centre.

- 3.6.7 The impacts on Birstall also represent some cause for concern, although in monetary terms the levels of trade diversion (shown in Column H of Tables IP2 and IP4) are relatively limited. Whilst relatively close in geographic terms, we do not consider that Birstall will compete with the SUE for expenditure to any significant extent, at least no more so than it currently does with Thurmaston. The centre is relatively healthy and has a strong catchment area, and therefore in practice could probably withstand further limited trade diversion. Whilst the centre will be negatively impacted by the SUE retail floorspace, it is not considered that it will be a ‘significant adverse’ impact.
- 3.6.8 There are also convenience goods impacts of 7% and 13% on the Tesco stores at Beaumont Leys and Hamilton respectively. Both these stores form parts of defined centres in policy terms and therefore any significant adverse impact against them would also represent a material consideration in the determination of any planning application. However, in these instances we consider the level of impact is likely to be acceptable. Although the turnover of both foodstores will be substantially reduced following the trade diversion to the consented Sainsbury’s scheme and the SUE floorspace, we would not expect it to be of a level which will cause the stores to cease trading.
- 3.6.9 Turning to the **potential comparison goods impacts**, we expect that any impact of the comparison goods floorspace to be principally concentrated on Thurmaston Retail Park and Syston town centre. As noted previously, the comparison goods impacts will be largely dependent on the type of floorspace which ultimately comes forward – in terms of the size of the units, nature of the retail offer, and end occupiers of the units – and therefore quantifying impact is not a straightforward exercise. However, our exercise demonstrates that even if under one-fifth of the comparison goods turnover of the floorspace at the SUE is diverted from Syston town centre, an impact of 29% will result. As stated previously, when coupled with the potential trade diversion from the anchor foodstores in the town centre, we have concerns that the vitality and viability of Syston town centre would experience a significant adverse impact, owing to the loss of footfall and potential deterioration of the retail offer which would be expected to take place.
- 3.6.10 The comparison goods impacts against Thurmaston Retail Park can also be considered high, particularly when having regard to the additional trade diversion which will take place to Sainsbury’s at Melton Road.
- 3.6.11 The comparison goods impact on Birstall town centre appears high at 13%, but this translates to a relatively modest level of trade diversion of £0.5m. However, when combined with the convenience goods impact figures, we consider that any impact over and above this would have potential implications for the vitality and viability of the centre.
- 3.6.12 We do not envisage a significant adverse impact arising on any other centre in Charnwood as a result of the development proposals.

3.7 Conclusions on potential impact of proposed floorspace

- 3.7.1 We have undertaken a headline convenience and comparison goods impact assessment, testing the levels of floorspace set out in the NLP report, and applying these to appropriate

turnovers and professional judgements of patterns of trade draw. We would caution that the precise impacts of the application scheme will need to be tested by the applicants, with clear justification on the scale of floorspace proposed, including disaggregation into indicative unit sizes. The assessment set out above is based on a series of broad assumptions and judgements undertaken in absence of this information.

- 3.7.2 We have concerns that the amount of floorspace proposed will potentially give rise to some significant adverse impacts. We expect the greatest impacts to arise against stores at Thurmaston Retail Park, including the edge-of-centre Asda foodstore. However, Thurmaston Retail Park is a strong-performing retail location and could probably withstand trade diversion without closures of shops taking place.
- 3.7.3 The impacts which could potentially arise against Syston town centre present cause for concern, and we consider they are likely to represent significant adverse impacts. The loss of footfall from key anchor stores, including the two foodstores, could have potentially significant implications for the wider vitality and viability of the centre. Although difficult to quantify, we also consider there to be scope for some comparison goods trade diversion from the centre, and in total the trade diversion could be in the region of £9m. Such a level of trade diversion would be expected to adversely impact the overall vitality and viability of the town centre.
- 3.7.4 The impacts which could potentially arise against Birstall town centre are also considered to be on the margins of acceptability.
- 3.7.5 On balance, we consider it unlikely that the proposed quantum of floorspace could be developed without a significant adverse impact arising against one or more surrounding location in the Borough's established network of centres.

4 Review of representations

4.1 Introduction

4.1.1 CBC have requested advice on a number of other representations in respect of retail matters to the DCS, namely those submitted by:

- Peacock and Smith on behalf of Wm Morrison Supermarkets Plc
- Pegasus Group on behalf of Henry Davidson Developments Ltd
- Indigo Planning on behalf of Sainsbury's Supermarkets Limited
- Musgrave Retail Partners (t/a Budgens)

4.1.2 We consider these representations in turn below.

4.2 Nathaniel Lichfield and Partners on behalf of Commercial Estates Group

4.2.1 NLP's representation to the DCS concern a number of matters in respect of Policy CS19, which allocates land north east of Leicester for a sustainable urban extension. In respect of retail matters, the main concern of the representation is the scale of centres which should form part of the SUE. This is discussed in detail in Section 2 and we do not repeat them here. Whilst NLP consider that a district centre is 'needed', they do not provide clear justification as to why such a large amount of floorspace is required.

4.2.2 As we have set out in Section 2, the NPPF (and PPS4 Practice Guidance) place no requirement for an assessment of quantitative need. However the PPS4 Practice Guidance does require a consideration of the 'appropriateness' of new centres, and the 'scale and form' of development. This is confirmed at paragraph 6.18 of the PPS4 Practice Guidance:

'Proposals within planned new centres can pose problems of interpretation. As required by national policy, new centres should be considered through the [LDF] process. This should include considering the appropriateness of new centres, the scale and form of development likely to be appropriate on the existing network of centres'

4.2.3 Therefore, whilst there is no outright requirement to demonstrate need, there is a requirement to demonstrate that the scale of floorspace proposed is acceptable. Broadly speaking, we consider that whilst NLP have demonstrated that surplus expenditure capacity can be expected to arise, it does not justify why the level of floorspace proposed is necessary or required. We have set out in the previous section that the scale of floorspace proposed by NLP could potentially give rise to significant adverse impacts on the surrounding network of centres.

4.2.4 The RTCS has set out guidance on the scale of floorspace which is considered appropriate at the North East Leicester SUE. These recommendations were developed with full regard of the surrounding network of centres and shopping provision. Developing a level of floorspace over and above this is not prevented by national planning policy guidance, but does place a requirement on the promoters to justify the additional floorspace proposed.

4.3 Peacock and Smith on behalf of Wm Morrisons Plc

4.3.1 Peacock and Smith (P&S) have submitted representations on behalf of Morrisons, who operate a store at Gorse Covert District Centre in Loughborough. As noted by P&S, the Morrisons store anchors the district centre, and the RTCS confirms the store as one of the principal destinations for meeting main food shopping needs in Loughborough. The proposed West of Loughborough SUE lies in relatively (not immediately) close proximity to the

Morrisons store/Gorse Covert. The DCS envisages that this SUE will accommodate up to 3,000 new dwellings. It is clear therefore that the population in this part of Loughborough will substantially increase over the course of the Core Strategy period relative to its current position.

- 4.3.2 On page 121 of the RTCS, we state that there *'may be merit in the provision of a moderate-sized foodstore (indicatively, up to 2,000 sq.m net floorspace) to assist in meeting the shopping needs of the west of Loughborough sustainable urban extension, given the limited provision currently serving this side of the town'*.
- 4.3.3 P&S consider that the existing Morrisons store at Gorse Covert already satisfies the shopping requirements for this part of Loughborough, and therefore no additional provision is needed. We do not agree with this view. P&S suggest that the Morrisons store has a net sales area of 2,000 sq.m, lower than the figure adopted in the RTCS⁵. If correct, applying this to an appropriate sales density for a Morrisons store would suggest that this store may be 'over-trading' at present when assessed against its turnover identified in the RTCS. The PPS4 Practice Guidance indicates that this in itself is both a quantitative and qualitative indication of a need for additional provision. However, notwithstanding this, even if the store is trading at the level identified in the RTCS, we do not consider that it is best placed to meet the needs of a significantly enlarged residential population. P&S admit the Morrisons store is only 'fairly large'. They also identify that the Morrisons store is 1.7km away from the proposed centre at West Loughborough. If no foodstore was to come forward at West Loughborough, this means some of its residents would be travelling a substantial distance for their main food shopping trips. On this basis we do not consider the store to be *'more than adequate to meet the weekly main convenience retail shopping needs of the community that the West of Loughborough SUE seeks to provide'*.
- 4.3.4 P&S also state that the Morrisons store has *'the potential to be extended should there be a level of convenience capacity outstanding'*. The RTCS identifies such a surplus of capacity, and a need for additional convenience floorspace was also identified in the preceding study. Given the level of capacity identified in the RTCS, and the scale of development coming forward at West Loughborough, we do not consider that any significant adverse impact will arise on the Morrisons store/wider district centre; nor will it prejudice any extension to Morrisons, should the company wish to progress this. An extended Morrisons store and additional provision at West of Loughborough could be expected to both trade at satisfactory levels. We would not expect any threat to the vitality and viability of the district centre as a whole.
- 4.3.5 There is no outright requirement in the NPPF for development within a network of centres (either existing or proposed) to assess impact on other centres. Rather, the Council has established (DCS para 10.20) that a centre to meet local needs is required at this location and therefore this centre will hold the same sequential status as Gorse Covert upon adoption of the CS. Whilst there are instances where an impact assessment would be required under particular local circumstances, we do not consider this to be the case here.
- 4.3.6 In respect of the function of a local centre, P&S refer to the definition of a 'local centre' within the PPS4 Practice Guidance. P&S point that the delivery of a 2,000 sq.m net foodstore at West Loughborough is in excess of what would typically be expected to come forward at a local centre is a valid one, and the approach to the other planned local centres in the Borough is more in line with the PPS4 definition. However, given the scale of development coming forward at West Loughborough, combined with the capacity identified in the RTCS, and the relative paucity of provision in this part of the Borough, we consider that a larger foodstore can, in this instance, be supported in policy terms. The foodstore will meet wider shopping needs for residents of the town as a whole, and will not solely be confined to use by residents of the SUE.

⁵ Source: IGD

4.4 Pegasus Group on behalf of Henry Davidson Developments Ltd

- 4.4.1 Pegasus make a number of representations in respect of draft Policy CS9, and we consider these in turn below.
- 4.4.2 Draft Policy CS9 identifies three sites for retail floorspace in Loughborough town centre. Pegasus consider that provision will also need to be accommodated elsewhere in the Borough, including in '*other district centres and out-of-centre locations*'. We note that the DCS does not seek to prevent foodstores of an appropriate scale coming forward elsewhere in the Borough, but generally speaking there is a 'balanced approach' already in existence in terms of the network of foodstores. We do not consider that any amendment to the policy is required in respect of this point.
- 4.4.3 Pegasus question why Draft Policy CS9 adopts an impact assessment threshold which is lower than the NPPF. As Pegasus state, the default threshold for an impact assessment set out in the NPPF is 2,500 sq.m. However, the NPPF also gives local planning authorities the option of adopting a locally-set threshold. In the context of a location such as Charnwood, which is made up of a network of smaller towns and villages where a development over 2,500 sq.m would have a proportionately greater impact than in a larger centre, it is entirely appropriate to adopt lower thresholds in order to protect the vitality and viability of the existing network of centres, and a recommendation was made to this end in the RTCS which suggested that lower thresholds could be appropriate. We consider that the threshold suggested in the RTCS remains robust and do not consider any amendment to the wording of Draft Policy CS9 is required in this respect.
- 4.4.4 Reviewing the findings of the RTCS, Pegasus have had regard to the current patterns of convenience goods shopping across Charnwood Borough and consider that '*the Core Strategy should plan to reduce this expenditure leakage by providing for more retail floorspace in the Borough*'. We do not consider the level of expenditure leakage to be a particular cause for concern; rather, they are a product of the catchment area boundaries and if foodstores just outside the catchment area such as Tesco at Beaumont Leys were included, the retention rate would be higher. In any case, the RTCS identifies a requirement for additional convenience goods floorspace which will assist in improving expenditure retention.
- 4.4.5 Pegasus also consider that allowance should be made for increasing provision for retail floorspace in the more rural parts of the Borough, including the development of out-of-centre locations in circumstances where there are no sequential sites available. It is considered that applications for development of this nature should be considered on their individual merits. The development of larger-format foodstores in the more rural parts of the Borough would be contrary to the Council's existing and proposed hierarchy of centres for the Borough.
- 4.4.6 Finally, Pegasus discuss the 'over-trading' of foodstores in the Borough, stating that this should '*be addressed by providing opportunities for more balanced retail provision throughout the Borough in the Core Strategy*'. However, we note that the foodstores which are over-trading are principally concentrated in the Loughborough area. The RTCS identifies a need for additional foodstore provision in Loughborough over the Plan period, which will alleviate this overtrading. There are opportunities for additional provision in Loughborough town centre and as part of the sustainable urban extension west of Loughborough for this to be achieved.
- 4.4.7 In summary, we do not consider that any of the objections of Pegasus Planning require adjustment to Draft Policy CS9.

4.5 Indigo Planning on behalf of Sainsbury's Supermarkets Ltd

- 4.5.1 Indigo's representation concerns the wording of draft Policy CS9, in respect of the identification of priority regeneration sites in Loughborough town centre. As Indigo note, the Council have identified a total floorspace requirement for Loughborough town centre, informed

by the findings of the RTCS, over the Plan period. Draft Policy CS9 identifies that up to 2021, the focus for new floorspace will be on south-east of Loughborough town centre (i.e. the Baxter Gate site) and Devonshire Square. Indigo note that these two sites are long-term regeneration aspirations of the Council and question whether there is any realistic likelihood of them coming forward for redevelopment, given that neither were delivered during stronger economic conditions. However, we note that, for example, the Baxter Gate site is now a cleared, level site which is likely to improve its attractiveness to the market.

- 4.5.2 We do not consider it inappropriate for Policy CS9 to identify priorities for regeneration in the town centre. As set out in the RTCS, we consider that development of the Baxter Gate and Devonshire Square sites offers the strongest opportunity to maximise the overall competitiveness of the town centre and secure its long term vitality and viability. Development to the north-west of the town centre would deliver some benefits, and Policy CS9 clearly states that the Council supports proposals for town centre uses on this site. We do not consider the policy to be negatively-worded in this respect.
- 4.5.3 Indigo question whether the word 'compromise' represents appropriate wording in the policy, as it does not reflect the 'significant adverse impact' test in the NPPF. We do not agree with a number of the arguments put forward by Indigo as to why this wording is not appropriate.
- 4.5.4 Indigo have, as part of their representation, undertaken a headline assessment of the capacity of the three town centre opportunity sites to accommodate the floorspace requirement for the town centre identified in the DCS.
- 4.5.5 We have undertaken an appraisal of Indigo's headline assessment. It is estimated that total retail and leisure capacity is 35,360 sq m to 41,860 sq m GIA. Based on our appraisals, we estimate Devonshire Square and Baxter Gate could together deliver 24,900sq m GIA, leaving capacity of up to 16,960 sq m which could be delivered on a 2.2 hectare site.
- 4.5.6 The Devonshire Square development brief which was produced by the Council in 2007 provided an indicative site layout (Page 18 of the document) for the redevelopment of the site but no total square meter the site could yield. We acknowledged the market has shifted since the formulation of this document, however, it does provide an indication on the potential site coverage based upon massing which is still relevant. Analysis of this shows a site coverage of approximately 60%. This equates to 8,100 sq m of floor space based upon a gross site area of 1.35 hectares.
- 4.5.7 Baxter Gate, contained within the Loughborough town centre masterplan is an indicative site layout for the redevelopment of the site. This layout is referenced as Figure 5 in the RTCS. This masterplan layout does not contain the provision of a multi-storey car park. We would assume 1 acre of the site would be lost the multi-storey car park, which would reduce the gross area from 2.8 hectares to 2.4 hectares. The masterplan layout shows that approximately 70% site coverage is achievable which would result in a floor area of 16,800 sq m.
- 4.5.8 There would therefore be sufficient capacity for the Sainsbury's site to accommodate an element of the floorspace allocation. However, given the wording of Draft Policy CS9 does not preclude this site coming forward for retail development, we do not consider that any revision of the wording of the policy is required.

4.6 Musgrave Retail Partners

- 4.6.1 We agree with the recommendation of the DCS that Mountsorrel would benefit from additional provision. Whilst the Budgens store in Mountsorrel plays an important role in meeting local shopping needs, it is not within the local centre boundary, and additional provision in Mountsorrel local centre would enhance consumer choice and the vitality and viability of the local centre, in line with the aims and objectives of the NPPF.

Appendix A

Retail Impact Assessment Tables