



Telford & Wrekin Council

Planning Applications Reference

TWC/2011/0632 and TWC/2011/0916

Appraisal of Retail Planning Issues

February 2012

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Contents Page

1.0	Introduction	1
2.0	Planning Policy Context.....	4
3.0	The Sequential Approach to Development.....	10
4.0	Assessment of Impact Tests: Audley Avenue.....	16
5.0	Assessment of Impact Tests: Station Road.....	32
6.0	Cumulative Impacts.....	46
7.0	Summary and Conclusions	52



1.0 Introduction

Instruction

- 1.01 Telford & Wrekin Council (hereafter referred to as 'the Council') has instructed WYG Planning & Design ('WYG') to provide advice in respect of two planning applications for significant food retail development to the south of Newport Town Centre. The purpose of this appraisal is to consider the merits of the development proposals in terms of their compliance with retail and town centre planning policy, as set out by the statutory development plan and by Planning Policy Statement 4: Planning for Sustainable Economic Development (PPS4) (2009). We summarise each proposal below.

Outline Planning Applications Reference TWC/2011/0632 and TWC/2012/0011

- 1.02 Outline planning application reference TWC/2011/0632, submitted by Audley Avenue Business Parks, seeks to provide for the demolition of existing buildings and the erection of a new foodstore, together with associated access, car parking and servicing, on land at Audley Avenue, Newport. We are aware that the applicant has appealed against the non-determination of the application and has submitted an identical application for consideration by the Council, this being registered as planning application reference TWC/2012/0011. Both applications are accompanied by a number of supporting documents, including a Retail Statement, which has been prepared by the applicant's agent, Indigo.
- 1.03 Following a revision to the application, proposed by Indigo's letter of 2 February 2012, the applicant seeks to justify the development of a 5,084 sq.m gross internal area superstore, with a net sales area of at least 3,305 sq.m (and possibly up to 3,813 sq.m). The revised submitted retail impact assessment indicates that up to 80% of this sales area could be dedicated to the sale of convenience goods and, for the purposes of our assessment, we therefore consider the application on the basis the store would comprise at least 2,644 sq.m of food sales and 661 sq.m of non-food sales. Whilst no end operator has been confirmed, Indigo suggests that the proposal is likely to be operated by one of the 'big four'¹ food retailers.
- 1.04 The application site comprises 2.6 hectares and is bounded to the north by Audley Avenue Business Park units, to the east by the A41, to the south by the Focus DIY unit, and to the west by Audley

¹ Asda, Morrisons, Sainsbury's or Tesco.



Avenue. The site is situated around 1,500m from Newport Town Centre's Primary Shopping Frontage² and, accordingly, is acknowledged by the applicant to be 'out of centre' for the purposes of Planning Policy Statement 4: Planning for Sustainable Economic Growth (PPS4) (2009).

- 1.05 The proposal is linked to a further application (reference TA/2011/0725) which seeks full planning permission for the creation of a wildlife/allotments area following landfill of inert waste to increase site levels to match adjoining land. Paragraph 2.2 of the submitted Retail Statement indicates that the applicant envisages that these two applications would be linked by planning condition and/or a Section 106 legal agreement. We are also aware of an additional application recently submitted to the Council (application reference TA/2011/0989) for the development of land to the north west of Audley Avenue Business Park for residential purposes. The application seeks to provide for the erection of up to 215 dwellings, together with associated highways works, open space, allotments and infrastructure improvements.

Full Planning Application Reference TWC/2011/0916

- 1.06 Full planning application reference TWC/2011/0916, submitted by St Modwen Developments Ltd, provides for the erection of a new food superstore, together with a new petrol filling station, car wash, highway works, and associated infrastructure and landscaping at land to the west of Station Road, Newport. Once again, the package of documents which accompanies the application includes a Retail Assessment, prepared in this case by Martin Robeson Planning Practice (MRPP).
- 1.07 The application seeks permission for the development of an 8,100 sq.m gross internal area superstore, with a net sales area of 4,645 sq.m. We note that the submitted Retail Assessment indicates at paragraph 6.13 that '**About two thirds will be used for the sale of convenience goods and a third comparison goods.**'
- 1.08 Given the scale of the proposed development, it is considered important to be exact about the floorspace which would be provided, and this appraisal therefore considers the impacts which could result from the provision of a convenience goods sales area of up to 3,097 sq.m (66.7% of the total net sales area) and a comparison goods sales area of up to 1,548 sq.m (33.3% of the total net sales area). Whilst no operator is named in the original application submission, we note that recent press

² As defined by the Wrekin Local Plan Proposals Map (adopted February 2000)



reports and MRPP's Retail Assessment Addendum of January 2012 have indicated that the proposed store would trade as a Sainsbury's. The application proposal is considered on this basis.

- 1.09 The application site is bounded to the north by light industrial units situated along Town Wells, to the east by Station Road, and to the south and west by greenfield land which forms part of a wider development being pursued through outline planning application reference TWC/2011/0871. The outline application seeks planning permission for up to 350 dwellings, together with extra care housing, employments units, all weather sports pitches and landscaped park, and the food superstore which is the subject of the detailed application.
- 1.10 The Station Road site is located closer to Newport Town Centre than Audley Avenue, being located approximately 1,000m from the defined Primary Shopping Frontage. This site is also 'out of centre' for the purposes of PPS4 – indeed, it is actually 'out of town', being situated outside of the existing urban area.

Structure of Our Report

- 1.11 In the above context, this appraisal focuses on the proposals' compliance with retail and town centre planning policy as set out by the statutory development plan and by PPS4. The appraisal seeks to consider material common to both applications in single sections in order to avoid duplication, before then considering the solus impact and potential cumulative impact of the applications.
- 1.12 The remainder of our report is therefore structured as follows:
- in Section 2 we set out the retail planning policy of relevance to both proposals;
 - in Section 3 we consider the sequential approach to development set out by Policy EC15 of PPS4;
 - in Section 4 we consider the likely impacts which would arise from the implementation of the Audley Avenue proposal;
 - in Section 5 we consider the likely impacts which would arise from the implementation of the Station Road proposal;
 - in Section 6 we consider the relevant cumulative impacts which could result from the implementation of both proposals, along with an additional proposal to provide a foodstore at Mere Park Garden Centre; and
 - in Section 7, we summarise our findings and provide our recommendation.



2.0 Planning Policy Context

Planning Policy Statement 4: Planning for Sustainable Economic Growth

- 2.01 PPS4 was published in December 2009 to manage retail development and assist in achieving the Government's over-arching objective of sustainable economic growth. In order to achieve such growth, PPS4 sets out a number of key objectives for planning which can be summarised as follows:
- To build prosperous communities by improving economic performance;
 - To promote regeneration and tackle deprivation;
 - To deliver more sustainable patterns of development and reduce the need to travel;
 - To promote the vitality and viability of established towns and other centres; and
 - To raise the quality of life and environment in rural areas.
- 2.02 In dealing with applications for main town centre uses (including retail) which are not within an established centre nor allocated within an up-to-date development plan, Policy EC14 of PPS4 establishes the tests which need to be satisfied. Policy EC14 effectively replaces the previous five key tests set out by Planning Policy Statement 6: Planning for Town Centres and, as a consequence, when considering applications for retail development, it is now only necessary for the applicant to demonstrate that a proposal accords with the requirements of the sequential approach and that the proposal will not lead to significant adverse impacts on existing centres.
- 2.03 In this regard, Policy EC17.1 of PPS4 indicates that planning applications for main town centre uses which are not in an existing centre and not in accordance with an up to date development plan should be refused planning permission where:
- a) the applicant has not demonstrated compliance with the requirements the sequential approach; or
 - b) there is clear evidence that the proposal is likely to lead to significant adverse impacts in terms of the considerations set out within the PPS (and considered in detail in Section 4 of this appraisal).
- 2.04 Notwithstanding the apparent rigidity of the wording of the above policy, as best practice regarding policy interpretation continues to emerge (particularly through Inspectors' decisions), it is commonly being held that Policy EC17 does not extinguish the need set down in statute to examine all material considerations and to assess the 'planning balance' when making a decision.



2.05 Whilst scale and 'need' no longer form specific separate tests which need to be assessed (as was the case with previous guidance set out in PPS6) they remain important considerations in assessing the likely impact of development proposals (albeit scale only relates to in-centre and edge-of-centre proposals). The 'need' for the development is considered at Section 3 of this report.

Emerging National Planning Policy

Planning for Growth: Written Ministerial Statement (23 March 2011)

2.06 A written Ministerial Statement was made by Mr Greg Clark in March 2011 which acknowledged that the planning system has a key role to play in rebuilding Britain's economy. The statement confirms that the Government seeks to reform the planning system to support economic growth but that many of the actions required to do so will take some months to deliver.

2.07 However, in advance of these reforms the statement sets out the Government's priorities and states that:

'The Government's top priority in reforming the planning system is to promote sustainable economic growth and jobs. Government's clear expectation is that the answer to development and growth should wherever possible be 'yes', except where this would comprise the key sustainable development principles set out in national planning policy.'

2.08 When deciding whether to grant planning permission, local planning authorities should support enterprise and facilitate housing, economic and other forms of sustainable development. Where relevant (and consistent with their statutory obligations) authorities should:

- Consider fully the importance of national planning policies aimed at fostering economic growth and employment;
- Take into account the need to maintain a flexible and responsive supply of land;
- Consider the range of economic, environmental and social benefits of proposals including the long term or indirect benefits such as increased consumer choice, more viable communities and more robust local economies;
- Be sensitive to the fact that economies are subject to change; and
- Ensure that they do not impose unnecessary burdens on development.



2.09 The statement confirms that:

'In determining planning applications, local planning authorities are obliged to have regard to all relevant considerations. They should ensure that they give appropriate weight to the need to support the economic recovery, that applications that secure sustainable growth are treated favourably (consistent with policy in PPS4), and that they can give clear reasons for their decisions.'

A Presumption in Favour of Sustainable Development: Written Ministerial Statement (23 March 2011)

2.10 A further written Ministerial Statement was made on published on 15 June 2011 by Greg Clark. This outlined a new presumption in favour of sustainable development, to be incorporated within the draft National Planning Policy Framework and as part of a strategy of assisting with the country's economic recovery. The Statement indicates that:

'There is a presumption in favour of sustainable development at the heart of the planning system, which should be central to the approach taken to both plan-making and decision-taking. Local planning authorities should plan positively for new development, and approve all individual proposals wherever possible.'

2.11 It then continues by stating that local planning authorities should approve development proposals that accord with statutory plans without delay and should grant planning permission where the plan is absent, silent, indeterminate, or where relevant policies are out of date. Further to this it is explained that this approach should apply unless the adverse impacts of allowing development would significantly and demonstrably outweigh the benefits.

Draft National Planning Policy Framework (July 2011)

2.12 PPS4 is to be replaced by a single, consolidated National Planning Policy Framework (NPPF) document, a draft of which was published for consultation on 25 July 2011. The NPPF sets out a strong presumption in favour of the grant of planning permission for sustainable development, except where the adverse impacts of development would significantly and demonstrably outweigh the benefits when assessed against the policies in the Framework as a whole. The NPPF also maintains a 'town centre first' approach to retail development and a requirement for planning applications for such uses to demonstrate a sequential approach to site selection.



- 2.13 The draft broadly corresponds with the provisions of PPS4 in respect of retail development. In any event, given its draft status, only limited weight can currently be attributed to it in considering the two applications.

The Development Plan

- 2.14 Section 38(6) of the Planning and Compulsory Purchase Act 2004 provides that:

'...if regard is to be had to the Development Plan for the purpose of any determination to be made under the planning acts, the determination must be made in accordance with the plan unless material considerations indicate otherwise.'

- 2.15 Whilst the Secretary of State announced the revocation of all Regional Spatial Strategies with immediate effect on 6 July 2010, this decision was subsequently overturned following the legal challenge by Cala Homes and the High Court's ruling of 10 November 2010. The abolition of Regional Spatial Strategies will therefore be achieved through the Local Act 2011, which received Royal Assent on 15 November 2011. However, at the time of reporting, the relevant part of the Act has not yet been brought into effect and the Phase 1 Revision of the West Midlands Regional Spatial Strategy (RSS) (published January 2008) still forms part of the development plan and is of some relevance to the consideration of the development proposals.

- 2.16 The development therefore comprises the RSS, read together with the Telford & Wrekin Core Strategy, the 'saved' policies of the Shropshire and Telford and Wrekin Joint Structure Plan (adopted November 2002), and the Wrekin Local Plan 1995-2006 (adopted 11 February 2000). It is accepted that, in this instance, the saved Structure Plan policies are only of very limited relevance to the application proposals and our review of retail policy therefore necessarily focuses on the RSS, the Local Plan and, in particular, the Core Strategy.

Phase 1 Revision, West Midlands Regional Spatial Strategy

- 2.17 RSS Policy PA11 sets out a network of 25 strategic town and city centres which will be the focus for, *inter alia*, major retail development (i.e. those of more than 10,000 sq.m gross floorspace, excluding floorspace dedicated to the retailing of convenience goods). Newport is significantly smaller than the centres identified and is the subject of Part C of the policy which indicates that other centres should seek to meet local needs and that local authorities should be proactive in encouraging appropriate development to maintain and enhance the function of such centres.



2.18 Policy PA13 relates to out-of-centre retail development and indicates that it is not envisaged that any further large-scale (10,000 sq.m gross) out-of-centre retail developments or extensions to existing developments will be required during the period (to 2021) covered by the RSS. The policy goes on to state that smaller-scale out-of-centre retail proposals should be considered in the light of development plan policy and take full account of government guidance.

Wrekin Local Plan 1995-2006

2.19 The single saved Local Plan policy of relevance to the application proposals is considered to be Policy S1, which sets out a service centre hierarchy consisting of:

- Level 1: Telford Town Centre and the Telford Bridge, Telford Forge and Wrekin Retail Parks;
- Level 2: Newport Town Centre and the District Centres of Wellington, Oakengates, Madeley, Dawley, Hadley and Donnington; and
- Level 3: Other local centres and groups of local shops.

2.20 In addition, the Local Plan Proposals Map remains of relevance. It indicates that both sites are unallocated for any single purpose, with the Station Road site being situated outside of the defined Built Up Area of Newport.

Telford & Wrekin Core Strategy Development Plan Document

2.21 The long term development vision of the adopted Core Strategy envisages that the role of Newport as a market town will be supported in order to it to fulfil its role as a rural service centre.

2.22 Chapter 9 of the Core Strategy sets a detailed consideration of the future strategic development of Newport. Policy CS 6 states that:

'Development in Newport will support its role as a market town. The amount of available employment land within the town will be increased, in order to provide new local employment opportunities. Development will be limited to that required to meet local needs, including those of its rural hinterland, and to support the town's regeneration. New housing development will be expected to deliver affordable housing to the level of 35% of all such development. Newport's spatial development will include:

- **development that directly benefits the town's economy;**
- **increasing the accessibility to key services and facilities;**
- **meeting the local need for new homes and related facilities.**



All development will respect and enhance the quality of the town's built and natural environments, including its townscape and impact on surrounding countryside.'

- 2.23 The supporting text accompanying the policy indicates at paragraph 9.43 that, in seeking to increase the accessibility of Newport's residents to key services and facilities, the loss of existing services and facilities will be resisted. This will include services and facilities such as schools, doctors surgeries, shops (particularly convenience), sports, recreation and leisure facilities, and will specifically aim to strengthen the quantity and variety of the town's retail provision and address any deficiencies in accessible open space.
- 2.24 Policy CS 7 states that development within the rural area will be limited to that necessary to meet the needs of the area.
- 2.25 Policy CS 8 indicates that development associated with regeneration initiatives will be supported where it, *inter alia*, assists the creation of job opportunities, strengthens the market town role of Newport and the services it provides, and demonstrably meets identified rural regeneration needs.
- 2.26 Policy CS 9 seeks to improve social inclusion and accessibility and indicates that everyone should be afforded reasonable opportunity to access homes, work, schools, recreation and open space, sports facilities, healthcare, food shops and other key services.

Commentary

- 2.27 The principal difference between the two applications in terms of the application of statutory development plan policy arises from the Station Road site being outside the Built Up Area of Newport as defined by both the Local Plan Proposals Map and the Core Strategy Key Diagram. Core Strategy Policy CS 7, relating to development within the rural area is therefore of relevance to the Station Road application.
- 2.28 However, it is evident that the provisions of PPS4 broadly accord with, and provide further detail in respect of, the retail policies of the development plan and will therefore be of critical importance in terms of our appraisal of the retail issues which will inform the Council's determination of the application. Accordingly, this appraisal focuses upon the application of national retail policy, before revisiting development plan policy and the weight to be attributed to it in the concluding Section 7 of this report.



3.0 The Sequential Approach to Development

Requirements of PPS4

- 3.01 Policy EC5 of PPS4 provides advice in terms of site selection and sets out the order of preference in applying the sequential approach. Sites should be considered as follows:
- first, locations within appropriate existing centres, where sites or buildings for conversion are, or are likely to become, available;
 - second, edge-of-centre locations, with preference given to sites that are or will be well-connected to the centre; and then
 - out-of-centre sites, with preference given to sites which are, or will be, well served by a choice of means of transport, and which are closest to the centre and have a higher likelihood of forming links with the centre.
- 3.02 Policy EC15.1 of PPS4 states that, in considering development proposals for main town centre uses, local planning authorities should:
- a. ensure that sites are assessed for their availability, suitability and viability.**
 - b. ensure that all in-centre options have been thoroughly assessed before less central sites are considered.**
 - c. ensure that where it has been demonstrated that there are no town centre sites to accommodate a proposed development, preference is given to edge of centre locations which are well connected to the centre by means of easy pedestrian access.**
 - d. ensure that in considering sites in or on the edge of existing centres, developers and operators have demonstrated flexibility in terms of:**
 - i. scale: reducing the floorspace of their development:**
 - ii. format: more innovative site layouts and store configurations such as multi-storey developments with smaller footprints;**
 - iii. car parking provision: reduced or reconfigured car parking areas: and**
 - iv. the scope for disaggregating specific parts of a retail or leisure development, including those which are part of a group of retail or leisure units, onto separate, sequentially preferable, sites. However, local planning authorities should not seek arbitrary sub-division of proposals.'**



Applicants' Approach

3.03 Both applicants' approach to the sequential test is predicated on the area of search being limited to more central sites in Newport, this being the only defined town centre within either applicant's defined catchment. Given that both superstores are promoted on the basis that they seek to reduce the need for local residents to travel further afield to in satisfying main food shopping needs, WYG concurs that restricting the area of search to in and around Newport Town Centre is reasonable given the respective catchments' characteristics.

3.04 It is also important to note that the sequential test is linked to the scale of need for additional retail facilities. In this regard, paragraph 6.26 of the Practice Guidance on Need, Impact and the Sequential Approach which accompanies PPS4 states that:

'When considering 'location specific' needs, it is important to distinguish between cases where needs arise because of a gap or deficiency in the range, quality or choice of existing facilities, and where the commercial objectives of a specific developer or occupier are their consideration.'

3.05 As will be explored further in the remainder of this appraisal, WYG acknowledges that the potential for a new food superstore to 'claw back' expenditure which is currently lost to the catchment results in some quantitative need for additional convenience goods floorspace. Moreover, it is accepted that shoppers in Newport currently lack real choice when undertaking a comprehensive 'main food shop'.

3.06 Accordingly, in considering sequential alternatives, it is necessary to be realistic in terms of the amount of land required to accommodate a foodstore of sufficient size to act as a genuine alternative to existing provision for shoppers.

3.07 In this regard, Indigo, in promoting the Audley Avenue application, suggests that, allowing for flexibility in terms of format, a site of at least 1.5 hectares would be required to facilitate the broad type of development proposed.

3.08 On the same issue, MRPP states at paragraph 5.9 of its Retail Assessment that:

'The proposal is for a new superstore of a specific size to be attractive relative to other similar and larger sized foodstores in the surrounding area. There is some flexibility that can be applied to the amount of floorspace delivered whilst maintaining a similar level of attraction. For the purpose of this sequential assessment we have identified the extent of land required to deliver a baseline scheme i.e. the minimum size required to still be capable of delivering some of the qualitative and



therefore sustainability benefits that the development plan policy is seeking to achieve. The baseline scheme is a superstore of approximately 3,800 sq.m (6,000 sq.m gross) with 400 car parking spaces and the necessary access arrangements, landscaping and servicing arrangements.

3.09 MRPP estimates that around 2.7 hectares would be required to accommodate such a development.

3.10 Two sites are identified for further consideration by both applicants, these being:

- Site 1: Former Concrete Batching Plant, Avenue Road, Newport; and
- Site 2: Land between St Mary's Street and Water Lane, Newport.

Site 1: Former Concrete Batching Plant, Avenue Road

3.11 We are aware that outline planning permission has been resolved to be approved subject to legal agreement (planning application reference W2008/0626) for the redevelopment of Site 1 for residential development. Moreover, a full planning application (reference TWC/2011/0334), which seeks permission for the development of the site for 61 dwellings, was submitted in March 2011 but has not yet been determined.

3.12 Furthermore, whilst we note that planning application reference TWC/2011/0334 indicates the assembled concrete batching plant site to be 1.52 hectares (rather than the site of around 1.3 hectares identified by both Indigo and MRPP), it is acknowledged that the site is very irregular in shape, which would act to limit the type and scale of any store which could be accommodated. Accordingly, it appears that the site may not be available and is unlikely to be suitable to accommodate the broad type of food retail development which is being proposed.

Site 2: Land Between St Mary's Street and Water Lane

3.13 Site 2 comprises approximately 1.24 hectares and is stated to be in a variety of ownerships. In this regard, Indigo refers to the Royal Victoria Hotel which is owned by Marstons and which effectively splits the site into two. The availability of the wider Water Lane site was considered at an appeal against the non-determination of an application to develop land adjacent to Mere Park Garden Centre for a discount foodstore (planning application reference W2009/1023). Whilst the Inspector found that the site was available in part and suitable to accommodate a discount foodstore, Indigo states at paragraph 5.35 that the Royal Victoria Hotel element of the site is not available and that this landholding is critical in assembling a site of sufficient size to accommodate development of the broad type proposed.



3.14 Indigo therefore concludes that it is **'highly unlikely'** that the whole 1.24 hectares site could be assembled, but that there may be opportunities associated with a smaller site comprising the Tyler Electrical premises and consecutive ownerships along the Water Lane frontage to the south. In this regard, Indigo states at paragraph 5.37 of its Retail Statement that:

'The potential to deliver a viable foodstore on this site has been explored. However, the dimensions of the site are very inhibitive. The site is approximately 45-65m wide, which greatly restricts the options. The site is only capable of accommodating a store of significantly reduced scale (i.e. in the order of 50%) to that proposed and, therefore, the site could not accommodate a foodstore of a scale to offer a full range of goods and meet the identified need and reduce trade leakage.'

3.15 MRPP considers the site with greater brevity but concludes, at paragraph 5.13 of its Retail Assessment, that the site is in a multitude of ownerships with **'...no evidence that all of the landowners are interested in progressing development across a wider site.'**

3.16 WYG broadly concurs with both consultants' views and accepts that the Water Lane site is not suitable and also apparently not available (in whole) to accommodate the broad types of development proposed (or variants thereof).

Sequential Assessment of the Audley Avenue and Station Road Sites

3.17 In considering the respective merits of the Audley Avenue and Station Road sites with regard to the sequential test, it is important to note that, whilst both are out-of-centre for the purposes of PPS4, the Station Road site is located closer to the defined Newport Primary Shopping Frontage boundary. WYG estimates that the Station Road site is located approximately 1,000m on foot from the Primary Shopping Frontage, with the Audley Avenue site being approximately 1,500m away.

3.18 In this regard, Policy EC5.2 of PPS4 makes clear provision for the differentiation of out of centre sites in stating that:

'...preference [will be] given to sites which are or will be well served by a choice of means of transport and which are closest to the centre and have a higher likelihood of forming links with the centre.'

3.19 In comparing the two sites, it is also relevant to note the direction provided by paragraph 6.2 of the Practice Guidance which accompanies PPS4 which states that there are two important policy



objectives relating to the sequential approach, these being to reduce the need to travel and to stimulate linked trips in order to reinforce the vitality and viability of the existing centre.

3.20 In this regard, we note that there are significant restrictions in terms of the route by which the Audley Avenue site can be accessed by car and that the Station Road site provides not only quicker and more direct access to Newport town centre, but also closer proximity to a significant concentration of residential dwellings.

3.21 We have utilised Experian Micromarketer3G data to determine the population resident within a five, ten and 15 minute walk to the entrance of each proposed store. Given the nature of the two proposals, we consider it likely that those visiting on foot will be travelling relatively modest distances and therefore the number of people living within five and ten minutes of the stores is considered to be of greatest relevance. Table 3.1 below indicates that just four people currently reside within a five minute walk of the proposed Audley Avenue store, compared to 1,161 people residing within five minutes of the Station Road store. Similarly, 474 people reside within a ten minute walk of the Audley Avenue store, compared to 3,889 people residing within ten minutes of the Station Road proposal.

Table 3.1: Population Living Within Five, Ten and 15 Minutes of the Respective Sites

	Audley Avenue Site	Station Road Site
Five Minute Walk	4	1,161
Ten Minute Walk	474	3,889
15 Minute Walk	3,340	7,524

3.22 The proliferation of surrounding dwellings would further increase should the wider proposed Station Road development be delivered in the manner proposed by outline planning permission reference TWC/2011/0871 (albeit it is accepted that there is also residential development planned in relatively close proximity to the Audley Avenue site).

3.23 Accordingly, it is WYG's view that the Station Road site would have a significantly better chance of encouraging shopping journeys by foot and by bike and a better chance of encouraging links with the town centre (albeit it is accepted that, in practice, only a limited number of linked trips to town centre facilities are likely to be undertaken on foot).

3.24 We therefore consider there to be clear benefits in providing a foodstore in this location (as part of, and in order to assist in bringing forward, a comprehensive mixed-use development scheme), rather



than at Audley Avenue. Accordingly, given that we are currently unaware of any constraints which would impact upon the Station Road site's availability, suitability and viability for development for food retail purposes within the 'reasonable timescale' required by the Practice Guidance accompanying PPS4, we consider it to be the sequentially preferable site of the two. However, in considering the merits of the two sites, it is relevant to note that the Audley Avenue site is previously developed whereas the Station Road site is greenfield and, whilst we give further consideration to this factor at Section 7 of this report, it will be for the Council to determine the weight which should be ascribed to this consideration in assessing the overall planning balance in accordance with the principles established by Planning Policy Statement 1: Delivering Sustainable Development (2005).



4.0 Assessment of Impact Tests: Audley Avenue

Quantitative Need

- 4.1 Although PPS4 removes the requirement for applicants to satisfy a direct test of 'need' in justifying proposals for town centre uses, it is evident that need still informs the conclusions reached in terms of the likely retail impact.
- 4.2 Indigo considers the quantitative 'need' which exists to support the application proposal in considering the retail impact of the proposal. The capacity tables which inform its assessment of need are provided at Appendix 2 of the Retail Statement, with a very limited explanatory commentary provided at paragraphs 5.4 to 5.12 of the Statement itself. The limitations of this commentary are such that we are uncertain as to some of the finer details of Indigo's methodology. Notwithstanding this, we have the following observations in terms of Indigo's key inputs and assumptions.

Catchment Area

- 4.3 Indigo has defined a catchment which reflects a broad 10 to 15 minute drivetime from Newport adapted to fit postcode areas (these being TF10 7, TF10 8, TF10 9 and ST20 0). WYG recognises that the exact parameters of the catchment are to some extent constrained by the shape of the postcode sectors and, accepting this, considers the defined catchment to be broadly appropriate.

Assessment Period

- 4.4 Indigo estimates the surplus expenditure capacity which may be available to support additional retail provision at 2016 and assesses the trade draw impact of the proposal at the same design year. In this regard, we note that the Practice Guidance on Need, Impact and the Sequential Approach (2009) which accompanies PPS4 suggests, at paragraph 7.1, that the impact of development should be focused on the five years after a proposal's implementation. Accordingly, given that a foodstore on the site would not realistically start trading until 2013 at the earliest, Indigo's approach in respect of the assessment period is considered to be cautious.

Population

- 4.5 Population data has been sourced from Experian at 2011 and at design year 2016. It is accepted that the forecasts suggest only a relatively limited level of population growth over the assessment period and the data used is considered to be appropriate.



Retail Expenditure

4.6 Convenience and comparison goods expenditure data has also been sourced from Experian (in 2009 prices), with expenditure growth being calculated using the 'ultra long-term' growth rates set out in Figure 1 of Experian Retail Planner Briefing Note 8.1. By their very nature, such growth rates are wholly reflective of past growth levels and take no account of current economic circumstances. Given the current depressed retail market, it is instead more prudent to calculate retail growth using Experian's actual and estimated growth rates for the period 2009 to 2016 (for which the most recent figures are now provided by Experian's Retail Planner Briefing Note 9, which was published in September 2011). These, together with the ultra long-term figures used by Indigo, are set out below in Table 4.1 for comparison purposes.

Table 4.1: Expenditure Growth Rates

	2010	2011	2012	2013	2014 to 2016
'Indigo' Convenience Goods	0.5%	0.5%	0.5%	0.5%	0.5%
'Indigo' Comparison Goods	4.7%	4.7%	4.7%	4.7%	4.7%
Retail Planner Briefing Note 9 Convenience Goods	0.8%	-0.3%	-0.4%	0.5%	0.5%
Retail Planner Briefing Note 9 Comparison Goods	0.1%	0.5%	1.6%	2.1%	3.0%

Special Forms of Trading

4.7 Indigo states in its Retail Statement that a proportion of available per capita expenditure in each year has been deducted to account for special forms of trading (catalogue purchases, vending machine sales, internet purchases and so on). The footnote which accompanies Table 2 of Appendix 2 states that this allowance equates to a fixed 3.0% of convenience goods expenditure and 10.0% of comparison goods expenditure at 2009 rising to 13.9% by 2016. The footnote indicates that the comparison goods figure is based on Experian's, estimate whilst the convenience goods allowance is Indigo's own estimate. No justification is provided for this apparent 'mix and match' approach.

4.8 Notwithstanding our acceptance that certain convenience goods which are purchased online are actually sourced from supermarket shelves, the allowance made for expenditure on convenience goods committed through special forms of trading is, in our view, low. In this regard, we note that Appendix 3 of Retail Planner Briefing Note 9 provides updated estimates in terms of the proportion of expenditure which is committed through special forms of trading (with the estimates making allowance for a proportion of non-store sales being sourced from stores' shelves). Table 3.2, which follows, compares the up to date Experian estimates with those utilised by Indigo.



Table 4.2: Allowance for 'Special Forms of Trading'

	2011	2016
'Indigo' Convenience Goods	3.0%	3.0%
'Indigo' Comparison Goods	10.0%	13.9%
Retail Planner Briefing Note 9 Convenience Goods	4.2%	5.9%
Retail Planner Briefing Note 9 Comparison Goods	10.0%	12.7%

4.9 Accordingly, we provide below at Table 3.3 a revised estimation of catchment expenditure using the most up to date Experian growth estimates. For the purposes of this exercise, we have accepted Indigo's estimated expenditure growth from 2009 to 2011, as no 2009 population data has been provided. The table indicates that the application of Experian's up to date figures results in very limited convenience goods expenditure growth over the period between 2011 and 2016, and significantly more circumspect comparison goods growth over the same period. However, it is accepted that the anticipated growth in comparison goods expenditure over the five year period is significantly greater than the estimated comparison goods turnover of the store, and the commentary which follows in the remainder of this appraisal therefore appropriately focuses on the potential impact of the convenience goods element of the proposal.

Table 4.3: WYG Estimate of Per Capita Expenditure at Base Year 2011 and Design Year 2016

	2011 (£m)	2016 (£m)	Growth (£m)
Convenience Goods			
Indigo	48.55	50.33	1.78
WYG Revised Estimate	47.71	48.14	0.44
Comparison Goods			
Indigo	81.13	98.75	17.62
WYG Revised Estimate	74.45	82.78	8.33

Existing Floorspace

4.10 The actual convenience goods turnover of stores within the catchment has been calculated through the application of market shares determined by a household shopping survey of the catchment undertaken in May 2011. By comparing the actual turnover of existing stores with their expected 'benchmark' turnover, a view can be reached as to whether the stores are 'overtrading' (i.e. turning over more expenditure than would reasonably be anticipated).



- 4.11 Indigo has estimated the expected (or benchmark) turnovers of existing retail floorspace throughout the defined catchment based on sales areas (determined with reference to the IGD database on grocery retailers and site visits), to which company average sales densities (generally sourced from the Verdict UK Food & Grocery Retailers 2009 report) have then been applied. In this regard, WYG is uncertain as to why more up-to-date sales company sales densities have not been applied and would instead suggest that the Co-op and Waitrose sales densities are sourced from Verdict UK Food & Grocery Retailers 2011 report.
- 4.12 Having estimated the convenience goods benchmark turnover of each store, Indigo then makes an allowance in terms of the proportion of turnover which will be derived from within the catchment. In WYG's view, given the fact that the catchment is relatively extensive and that the area immediately beyond is largely rural, the proportion of each store's turnover which is stated to derive from beyond the catchment is highly optimistic. For example, Indigo suggests that 30% of convenience goods turnover at the Waitrose store at Audley Road comes from beyond the catchment. In our experience, this is greater than would be expected and, in our view, a more accurate estimation would be that no more than 25% of expenditure is derived from outside of the catchment (and less for other stores less associated with brand loyalty). Accordingly, we set out below a revised version of Table 6 of Appendix 2 of the Retail Statement, based on both what we consider to be a more realistic attribution of turnover derived from within the catchment, and on the up to date Verdict Co-op and Waitrose company average convenience goods sales densities.

Table 4.4: Benchmark Turnover of Relevant Existing and Committed Convenience Goods Provision at 2011 (2009 Prices)

Centre	Store	Net Convenience Sales (sq.m)	Sales Density (£ per sq.m)	Benchmark Turnover (£m)	Proportion of Turnover from Catchment	Benchmark Turnover from Catchment (£m)
Newport	Co-op, High Street	869*	7,991	6.94	90%	6.25
	B&M Bargains	197	3,500	0.69	90%	0.62
	Other Convenience	570	2,500	1.43	90%	1.29
Gnosall	Co-op, High Street	217*	7,991	1.73	95%	1.65
	Other Convenience	48	2,500	0.12	95%	0.11
Out-of-Centre	Waitrose, Audley Road, Newport	1,739	10,747	18.69	75%	14.02
	Other Stores	67	2,500	0.17	95%	0.16
Total				29.77		24.09

* In calculating the net convenience sales areas of the Co-op stores, WYG accepts the overall net sales floorspace identified by Indigo in Table 6 of Appendix 2 of the submitted Retail Statement, with an allowance made relating to the typical proportion of Co-op floorspace dedicated to convenience goods sales (derived from Verdict UK Food & Grocery Retailers 2011).



- 4.13 Accordingly, WYG estimates that the estimated benchmark turnover of existing convenience goods provision drawn from within the catchment is around £24.11m, which compares to £22.04m suggested by Indigo.

Turnover of the Application Proposal

- 4.14 Indigo's revised Table 8b of Appendix 2 of its Retail Statement estimates that the convenience goods element of the proposal will have a turnover of £28.93m in 2009 prices at design year 2016. Indigo bases this on an assumed convenience goods sales density of £10,944 which it states (in a footnote to the table) is an average of likely occupiers. In WYG's view, the sales density is somewhat lower than our estimation of the average achieved by the 'big four' supermarket operators, one of which could reasonably expected to operate the proposed store.
- 4.15 Our estimate of the average sales density of the 'big four' in 2009 prices is £11,838 (derived from Verdict UK Food & Grocery Retailers 2011), the application of which provides an estimated store convenience goods turnover of £31.30m at 2011. Whilst Indigo suggests that just 75% of the store's turnover will be derived from the identified catchment, given the size of the catchment and the proximity of residents living just beyond its edge to stores elsewhere, we consider it much more likely that around 80% of turnover will be derived from within the catchment.
- 4.16 We are aware that the Council has received further correspondence from Indigo (dated 24 January 2012) to justify its approach in respect of the assumed store turnover deriving from within the catchment. In this regard, whilst we note that Indigo states that residents of Market Drayton and Donnington may be persuaded to visit alternative facilities in Newport, we note that former location represents around a 40 minute round trip from Newport and that the latter already benefits from extensive choice through its access to Telford's foodstores. Accordingly, we consider it likely that a maximum of 20% of the proposed store's turnover would be derived as 'inflow' from outside the catchment.
- 4.17 We therefore estimate that £25.04m of the store's estimated turnover of £31.30m would be claimed from expenditure generated within the catchment.

Improvements in Floorspace Turnover Efficiency

- 4.18 The footnote accompanying Table 9 of Appendix 2 indicates that an allowance of 0.15% per annum has been factored to take account of improvements in the floorspace efficiency of existing floorspace. Given that the recently published Retail Planner Briefing Note 9 forecasts a reduction in the efficiency



of convenience goods floorspace at 2012 and only estimates small improvements thereafter, this allowance would appear to be optimistic. In our revised assessment of capacity (which is provided below at Table 4.6), we have instead used the annual revisions to convenience goods sales densities provided by Table 4a of Retail Planner Note 9.

Table 4.5: Per Annum Changes to Convenience Goods Sales Densities

	2012	2013 to 2016
Sales Density Growth Rate	-1.7%	0.4%

Identified Capacity

4.19 Table 9 of the submitted Retail Statement sets out the 'residual surplus' identified by Indigo to support additional retail facilities in the catchment at 2016. Taking into consideration our above suggested revisions to the applicant's methodology and noting the household survey's finding that existing convenience goods retail provision currently turns over 54% of expenditure, we set out below at Table 4.6 our assessment of potential available expenditure. It should be noted that our below analysis relates to the estimated benchmark turnover of stores (rather than the actual turnover which has been referred to by Indigo in Table 9 of its Retail Statement) and that, for the purposes of the below comparison, we replicate Indigo's approach in terms of its suggestion that all convenience goods expenditure originating from within the catchment can be considered available to the catchment. We have also amended the turnover of the proposed store and the turnover of existing retail provision at 2016 to account for forecast changes in floorspace efficiency.

Table 4.6: WYG Update of Identified Convenience Goods Capacity

	WYG Revision – Convenience Goods Capacity at 2011 (£m)	WYG Revision – Convenience Goods Capacity at 2016 (£m)
Catchment Convenience Capacity	47.71	48.14
Benchmark Turnover of Existing Stores (£m)	24.11	24.08
Residual Expenditure	23.60	24.06
Estimated Turnover of Proposal	-	25.01*
'Residual Surplus' (£m)	23.60	-0.95

* Derived from the estimated store turnover from within the catchment at 2011 of £25.04, amended to take into consideration changes in the turnover efficiency of floorspace at 2016.



4.20 In our view, a realistic scenario would see the retention of convenience goods expenditure increasing from 54% to a maximum of around 85%, which would result in an available expenditure surplus (assuming existing stores then trade at benchmark level) of around £16.84m at 2016 – less than the estimated £25.01m turnover of the store which we estimate will derive from the defined catchment. However, it should again be noted that quantitative ‘need’ no longer forms a direct retail policy test.

Qualitative Need

4.21 Indigo considers the qualitative considerations relevant to the application at paragraphs 5.4 to 5.12 of its Retail Statement.

4.22 In summary, Indigo argues that Newport’s shopping facilities do not meet the needs of its residents or those of the wider catchment, and that, as a consequence, it loses significant trade to centres and stores elsewhere. In this regard, paragraph 5.8 of the Retail Statement indicates that:

‘The proposed foodstore is of a scale to offer a full range of food goods together with an ancillary comparison goods offer that customers now expect from a modern foodstore. The proposal will provide an alternative main food shopping destination to stores elsewhere and will reduce the high level of expenditure leakage from the study area.’

4.23 Indigo then notes that, in the light of established sustainable development objectives, there is a clear benefit in clawing back expenditure leakage to retail destinations outside the area as well as providing improved consumer choice and reducing social exclusion.

4.24 WYG concurs that a large food superstore would address qualitative deficiencies in Newport’s retail offer and would reduce the need to travel further afield to source certain items. The qualitative benefits associated with the provision of a food superstore are accepted.

Impact Tests: Requirements of PPS4

4.25 In determining planning applications for economic development, PPS4 requires local planning authorities to adopt a positive and constructive approach, particularly where a proposal would secure sustainable economic growth. In seeking to assess planning applications for all economic development, Policy EC10.2 of PPS4 states that such applications should be assessed against the following impact considerations:



- a) whether the proposal has been planned over the lifetime of the development to limit carbon dioxide emissions, and minimise vulnerability and provide resilience to climate change;
- b) the accessibility of the proposal by a choice of means of transport including walking, cycling, public transport and the car, and the effect on local travel levels and congestion;
- c) whether the proposal secures a high quality and inclusive design which takes the opportunities available for improving the character of an area and the way it functions;
- d) the impact on economic and physical regeneration in the area; and
- e) the impact on local employment.

4.26 Policy EC14.4 introduces the requirement for an economic impact assessment for planning applications for retail and leisure developments over 2,500 sq.m gross floorspace or over any identified local floorspace threshold and which are not in an existing centre and not in accordance with an up to date development plan. Policy EC14.5 then states that, in advance of development plans being revised to reflect this PPS, an assessment of impacts in Policy EC16.1 is necessary for development proposals below 2,500 sq.m which are not in an existing centre and not in accordance with an up to date development plan that would be likely to have a significant impact on other centres.

4.27 The applicant currently proposes a store with a convenience goods net sales area of 2,644 sq.m and a comparison goods net sales area of 661 sq.m. Accordingly, it is necessary to assess the economic impacts associated with the application proposal.

4.28 Policy EC16.1. identifies six economic impact considerations which need to be assessed in determining the application proposal. These are as follows:

- a) the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal;
- b) the impact of the proposal on town centre vitality and viability, including local consumer choice and the range and quality of the comparison and convenience retail offer;
- c) the impact of the proposal on allocated sites outside town centres being developed in accordance with the development plan;
- d) in the context of a retail or leisure proposal, the impact of the proposal on in-centre trade/turnover and on trade in the wider area, taking account of current and future consumer expenditure capacity in the catchment area up to five years from the time the application is made, and, where applicable, on the rural economy;



- e) if located in or on the edge of a town centre, whether the proposal is of an appropriate scale (in terms of gross floorspace) in relation to the size of the centre and its role in the hierarchy of centres; and
- f) any locally important impacts on centres.

4.29 Policy EC17.1 indicates that, in making a planning decision based upon an impact assessment, planning applications are to be refused where there is clear evidence that the proposal is likely to lead to significant adverse impacts in terms of the criteria listed in Policy EC16.1 or under Policy EC10.2 (subject to weighing material considerations in the 'planning balance'). Policy EC17.2 indicates that, where no significant adverse impacts have been identified – and where the application also satisfies the requirements of the sequential test – planning applications should be determined by taking account of the positive and negative impacts of the proposal and other material considerations, and also the likely cumulative effect of recent permissions, developments under construction and completed developments.

PPS4 Policy EC10 General Impact Considerations

4.30 The five general impact considerations set out by Policy EC10.2 are considered in respect of the application proposal below.

Policy EC10.2.a - Limiting Carbon Dioxide Emissions and Minimising Vulnerability and Providing Resilience to Climate Change

- 4.31 It is noted that the applicant sets out a variety of measures at paragraph 6.4 of the Retail Statement which are intended to assist in reducing CO² emissions and help ensure that the proposed development is energy efficient. Such measures would need to be incorporated into the design of the proposal at detailed planning stage.
- 4.32 Notwithstanding matters of design, it is recognised that the proposal would provide shoppers with a comprehensive product range locally and, in doing so, may reduce the need to travel further afield in order to source certain items.
- 4.33 Accordingly, although WYG believes that the proposed store would result in the loss of some trips to Newport Town Centre, it is considered that the application proposal could provide an opportunity to reduce carbon dioxide emissions by reducing the need to travel greater distances to other towns to shop and it is therefore considered to have the potential to broadly accord with the above criterion.



Policy EC10.2.b – The Accessibility of the Proposal by a Choice of Means of Transport Including Walking, Cycling, Public Transport and the Car, and the Effect on Local Traffic Levels and Congestion

- 4.34 In WYG's view, the application proposal affords only limited accessibility by a choice of transport, with the bus gate preventing direct access from the site to the town centre and to nearby residential areas by car. Instead, the bus gate would require many of those approaching from the north west to take a more circuitous route to the store using either the A41 or A518.
- 4.35 Furthermore, whilst we note that the applicant commits to the provision of a new bus service to link the foodstore with Newport Town Centre and residential areas, the site is situated at the outer reaches of the built up part of Newport, around 500 metres from the nearest dwelling and around 800 metres from a significant concentration of housing. Accordingly, it is considered that the location of the site provides relatively limited opportunity to encourage trips on foot or by bicycle, and that the vast majority of trips would be undertaken by car.
- 4.36 It is therefore considered that the proposal performs relatively poorly in terms of the requirements of the first part of criterion b. of Policy EC10.2. It will be for the Highway Authority to consider the acceptability of the proposal's impact on the second part of the policy in respect of local traffic levels.

Policy EC10.2.c – Whether the proposal secures a high quality and inclusive design which takes the opportunities available for improving the character and quality of the area and the way it functions

- 4.37 WYG has not been asked to advise on matters of design and therefore we provide no view as to the appropriateness of the design of the scheme.

Policy EC10.2.d – The Impact on Economic and Physical Regeneration in the Area Including the Impact on Deprived Areas and Social Inclusion Objectives

Policy EC10.2.e – The Impact on Local Employment

- 4.38 The development provides for the regeneration of a previously-developed site, with Indigo stating at paragraph 6.20 of its Retail Statement that the store would create 300 to 350 new full and part time employment opportunities. It is acknowledged that such jobs will be available to the local population and may suit the long-term unemployed. It is also acknowledged that the application will reduce the need for residents to travel further afield to source certain items and that, by ensuring that more money remains in the local economy, the viability of other local businesses may be improved.



- 4.39 Accordingly, it is considered that the application accords with the stated aims of criteria d. and e. of Policy EC10.2.

PPS4 Policy EC16 Town Centre Impact Considerations

- 4.40 Each of the six impact criteria set out in Policy EC16.1 are considered in turn below.

Policy EC16.1.a – The Impact on Existing, Committed and Planned Public and Private Sector Investment in a Centre or Centres in the Catchment Area of the Proposal

- 4.41 We are not aware of any significant committed or planned retail development within Newport Town Centre itself and the above policy criterion is therefore not considered to be of relevance to the application proposal.

Policy EC16.1.b – The Impact on Town Centre Vitality and Viability, Including Local Consumer Choice

- 4.42 Indigo considers the existing performance of Newport Town Centre at paragraphs 6.23 to 6.47 and at Appendix 4 of its Retail Statement.
- 4.43 Appendix 4 suggests that Newport accommodates a wide range of retailers and a number of national multiples, including Boots, B&M, M&Co, the Co-op, Waitrose, Clarks and Subway. Indigo's May 2011 survey of the centre indicated that 8.8% of units were vacant, which represents a reduction in the number recorded at 2006 and 2007, and is less than the recorded UK national average figure. It is accepted that the vacancies are generally dispersed throughout the centre and that the level identified is encouraging given current economic conditions.
- 4.44 In summarising Newport's current performance, Indigo states at paragraph 1.23 of Appendix 4 that:
- 'Newport is a vital and viable town centre. The centre has a unique and historic character and a good quality environment. The health check indicators suggest that the town performs an important role, with there being a low level of vacancies and a wide range of uses to meet the need of the local population. Whilst the range of multiple retailers is limited, the diversity of local independent retailers and other businesses positively add to the town's character.'**
- 4.45 Drawing upon our own knowledge of Newport Town Centre, we would concur that the town centre is performing reasonably strongly and that, given the town's rural location, it performs an essential role



for local residents. However, in order to properly assess the likely impact of the proposal on the centre's future performance, it is necessary to consider the likely trade diversion of the additional floorspace proposed. Accordingly, we consider this below as part of our appraisal of the requirements of criterion d. of Policy EC16.1, before providing our conclusion in respect of the impact of the proposal upon the vitality and viability of the town centre.

Policy EC16.1.c – The Impact of the Development on Allocated Sites Outside Town Centres Being Developed in Accordance with the Development Plan

- 4.46 We are not aware of out-of-centre retail allocations which are yet to be built out in the Newport area and this criterion is therefore not of relevance to the determination of the application.

Policy EC16.1.d – The Impact of the Proposal on In-Centre Trade/Turnover and on Trade in the Wider Area

- 4.44 In assessing the economic impacts of the application proposal on Newport Town Centre, Indigo states that:

'The shopping patterns illustrated by the household survey suggest that the proposal will compete on a like affects like basis with a number of large foodstores located outside the study area. There are various reasons why over half of the local residents undertake their main food shopping elsewhere, which the proposal seeks to address. Primarily, the out-of-centre Asda store at Donnington Wood draws a significant amount of local expenditure away from Newport. The new foodstore will claw-back this expenditure by delivering a modern foodstore that can meet the needs of bulk food shoppers close to their home and at affordable prices.'

- 4.45 Whilst WYG accepts that the limited choice of local facilities forces many customers further afield to undertake their main food shopping, in our view Indigo's trade draw assessment suggests a significantly lesser trade impact on local facilities than could reasonably be anticipated to occur. In this regard, Indigo suggests that just 10% of the store's convenience goods trade will be drawn from stores situated within the catchment. In our experience, such an extremely limited impact falling on stores within the catchment is highly improbable.
- 4.46 However, given the number of journeys that are currently made outside the catchment to undertake main food shops, it is accepted that such stores will cumulatively bear the greatest impact of the proposal. WYG assumes that 18% of the store's convenience goods turnover will be diverted from



stores located within the catchment, with 15% of turnover (almost double that assumed by Indigo) being diverted from the Waitrose store.

4.47 In considering the convenience goods turnover of destinations within the catchment, we note that both the Indigo survey and the MRPP survey commissioned to support the Station Road proposal record similar results for the proportion of catchment expenditure which is spent at the Co-op store and at 'other' Newport Town Centre stores. With regard to the Waitrose store, the Indigo survey suggests that the Waitrose store claims around 34% of all convenience goods expenditure generated from within the catchment, whereas the MRPP survey suggests that it claims around 28% of all such expenditure. The two surveys relate to broadly similar catchment areas and we are therefore uncertain as to the derivation of the disparity between the two sets of results.

4.48 Accordingly, in order to allow for a fair comparison between the trade draw impacts which arise from each development proposal, WYG has used the mid-point between the two sets of survey results to establish the pre-impact turnover of destination within the catchment. The two sets of results and the assumed mid-point are set out below at Table 4.7.

Table 4.7: WYG Update of Identified Convenience Goods Capacity

Destination	Indigo Market Share	MRPP Market Share	WYG Mid-Point Market Share
Co-op, High Street, Newport	10.1%	9.7%	9.9%
'Other', Newport Town Centre	3.7%	3.4%	3.5%
Waitrose, Audley Road, Newport	34.2%	27.9%	31.0%

4.49 The turnover of existing convenience goods retailers within the catchment has been estimated on the basis of the above mid-point market shares, applied to the 2016 convenience goods catchment expenditure identified by WYG in Table 4.6 of this report. An allowance for 10% of turnover to be derived from 'inflow' for the Co-op and other Newport town centre stores and 25% of turnover to be 'inflow' for the Waitrose (taking into consideration the latter's ability to attract trips from a greater distance) has then been made. The estimated turnover of stores located outside the catchment is considered to be generally robust. The estimated proposal turnover of £31.26m corresponds to the £31.30m identified at paragraph 4.16, adjusted to take into consideration the forecast changes in floorspace efficiency provided by Experian Retail Planner Briefing Note 9.



Table 4.8: Estimated Convenience Goods Trade Diversion at 2016 Following Implementation of Audley Avenue Proposal

	Centre	Store	Pre-Impact Turnover	WYG Estimate Trade Draw		Residual Turnover	Impact
			£m	%	£m	£m	%
Inside Catchment	Newport	Co-op	5.29	2.25%	0.70	4.59	-13.3%
		Other Convenience	1.89	0.75%	0.23	1.65	-12.4%
	Edge-of-Centre	Waitrose, Newport	19.92	15.0%	4.69	15.23	-23.5%
Outside Catchment	Telford (inc. Asda)	All Convenience	59.08	2.0%	0.63	58.45	-1.1%
	Wellington (inc. Morrisons)	All Convenience	72.14	5.0%	1.56	70.58	-2.2%
	Edge/Out-of-Centre	Aldi, Donnington	4.66	3.0%	0.94	3.72	-20.1%
		Asda, Donnington Wood	77.11	25.0%	7.82	69.29	-10.1%
		Asda, Queensway, Stafford	60.36	6.0%	1.88	58.48	-3.1%
		Morrisons, Market Drayton	25.79	10.0%	3.13	22.66	-12.1%
		Morrisons, Stone	39.25	1.0%	0.31	38.94	-0.8%
		Sainsbury's, Stafford	40.40	5.0%	1.56	38.84	-3.9%
		Sainsbury's Telford Forge Retail Park	37.56	6.0%	1.88	35.68	-5.0%
		Tesco Extra, Stafford	47.36	10.0%	3.13	44.23	-6.6%
		Tesco Extra, Wrekin Retail Park	54.72	2.0%	0.63	54.09	-1.1%
Other	-	7.0%	2.19	-	-		
			100%	31.26			

*WYG has revised Table 11 of Indigo's Retail Statement in respect of the proportion of the proposed store's turnover derived from Newport town centre, Newport Co-op, Newport Waitrose stores, Wellington Town Centre, Aldi Donnington, Asda Donnington Wood, Asda Stafford, Morrisons Stone, Sainsbury's Stafford, Sainsbury's Telford Forge Retail Park, and from 'other stores' outside the catchment. In addition, consideration has been given to the Morrisons at Market Drayton, for which the estimated turnover of the store has been derived from the 2010 Shrewsbury Retail Study Update.

4.50 The most critical amendments from Indigo's impact assessment (provided by Table 11 of Appendix 4 of its Retail Statement) relate to Newport Town Centre (from which we have disaggregated the Co-op) and the Newport Waitrose.

4.51 We have assumed that the proportion of the proposed store's turnover derived from the Co-op store and the remainder of the town centre will be 2.25% and 0.75% respectively (which compares to Indigo's estimate that 2% of the store's turnover would derive from all retailers within Newport Town Centre), and that 15% of the store's turnover would derive from Waitrose (Indigo's estimate being 8%). Indigo's analysis effectively suggests that only one in every ten pounds spent in the proposed store would be diverted from Newport traders. In WYG's view, this significantly underestimates the likely trade impact of a new foodstore on Newport and our revised assessment assumes that £1.80



out of every ten pounds (almost double) spent in the proposed superstore would be diverted from a Newport store.

- 4.52 As a result, we have assumed that a number of destinations – most notably the Asda at Donnington Wood, the Sainsbury's at Stafford, the Sainsbury's at Forge Retail Park, and 'other stores' – would be the subject of proportionally lesser impacts than those anticipated by Indigo.
- 4.53 Based on the above, WYG estimates that the greatest trade impact of the development in relative terms would fall on the Newport Waitrose store (23.5% impact on its trading performance at 2016), the Newport Co-op store (13.3% impact) and other convenience goods retailers within Newport Town Centre (12.4% impact), and outside of the catchment on the Donnington Aldi (20.1% impact) and the Market Drayton Morrisons (12.1% impact).
- 4.54 In considering the level of impact estimated above, we note that the Aldi and Morrisons stores are out-of-centre and are afforded no policy protection by PPS4.
- 4.55 We anticipate that the proposed store may draw around £4.69m from the existing Waitrose at Audley Road, with its estimated post-impact turnover at 2016 being £15.23m. This compares to an estimated 2016 benchmark turnover for the Waitrose of £18.67m³.
- 4.56 The Waitrose is located in an edge-of-centre location, albeit well positioned in terms of its relationship with Newport's defined Primary Shopping Frontage. Accordingly, given that the household survey commissioned by Indigo finds that 51% of visits to Waitrose generate a linked trip, trade drawn from Waitrose is likely to result in fewer trips being made to the town centre and the performance of the store is therefore relevant. However, the above estimated trade draw is not considered to be at the level which would jeopardise the store's viability, particularly in a town such as Newport.
- 4.57 We estimate that direct impact of the proposal on the trading performance of the Co-op and other town centre convenience stores will cumulatively be in the order of £0.93m. As a result, we consider that both the Co-op and other town centre stores would be under-trading (the Co-op would turn over

³ 2016 benchmark turnovers are derived from Table 4.4 of this report, adjusted to take into consideration the forecast amendments to floorspace productivity identified by Figure 4a of Experian Retail Planner Briefing Note 9 (September 2011).



around £4.59m compared to its estimated benchmark turnover of £7.04m, and other stores £1.65m compared to an estimated benchmark of £2.12m).

- 4.58 Whilst the level of impact borne by the Co-op store is notable, it is generally acknowledged that household surveys tend to significantly under-represent the turnover of smaller stores, with the phrasing of questions prompting recollection of comprehensive main food shopping trips and occasional purchases, with the type of 'large basket' shop which may be undertaken at a Co-op store being caught between the two (or, alternatively, recorded less precisely as a trip to Newport Town Centre). We also note that the Co-op company average convenience goods sales density identified by Verdict increased significantly between 2010 and 2011 from £7,469 per sq.m to £7,991 per sq.m (in 2009 prices), which has the effect of inflating the benchmark turnover by 7.0%. Accordingly, given these factors, the location of the Co-op store, and the premises it trades from, we do not consider that a trade draw impact of around 13.3% would jeopardise the viability of the Co-op store. The estimated aggregated post-impact turnover of other convenience goods floorspace within Newport Town Centre is also below benchmark level, but again is below the level which we consider would likely result in store closures.
- 4.59 Accordingly, we do not consider that the solus impact of a store with a net convenience goods sales area of 2,644 sq.m would result in the 'significant adverse' trade draw impact (and subsequent impact on the centre's overall vitality and viability) which would merit the application's refusal in accordance with the requirements of criteria a. and d. of Policy EC16.1.

Policy EC16.1.e – Scale

- 4.60 PPS4 indicates that it will be necessary to consider the scale of development where a proposal is situated in or on the edge of a town centre. In this case, it is accepted that the application site is out-of-centre for the purposes of PPS4 and Policy EC16.1.e should therefore not be applied to the proposal.

Policy EC16.1.f – Locally Important Impacts

- 4.61 We are not aware of any further relevant impacts which have been identified in the adopted Shropshire Core Strategy (or in other development plan documents) which would need be taken into consideration in the determination of the application.



5.0 Assessment of Impact Tests: Station Road

Quantitative Need

- 5.1 To reiterate, although PPS4 removes the requirement for applicants to satisfy a direct test of 'need' in justifying proposals for town centre uses, it is evident that need still informs the conclusions reached in terms of the impact test.
- 5.2 MRPP considers the quantitative 'need' which exists to support the application proposal in considering the retail impact of the proposal. The capacity tables which inform this assessment of need are provided at Appendix 3 and Appendix 4 of the Retail Statement, with a limited explanatory commentary provided in Section 6 of the Assessment. We have the following observations in terms of MRPP's key inputs and assumptions.

Catchment Area

- 5.3 We are uncertain as to the exact rationale for the identification of the catchment area, with MRPP indicating that it is consistent with the population that ought to be looking to Newport to meet frequent convenience shopping and service needs, with the proviso that, **'Those living at the margins are afforded the option of travelling similar distances to provision in other towns as they would should they travel to Newport.'**
- 5.4 Whilst it is not apparent whether the catchment has been defined with reference to any postcode areas, we note that whilst the exact boundary differs from that defined by Indigo, the two catchments are broadly similar in reach and in the settlements included. Accordingly, WYG accepts the defined catchment as being broadly appropriate.

Assessment Period

- 5.5 MRPP estimates the expenditure generated within the defined catchment at 2016 and 2021, but only assesses the trade draw impact of the proposal at design year 2016. In this regard, we again note that the Practice Guidance on Need, Impact and the Sequential Approach which accompanies PPS4 suggests, at paragraph 7.1, that the impact of development should be focused on the five years after a proposal's implementation. Accordingly, given that a foodstore on the site would not realistically start trading until 2013 at the earliest, MRPP's approach in respect of the assessment period is considered to be cautious.



Population

5.6 Population data has been sourced from MapInfo at 2011 and at design year 2016. It is accepted that the forecast used, whilst identifying a level of population growth greater than that suggested by Experian, is not particularly substantial over this five year period and is therefore not considered to be unreasonable.

Retail Expenditure

5.7 Convenience and comparison goods expenditure data has also been sourced from MapInfo (in 2010 prices), with growth being calculated using the 'long term' growth rates set out in Table 3.3 of Pitney Bowes Retail Expenditure Guide 2010/2011 (September 2010). Once again we note that such growth rates are, by their very nature, wholly reflective of past growth levels rather than current economic circumstances. Given the current depressed retail market, it is instead considered more prudent to apply up to date Oxford Economics Forecast growth rates as cited in Pitney Bowes Retail Expenditure Guide 2010/2011 Spending Update (November 2011). These, together with the long-term figures used by MRPP, are set out below in Table 5.1 for comparison purposes.

Table 5.1: Expenditure Growth Rates

	Applied Growth Rate 2012 to 2021
'MRPP' Convenience Goods	0.8%
'MRPP' Comparison Goods	5.4%
Retail Planner Briefing Note 9 Convenience Goods	0.3%
Retail Planner Briefing Note 9 Comparison Goods	4.2%

Special Forms of Trading

5.8 MRPP's expenditure tables indicate that a proportion of available per capita expenditure in each year has been deducted to account for special forms of trading (catalogue purchases, vending machine sales, internet purchases and so on). The footnote which accompanies Table 2 of Appendix 3 states that this allowance equates to a fixed 1.3% of convenience goods expenditure and 7.4% of comparison goods expenditure at 2011 rising to 11.0% by 2016. The footnote suggests that the convenience goods allowance and comparison goods allowance at 2011 are derived from Pitney Bowes figure is derived from Retail Expenditure Guide, whilst the comparison goods allowance for 2016 is apparently MRPP's own estimate.



5.9 When considering MapInfo data, WYG believes that the most appropriate allowances for special forms of trading are derived from the 'broad definition'⁴ 'central case'⁵ Oxford Economics special forms of trading forecasts provided by Table 3.1 of Retail Expenditure Guide 2010/2011. Table 5.2 compares the up to date Oxford Economics forecasts with those utilised by MRPP.

Table 5.2: Allowance for 'Special Forms of Trading'

	2011	2016
'MRPP' Convenience Goods	1.3%	1.3%
'MRPP' Comparison Goods	7.4%	11.0%
Retail Expenditure Guide 2010/2011 Convenience Goods	5.5%	6.3%
Retail Expenditure Guide 2010/2011 Comparison Goods	12.8%	14.4%

5.10 Accordingly, we provide below at Table 5.3 a revised estimation of catchment expenditure using the most up to date Experian growth estimates. For the purposes of this exercise, we utilise the MapInfo 2010 population data provided by MRPP, to which the growth rates set out in Table 5.1 have been applied. The below table indicates that the application of the up to date Oxford Economics forecasts results in very little convenience goods expenditure growth over the period between 2011 and 2016, and more circumspect comparison goods growth compared to that identified by MRPP over the same period. However, it is once again accepted that the anticipated growth in comparison goods expenditure over the five year period is significantly greater than the estimated comparison goods turnover of the store, and the commentary which follows in the remainder of this appraisal therefore necessarily focuses on the potential impact of the convenience goods element of the proposal.

Table 5.3: WYG Estimate of Per Capita Expenditure at Base Year 2011 and Design Year 2016

	2011 (£m)	2016 (£m)	Growth (£m)
Convenience Goods			
MRPP	50.5	54.0	3.5
WYG Revised Estimate	48.13	49.58	1.45
Comparison Goods			
MRPP	82.5	106.0	23.5
WYG Revised Estimate	76.81	94.80	17.98

⁴ Which includes the sales of dedicated online retailers (e.g. Amazon) and the internet sales of generalist retailers who have an online presence (e.g. Tesco). The 'narrow definition' provided includes the sales of internet specialists only and its use would therefore under-represent expenditure lost to the catchment via special forms of trading.

⁵ Which assumes a gradual slowdown in the growth in expenditure committed through special forms of trading, resulting in such growth 'levelling off' at 2020.



Existing Floorspace

- 5.11 The actual convenience goods turnover of stores within the catchment has been calculated through the application of market shares determined by a household shopping survey of the catchment undertaken in June 2011. By comparing the actual turnover of existing stores with their expected 'benchmark' turnover, a view can be reached as to whether the stores are 'overtrading' (i.e. turning over more expenditure than would reasonably be anticipated).
- 5.12 MRPP has assumed that within Newport the principal impacts of the development will be borne by the Co-op and the Waitrose, with other retailers being aggregated together as 'town centre retail floorspace'. It has estimated the expected (or benchmark) turnovers of the existing convenience goods provision based on sales areas sourced from the 2006 WYG Telford and Wrekin Retail Study, IGD and MRPP's own judgement. We note that, at the time of the 2006 Retail Study, the Co-op store traded as a Somerfield and we therefore do not consider it to still be an appropriate source. Indeed, it would appear that the sales areas utilised by Indigo in its Retail Statement are generally derived from more up to date sources and, for the sake of consistency, we consider it prudent to apply these in considering the Station Road application.
- 5.13 Similarly, in order to provide consistency, WYG considers it appropriate to apply the same company average turnover data utilised in considering the Audley Avenue application to estimate the benchmark turnover of existing provision. Accordingly, we below provide a revised version of Table 4.4 of this report which has been modified to account for the fact that MRPP uses a 2010 price base in its assessment.



Table 5.4: Benchmark Turnover of Relevant Existing and Committed Convenience Goods Provision at 2011 (2010 Prices)

Centre	Store	Net Convenience Sales (sq.m)	Sales Density (£ per sq.m)	Benchmark Turnover (£m)	Proportion of Turnover from Catchment	Benchmark Turnover from PCA/SCA (£m)
Newport	Co-op, High Street	869*	8,264	7.18	90%	6.46
	B&M Bargains	197	3,619	0.71	90%	0.64
	Other Convenience	570	2,585	1.47	90%	1.33
Gnosall	Co-op, High Street	217*	8,264	1.79	95%	1.70
	Other Convenience	48	2,585	0.12	95%	0.12
Out-of-Centre	Waitrose, Audley Road, Newport	1,739	11,113	19.33	75%	14.49
	Other Stores	67	2,585	0.17	95%	0.16
Total				30.78		24.91

* In calculating the net convenience sales areas of the Co-op stores, WYG accepts the overall net sales floorspace identified by Indigo in Table 6 of Appendix 2 of the submitted Retail Statement, with an allowance made relating to the typical proportion of Co-op floorspace dedicated to convenience goods sales (derived from Verdict UK Food & Grocery Retailers 2011).

5.14 Accordingly, WYG estimates that existing retail provision within the defined catchment has a benchmark turnover of around £30.78m and that existing destinations in and around Newport Town Centre have a benchmark turnover of around £28.69m. This latter figure compares with a MRPP benchmark estimate for Newport's convenience goods retailers of £25.9m.

Turnover of the Application Proposal

5.15 Table 7 of Appendix 3 of the submitted Retail Assessment indicates that the convenience goods element of the proposal will have a turnover of £31.6m in 2010 prices at design year 2016. MRPP bases this on an assumed convenience goods sales density of £10,300 (the exact source of this figure is unclear)⁶. However, we note that the proposed operator of the store has now been confirmed as Sainsbury's and the turnover of the proposed store should be estimated on this basis.

5.16 Our interpretation of the Verdict UK Food & Grocery Retailers 2011 report indicates that Sainsbury's has a company average convenience goods sales density of £11,520 per sq.m at 2011 (in 2010 prices), the application of which provides an estimated store convenience goods turnover of £35.68m. MRPP's suggestion that 80% of the store's turnover will be derived from within the catchment correlates with our assumption in respect of the Audley Avenue proposal and we therefore estimate

⁶ It should also be noted that in an Addendum to the Retail Assessment of January 2012, MRPP in 'sensitivity testing' the proposal assumes that the store would turn over £30.80m, equating to a sales density of £10,050 per sq.m.



that the store would theoretically claim £28.54m of its turnover from the expenditure of residents of the catchment at 2011.

Improvements in Floorspace Turnover Efficiency

- 5.17 The footnote accompanying Table 6 of Appendix 3 of MRPP’s Retail Assessment indicates that an allowance – sourced from Experian Retail Planner Briefing Note 8.1 – has been applied to provide for changes in the efficiency of existing floorspace. MRPP reports this allowance to be 0.0% in 2012 and 0.4% per annum in 2013 to 2016.

- 5.18 Whilst we consider the use of the Experian forecast to be somewhat unusual given MRPP’s reliance on MapInfo data, we also note that Retail Planner Briefing Note 8.1 has recently been superseded by Briefing Note 9, which forecasts a reduction in the efficiency of convenience goods floorspace at 2012 and only small improvements thereafter. Accordingly, in order to provide consistency with the approach advocated in reviewing the Audley Avenue proposal, the revised forecast improvements in turnover efficiency set out below at Table 5.5 should be used to calculate the benchmark turnover of stores at 2016.

Table 5.5: Per Annum Changes to Convenience Goods Sales Densities

	2012	2013 to 2016
Sales Density Growth Rate	-1.7%	0.4%

Identified Capacity

- 5.19 Whilst MRPP does not attempt to quantify the convenience goods expenditure generated within the catchment which is theoretically available at 2016 to support additional facilities, in order to allow comparison with Indigo’s approach, we provide a summary below of WYG’s estimate of the quantitative need for additional convenience goods provision. Our estimate takes into consideration our above revisions to the applicant’s methodology and relates the identified expenditure to the estimated benchmark turnover of stores. To allow comparison with the capacity assessment undertaken in Section 4, we replicates Indigo’s approach in terms of the suggestion that all convenience goods expenditure originating from within the catchment can be considered available to the catchment. Clearly, in reality, this will not be the case.

- 5.20 The assumed convenience goods turnover of the store derived from within the catchment is estimated to be £28.51m at 2016, which corresponds to the £28.54m at 2011 identified at paragraph 5.16 of this



report, adjusted to account for the aforementioned projected changes in convenience goods turnover efficiency.

Table 5.6: WYG Update of Identified Convenience Goods Capacity

	WYG Revision – Convenience Goods Capacity at 2011 (£m)	WYG Revision – Convenience Goods Capacity at 2016 (£m)
Catchment Convenience Capacity	48.13	49.58
Benchmark Turnover of Existing Stores (£m)	24.91	24.88
Expenditure Capacity/Leakage	23.22	24.70
Estimated Turnover of Proposal	-	28.51*
Residual Surplus (£m)	23.22	-3.81

* Derived from the estimated convenience goods store turnover from within the catchment at 2011 of £28.54, amended to take into consideration changes in the turnover efficiency of floorspace at 2016.

5.21 Once again, it is our view that a realistic scenario would see the retention of convenience goods expenditure increasing to a maximum of around 85%, which would result in an available expenditure surplus (assuming existing stores then trade at benchmark level) of just £17.26m at 2016 – less than the estimated £28.51m turnover of the store which would derive from the defined catchment. It should again be noted that quantitative ‘need’ no longer forms a direct retail policy test.

Qualitative Need

5.22 MRPP considers the qualitative considerations relevant to the application at paragraph 9.7 of its Retail Assessment.

5.23 In summary, MRPP argues that:

‘The superstore will attract new main food shoppers to Newport. It will result in a greater number of visits to the town centre. It will reduce the length of regular car journeys and is accessible by a range of modes of transport. The development will help to improve the town’s self sufficiency enabling it to better fulfil its role as a market town and rural service centre. The development will directly benefit the town’s economy [and] will increase accessibility to key facilities and improve social inclusion.’

5.24 Whilst WYG again concurs that a new food superstore would address qualitative deficiencies in Newport’s retail offer and would reduce the need to travel further afield to source certain items, we



note that MRPP – when considering the sequential approach to development – suggests that some of the qualitative benefits associated with the scheme could be delivered by a superstore with a net sales area of approximately 3,800 sq.m. Whilst MRPP’s Addendum to its Retail Assessment of January 2012 subsequently suggests (at paragraph 5) that the most popular superstores in the surrounding area are those with a sales area of 4,300 sq.m and larger, WYG considers that the qualitative benefits associated with the provision of an additional foodstore in Newport may be able to be delivered by a store of a lesser scale.

PPS4 Policy EC10 General Impact Considerations

- 5.25 An appraisal of the five general impact considerations set out by Policy EC10.2 is provided in respect of the Station Road proposal below.

Policy EC10.2.a - Limiting Carbon Dioxide Emissions and Minimising Vulnerability and Providing Resilience to Climate Change

- 5.26 MRPP sets out at paragraph 7.3 of its Retail Assessment a number of measures and initiatives to ensure that CO² emissions are minimised. As a result, MRPP states that the proposed store would be designed to achieve a BREEAM rating of ‘very good’.
- 5.27 As previously stated with respect to the Audley Avenue proposal, in addition to matters of design, it is recognised that a significant foodstore development in Newport may reduce the need for shoppers to travel further afield in order to source certain items.
- 5.28 Accordingly, although WYG believes that the proposed store would result in the loss of some trips to Newport Town Centre, subject to the suggested design features being incorporated in the implemented scheme, it is considered that the application proposal has the potential to accord with criterion a. of Policy EC10.2.

Policy EC10.2.b – The Accessibility of the Proposal by a Choice of Means of Transport Including Walking, Cycling, Public Transport and the Car, and the Effect on Local Traffic Levels and Congestion

- 5.29 WYG considers that the Station Road site, whilst effectively being ‘out of town’, is located in close proximity to concentrations of residential dwellings to the north and to the west. Accordingly, it is considered that the site offers some potential to support journeys by foot and by bicycle.



5.30 In terms of public transport, whilst we note that the site lies adjacent to the existing number 18 bus route, we note that the service is currently infrequent. Accordingly, the Transport Assessment (prepared by Phil Jones Associates and dated September 2011) submitted with the application indicates at paragraph 4.6 that an appropriate sustainable transport strategy for the development will comprise:

- the provision of new bus stops on Station Road near the main site access;
- the extension of the 17 service from Granville Avenue along Station Road to the site access roundabout; and
- the extension of the 17 and 18 services' operating hours to 0700 to 1900 Monday to Saturday, operating on a 30 minute frequency throughout the day.

5.31 Paragraph 4.7 of the Transport Assessment indicates that '**...the services will continue to be fare-paying, but funding will be made available to ensure the continued delivery for ten years post-completion of the development.**'

5.32 Whilst it will be for the Highway Authority to consider the acceptability of the proposal's impact on the second part of the policy criterion in respect of the proposal's impact on local traffic levels, given the applicant's stated commitment to the improvement of bus services, the site's relative proximity to existing residential areas and its location adjacent to Station Road, WYG considers that, notwithstanding its greenfield status and out of town location, the site does have the potential to conform to the first part of the criterion. Moreover, given the restrictions in terms of vehicular access along Audley Avenue and the fact that the Audley Avenue site is located both further away from Newport Town Centre and from existing residential areas, it is considered that the Station Road site is the more accessible of the two sites.

Policy EC10.2.c – Whether the proposal secures a high quality and inclusive design which takes the opportunities available for improving the character and quality of the area and the way it functions

5.33 Once again, WYG has not been asked to advise on matters of design and therefore we provide no view as to the appropriateness of the design of the scheme.



Policy EC10.2.d – The Impact on Economic and Physical Regeneration in the Area Including the Impact on Deprived Areas and Social Inclusion Objectives

Policy EC10.2.e – The Impact on Local Employment

- 5.34 Whilst the development would occupy a greenfield site, MRPP states at paragraph 7.14 that the development would strengthen Newport’s role by improving accessibility to everyday facilities for Newport residents. At paragraph 7.15, MRPP states that:

‘Delivering new local facilities along with improvements to the existing public transport infrastructure will help to address issues of social exclusion. The development will provide a local facility that is accessible by a variety of means of transport. It will encourage increased patronage of improved, existing public transport services helping to ensure that they are sustainable in the long term. The proposal will make a significant contribution to improving social inclusion and accessibility to everyday facilities. The development will contribute to delivering the economic strategy for Newport set out in Policy CS6 and its supporting text.’

- 5.35 MRPP also indicates that the store would provide approximately 400 new full and part time jobs, which would likely be predominantly taken by local people and which would have a positive effect on the local economy, on social inclusion and on travel.
- 5.36 WYG accepts that such benefits will result from the development proposal and, notwithstanding the fact that the proposed development would occupy a greenfield site, considers that the development is broadly in accordance with the principles which underpin criterion d. of Policy EC10.2 and wholly compliant with principles which underpin criterion e.

PPS4 Policy EC16 Town Centre Impact Considerations

- 5.37 Each of the six impact criteria set out in Policy EC16.1 are considered in turn below.

Policy EC16.1.a – The Impact on Existing, Committed and Planned Public and Private Sector Investment in a Centre or Centres in the Catchment Area of the Proposal

- 5.38 We are not aware of any significant committed or planned retail development within Newport Town Centre itself and the above policy criterion is therefore not considered to be of relevance to the application proposal.



Policy EC16.1.b – The Impact on Town Centre Vitality and Viability, Including Local Consumer Choice

- 5.39 MRPP considers Newport Town Centre’s vitality and viability at paragraphs 6.4 to 6.11 of its Retail Assessment. In summary, MRPP finds that the vacancy rate remains less than the national average; the broad composition of retailers is materially unchanged from when the Inspector at the Mere Park Garden Centre appeal reported that the centre was in a healthy condition; and the town centre public realm remains attractive.
- 5.40 In terms of the health of Newport, we reiterate our earlier conclusion (reported at paragraph 4.46, with respect to the Audley Avenue application proposal) that the centre is performing reasonably strongly and that, given the town’s rural location, it fulfils an essential role for local residents. However, in order to properly assess the likely impact of the proposal on the centre’s future performance, it remains necessary to consider the likely trade diversion of the additional floorspace proposed. Accordingly, we consider this below as part of our appraisal of the requirements of criterion d. of Policy EC16.1, before providing our conclusion in respect of the impact of the proposal upon the vitality and viability of the town centre.

Policy EC16.1.c – The Impact of the Development on Allocated Sites Outside Town Centres Being Developed in Accordance with the Development Plan

- 5.41 We are not aware of out-of-centre retail allocations which are yet to be built out in the Newport area and this criterion is therefore not of relevance to the determination of the application.

Policy EC16.1.d – The Impact of the Proposal on In-Centre Trade/Turnover and on Trade in the Wider Area

- 5.42 WYG considers that the proposed Station Road foodstore would trade in a similar manner as a foodstore at Audley Avenue and we therefore assume that the impacts of the proposal will be distributed, on a pro rata basis, in the same manner.
- 5.43 Accordingly, we dispute MRPP’s assumption that only around 10% of the turnover of the store would be claimed from stores in and around Newport Town Centre. We reiterate that, in our experience, such an extremely limited impact falling on stores within the catchment is highly improbable.
- 5.44 Once again, WYG assumes that 18% of the store’s convenience goods turnover will be diverted from stores located within the catchment. Based on this, our revised trade draw assessment is provided



below at Table 5.7. In considering the turnover of convenience goods floorspace within the catchment, we once again note that the MRPP survey differs from the Indigo survey, particularly with regard to the performance of the Waitrose store at Audley Road. Accordingly, given that the adopted catchments are essentially similar, in order to allow for a fair comparison of the trade draw impacts which arise from each of the proposals, WYG has used the mid-point between the two sets of survey results to establish the pre-impact turnover of destination within the catchment. Inside the catchment, an allowance has once again been made for 2.25% of the proposed Station Road store's turnover to be claimed from the Newport Co-op, 0.75% of turnover to be claimed from 'other' Newport town centre stores and 15% of turnover to be claimed from the Waitrose. The estimated turnover of stores outside the catchment is identical to that used in assessing the Audley Avenue proposal, with a conversion made to a 2010 price base.

- 5.45 Based on this, our assessment of the trade draw impacts which we anticipate would derive from the Station Road proposal is provided by Table 5.7.
- 5.46 The estimated proposal turnover of £35.64m corresponds to the £35.68m identified at paragraph 5.16, adjusted to take into consideration the forecast changes in floorspace efficiency provided by Experian Retail Planner Briefing Note 9.



Table 5.7: Estimated Convenience Goods Trade Diversion at 2016 Following Implementation of Station Road Proposal

	Centre	Store	Pre-Impact Turnover	WYG Estimate Trade Draw		Residual Turnover	Impact
			£m	%	£m	£m	%
Inside Catchment	Newport	Co-op	5.45	2.25%	0.80	4.65	-14.7%
		Other Convenience	1.94	0.75%	0.27	1.67	-13.8%
	Edge-of-Centre	Waitrose, Newport	20.51	15.0%	5.35	15.16	-26.1%
Outside Catchment	Telford (inc. Asda)	All Convenience	61.09	2.0%	0.71	60.38	-1.2%
	Wellington (inc. Morrisons)	All Convenience	74.60	5.0%	1.78	72.82	-2.4%
	Edge/Out-of-Centre	Aldi, Donnington	4.82	3.0%	1.07	3.75	-22.2%
		Asda, Donnington Wood	79.74	25.0%	8.91	70.83	-11.2%
		Asda, Queensway, Stafford	62.42	6.0%	2.14	60.28	-3.4%
		Morrisons, Market Drayton	26.67	10.0%	3.56	23.10	-13.4%
		Morrisons, Stone	40.59	1.0%	0.36	40.23	-0.9%
		Sainsbury's, Stafford	41.78	5.0%	1.78	39.99	-4.3%
		Sainsbury's Telford Forge Retail Park	38.84	6.0%	2.14	36.70	-5.5%
		Tesco Extra, Stafford	48.97	10.0%	3.56	45.41	-7.3%
		Tesco Extra, Wrekin Retail Park	56.58	2.0%	0.71	55.87	-1.3%
Other	-	7.0%	2.49	-	-		
			100%		35.64		

5.47 We estimate that the convenience goods benchmark turnover of the Waitrose store at 2016 would be £19.30m⁷, which suggests that the post-impact Waitrose turnover would be £4.14m under benchmark (and would turnover 78.5% of the company benchmark level). The estimated convenience goods benchmark turnover of the Newport Co-op is £7.17m at 2016, which compares to the estimated post-impact turnover of £4.65m.

5.48 Whilst the level of impact borne by the Co-op store is notable, we reiterate that household surveys tend to under-represent the turnover of smaller stores and that a Co-op foodstore in this location is considered to be able to trade under company benchmark without its long term viability necessarily being compromised. In this instance, whilst the identified trade impact upon the Co-op and other

⁷ Based on a net convenience sales area of 1,739 sq.m (see Table 4.4) and the average Waitrose convenience goods sales density of £11,113 per sq.m (at 2010 prices) sourced from Verdict UK Food & Grocery Retailers 2011 has been applied. A subsequent allowance for changes in floorspace efficiency to 2016 (in accordance with Experian Retail Planner Briefing Note 9) has then been made.



stores within Newport Town Centre could be considered 'adverse', we do not consider it likely that stores would cease trading as a result of the Station Road development and therefore the impact is not considered to be at a level which could reasonably be adjudged to be 'significant adverse', particularly as the proposed store will stop expenditure leaking to stores outside the catchment and increase the overall level of expenditure committed in the Newport area (with associated benefits to local businesses).

5.49 Similarly, whilst we again acknowledge the importance of the Waitrose store in facilitating linked trips and acting to anchor Newport Town Centre, we consider that it is able to withstand a trade draw impact of around 26.1%. We therefore again find that a store of the size proposed at Station Road would not result in any significant adverse trade draw impact which would fundamentally impact on the vitality and viability of the town centre and therefore merit the application's refusal.

5.50 However, whilst the solus trade impacts associated with the two application proposals would not, in our view, merit their refusal, there is a need to test the impact of both developments cumulatively and with other planned development, in order to accurately ascertain whether the developments would be acceptable should they be implemented in tandem. We undertake this exercise at Section 6.

Policy EC16.1.e – Scale

5.51 PPS4 indicates that it will be necessary to consider the scale of development where a proposal is situated in or on the edge of a town centre. In this case, it is accepted that the application site is out-of-centre for the purposes of PPS4 and Policy EC16.1.e should therefore not be applied to the proposal.

Policy EC16.1.f – Locally Important Impacts

5.52 We are not aware of any further relevant impacts which have been identified in the adopted Shropshire Core Strategy (or in other development plan documents) which would need be taken into consideration in the determination of the application.



6.0 Cumulative Trade Draw Impact

- 6.01 In testing the cumulative trade draw impact of both proposals, we have assumed that the convenience goods expenditure available within the Newport catchment equates to the mid-point between by the catchment expenditure which has been estimated in revising Indigo's methodology at Section 4 of our report and the catchment expenditure estimated in revising MRPP's methodology at Section 5. This equates to £48.04m at 2016 (in 2009 prices). We have then assumed that the claim on this expenditure by stores located within the Newport catchment will be in accordance with the survey 'mid-point market shares' set out at Table 4.7 of this report. In order to assess both applications alongside each other on a 'like for like' basis, it is also necessary to amend the turnover of the Sainsbury's Station Road proposal to a 2009 price base, which results in the store's turnover being reduced to £34.46m at 2016 (previously being £35.64m in 2010 prices).
- 6.02 In assessing cumulative impact, it is also necessary to make provision for the impact of other planned development in the catchment. In this regard, it is relevant to note that Growing Enterprises Limited is currently appealing the Council's refusal of an application (reference TWC/2011/1086 for a Lawful Development Certificate for the proposed use of Mere Park Garden Centre for A1 retail (given the extended planning history associated with the site, it is considered that the implementation of any A1 use would result in a foodstore being provided at the site).
- 6.03 Whilst we do not wish to prejudge the outcome of this appeal, in considering the two current applications it is considered necessary to take account of the 'worst case' impact scenario which would be borne by Newport Town Centre should all three of the proposals be implemented (or, indeed, a combination of the Mere Park proposal and either one of the other two).
- 6.04 In this regard, we note that Mere Park Garden Centre would offer compromised premises which would not be particularly well suited to the needs of the 'big four' supermarket operators or their customers. Accordingly, it is considered that the premises could either be occupied by a discount retailer (which may turn over in the order of £5,000 per sq.m) or one of the 'big four', albeit any such operator trading from these premises would likely perform less strongly than at a typical store. Accordingly, we have assumed that any food retailer operating out of Mere Park would achieve a turnover at the midpoint between our discount retailer estimate and the combined average sales density of the 'big four' based on our reading of Verdict UK Food & Grocery Retailers 2011, this being £11,838 per sq.m (at 2009 prices). The mid-point between these figures is £8,419 per sq.m (or £8,409 per sq.m at



2016, after taking into consideration forecast changes in convenience goods floorspace efficiency over this period).

Estimated Trade Impact Arising from the Implementation of the Audley Avenue, Station Road and Mere Park Proposals

- 6.05 In assessing the cumulative impact of the three proposals, it is assumed that the Mere Park development could come forward first (given that the premises are already constructed), followed then by the Station Road development (reflecting our view that it represents the sequentially preferable option), and then the Audley Avenue development.

- 6.06 Following the implementation of the Mere Park proposal (from which we estimate the Station Road proposal would draw 10% of its expenditure) and the Station Road proposal (from which we estimate the Audley Avenue proposal would draw 40% of its expenditure), we have assumed that all other impacts will fall in the same manner (on a pro rata basis) as identified in Section 4 and Section 5 of this report.



Table 6.1: Estimated Convenience Goods Trade Diversion at 2016 Following Implementation of Three Foodstore Development Proposals

	Pre-Impact Turnover	Mere Park Trade Draw	Mere Park Trade Draw	Post Mere Park Turnover	Station Road Trade Draw	Station Road Trade Draw	Post Station Road Turnover	Audley Avenue Trade Draw	Audley Avenue Trade Draw	Post Audley Avenue Turnover	Impact
	£m	%	£m	£m	%	£m	£m	%	£m	£m	%
Co-op, Newport	5.28	2.25%	0.20	5.09	2.03%	0.70	4.39	1.22%	0.38	4.01	-24.12%
Other Convenience, Newport	1.88	0.75%	0.07	1.82	0.68%	0.23	1.58	0.41%	0.13	1.46	-22.56%
Waitrose, Newport	19.88	15.00%	1.31	18.57	13.50%	4.65	13.92	8.10%	2.53	11.39	-42.71%
All Telford	59.08	2.00%	0.17	58.91	1.80%	0.62	58.29	1.08%	0.34	57.95	-1.92%
All Wellington	72.14	5.00%	0.44	71.70	4.50%	1.55	70.15	2.70%	0.84	69.31	-3.92%
Aldi, Donnington	4.66	3.00%	0.26	4.40	2.70%	0.93	3.47	1.62%	0.51	2.96	-36.44%
Asda, Donnington Wood	77.11	25.00%	2.18	74.93	22.50%	7.75	67.18	13.50%	4.22	62.96	-18.35%
Asda, Queensway, Stafford	60.36	6.00%	0.52	59.84	5.40%	1.86	57.98	3.24%	1.01	56.96	-5.63%
Morrisons, Market Drayton	25.79	10.00%	0.87	24.92	9.00%	3.10	21.82	5.40%	1.69	20.13	-21.95%
Morrisons, Stone	39.25	1.00%	0.09	39.16	0.90%	0.31	38.85	0.54%	0.17	38.68	-1.44%
Sainsbury's, Stafford	40.40	5.00%	0.44	39.96	4.50%	1.55	38.41	2.70%	0.84	37.57	-7.01%
Sainsbury's Telford Forge Retail Park	37.56	6.00%	0.52	37.04	5.40%	1.86	35.18	3.24%	1.01	34.16	-9.04%
Tesco Extra, Stafford	47.36	10.00%	0.87	46.49	9.00%	3.10	43.39	5.40%	1.69	41.70	-11.95%
Tesco Extra, Wrekin Retail Park	54.72	2.00%	0.17	54.55	1.80%	0.62	53.93	1.08%	0.34	53.59	-2.07%
Other	-	7.00%	0.61	-	6.30%	2.17	-	3.78%	1.18	-	-
Mere Park	-	-	-	8.70	10.00%	3.45	5.26	6.00%	1.88	3.38	61.14%
Station Road	-	-	-	-	-	-	-	40.00%	-	-	-
TOTAL	-	100%	8.70	-	100%	34.46	-	100%	31.26	-	-

6.07 Table 6.1 suggests that the cumulative impact, should all three proposed developments be implemented, would result in an estimated trade draw impact on the Co-op of 24.1%, on other convenience operators within Newport Town Centre of 22.6%, and on the Waitrose store of 42.7%.

6.08 As we have previously indicated, we consider that the Waitrose store – notwithstanding its edge of centre status – does act to support the health of Newport Town Centre. The level of impact which would result from the implementation of all three proposals is such that we consider it could well jeopardise the ongoing viability of this store.

6.09 Similarly, the identified impact on the Co-op (one in every four pounds currently going through the till being diverted to the proposed out of centre stores) and the remainder of Newport Town Centre convenience goods operators (which would be the subject of a broadly similar impact as the Co-op) is



such that we consider that the implementation of all three proposals would likely result in changes in representation in the centre and a fundamentally weaker offer.

- 6.10 Accordingly, we find that the implementation of all three proposals would fail to accord with the requirements of criterion d. of Policy EC16,1 of PPS4. Furthermore, given that only very limited qualitative benefits would accrue from the development of three additional three foodstores, we consider that the failure to comply with this test means that the scenario whereby all three stores are brought forward should be resisted by the Council.

Estimated Trade Impact Arising from the Implementation of the Audley Avenue and Mere Park Proposals or from the Implementation of the Station Road and Mere Park Proposals

- 6.11 We set out below at Table 6.2 and Table 6.3 the estimated trade draw impacts which would result from the implementation of the Mere Park proposal together with either the Audley Avenue development or the Station Road development. Both of the below assessments again assume a 2009 price base.



Table 6.2: Estimated Convenience Goods Trade Diversion at 2016 Following Implementation of Mere Park and Audley Avenue Proposals

	Pre-Impact Turnover	Mere Park Trade Draw	Mere Park Trade Draw	Post Mere Park Turnover	Audley Avenue Trade Draw	Audley Avenue Trade Draw	Post Audley Avenue Turnover	Impact
	£m	%	£m	£m	%	£m	£m	%
Co-op, Newport	5.28	2.25%	0.20	5.09	2.03%	0.63	4.45	-15.70%
Other Convenience, Newport	1.88	0.75%	0.07	1.82	0.68%	0.21	1.61	-14.68%
Waitrose, Newport	19.88	15.00%	1.31	18.57	13.50%	4.22	14.35	-27.80%
All Telford	59.08	2.00%	0.17	58.91	1.80%	0.56	58.34	-1.25%
All Wellington	72.14	5.00%	0.44	71.70	4.50%	1.41	70.30	-2.55%
Aldi, Donnington	4.66	3.00%	0.26	4.40	2.70%	0.84	3.55	-23.72%
Asda, Donnington Wood	77.11	25.00%	2.18	74.93	22.50%	7.03	67.90	-11.94%
Asda, Queensway, Stafford	60.36	6.00%	0.52	59.84	5.40%	1.69	58.15	-3.66%
Morrisons, Market Drayton	25.79	10.00%	0.87	24.92	9.00%	2.81	22.10	-14.29%
Morrisons, Stone	39.25	1.00%	0.09	39.16	0.90%	0.28	38.88	-0.94%
Sainsbury's, Stafford	40.40	5.00%	0.44	39.96	4.50%	1.41	38.56	-4.56%
Sainsbury's Telford Forge Retail Park	37.56	6.00%	0.52	37.04	5.40%	1.69	35.35	-5.89%
Tesco Extra, Stafford	47.36	10.00%	0.87	46.49	9.00%	2.81	43.68	-7.78%
Tesco Extra, Wrekin Retail Park	54.72	2.00%	0.17	54.55	1.80%	0.56	53.98	-1.35%
Other	-	7.00%	0.61	-	5.40%	1.97	-	-
Mere Park	-	-	-	8.70	10.00%	3.13	5.58	35.92%
TOTAL	-	100%	8.70	-	100%	31.26	-	-

6.12 Table 6.2 and Table 6.3 indicate that the two scenarios modelled will have not dissimilar impacts on the Newport Co-op (estimated trade draw impacts of 15.70% and 16.92%), other stores in Newport town centre (estimated trade draw impacts of 14.68% and 15.83%) and the Waitrose store (estimated trade draw impacts of 27.80% and 29.97%).

6.13 In this regard, although we believe that the town centre trade draw impacts identified by Tables 6.2 and 6.3 are at the higher end of what could reasonably be borne, we do not consider that the level of diversion identified would likely result in a fundamental change in Newport's convenience goods offer. Accordingly, although we adjudge the assessment of cumulative trade impact to be finely balanced (and would suggest that no further out-of-centre convenience floorspace be provided over the assessment period), we therefore refer to our conclusions in assessing the respective applications at Section 4 and Section 5 of this report, i.e. although an adverse impact would be borne by Newport Town Centre as a result of the implementation of either of the proposals, this would not be of the



'significant adverse' level which would result in the failure of the proposal to accord with criterion d. of Policy 16.1 of PPS4. Furthermore, due to the significant qualitative benefits which result from the opening of an additional significant foodstore in terms of completion and improving customer choice, we consider that either one of the applications (but not both together) would accord with the PPS4 tests of impact.

Table 6.3: Estimated Convenience Goods Trade Diversion at 2016 Following Implementation of Mere Park and Station Road Proposals

	Pre-Impact Turnover	Mere Park Trade Draw	Mere Park Trade Draw	Post Mere Park Turnover	Station Road Trade Draw	Station Road Trade Draw	Station Road Turnover	Impact
	£m	%	£m	£m	%	£m	£m	%
Co-op, Newport	5.28	2.25%	0.20	5.09	2.03%	0.70	4.39	-16.92%
Other Convenience, Newport	1.88	0.75%	0.07	1.82	0.68%	0.23	1.58	-15.83%
Waitrose, Newport	19.88	15.00%	1.31	18.57	13.50%	4.65	13.92	-29.97%
All Telford	59.08	2.00%	0.17	58.91	1.80%	0.62	58.29	-1.34%
All Wellington	72.14	5.00%	0.44	71.70	4.50%	1.55	70.15	-2.75%
Aldi, Donnington	4.66	3.00%	0.26	4.40	2.70%	0.93	3.47	-25.57%
Asda, Donnington Wood	77.11	25.00%	2.18	74.93	22.50%	7.75	67.18	-12.88%
Asda, Queensway, Stafford	60.36	6.00%	0.52	59.84	5.40%	1.86	57.98	-3.95%
Morrisons, Market Drayton	25.79	10.00%	0.87	24.92	9.00%	3.10	21.82	-15.40%
Morrisons, Stone	39.25	1.00%	0.09	39.16	0.90%	0.31	38.85	-1.01%
Sainsbury's, Stafford	40.40	5.00%	0.44	39.96	4.50%	1.55	38.41	-4.92%
Sainsbury's Telford Forge Retail Park	37.56	6.00%	0.52	37.04	5.40%	1.86	35.18	-6.34%
Tesco Extra, Stafford	47.36	10.00%	0.87	46.49	9.00%	3.10	43.39	-8.39%
Tesco Extra, Wrekin Retail Park	54.72	2.00%	0.17	54.55	1.80%	0.62	53.93	-1.45%
Other	-	7.00%	0.61	-	5.40%	2.17	-	-
Mere Park	-	-	-	8.70	10.00%	3.45	5.26	-39.59%
TOTAL	-	100%	8.70	-	100%	34.46	-	-



7.0 Summary and Conclusions

7.01 Policy EC17.1 of PPS4 indicates that planning applications for main town centre uses which are not in an existing centre and not in accordance with an up to date development plan should be refused planning permission where:

- a) the applicant has not demonstrated compliance with the requirements of the sequential approach (Policy EC15); or
- b) there is clear evidence that the proposal is likely to lead to significant adverse impacts in terms of any one of the impacts set out in Policy EC10.2 (which are more general considerations and fall outside of the scope of this appraisal) and Policy EC16.1 (the impact assessment), taking account of the likely cumulative effect of recent permissions, developments under construction and completed developments.

7.02 Where no significant adverse impacts have been identified under Policies EC10.2 and EC16.1, Policy 17.2 of PPS4 advises that planning applications should be determined by taking account of:

- a) the positive and negative impacts of the proposal in terms of Policies EC10.2 and EC16.1 and any other material considerations; and
- b) the likely cumulative effect of recent permissions, development under construction and completed developments.

7.03 In relation to Policy EC15.1 (the sequential assessment), whilst both the Audley Avenue and Station Road sites represent edge of centre sites for the purposes of PPS4, the Station Road site is located significantly closer to the defined Newport Primary Shopping Frontage boundary and offers better access to the town centre (and nearby residential areas) by car, by foot and by bicycle than the Audley Avenue site.

7.04 We reiterate that, in this regard, Policy EC5.2 of PPS4 makes clear provision for the differentiation of out-of-centre sites in stating that:

'...preference [will be] given to sites which are or will be well served by a choice of means of transport and which are closest to the centre and have a higher likelihood of forming links with the centre.'



- 7.05 As we set out at paragraph 3.20 of this report, Experian Micromarketer3G data allows the identification of the resident population within a five, ten and 15 minute walk to the entrance of each of the proposed stores. Given the nature of the store (i.e. many shoppers will be carrying more than one bag of shopping), we consider it likely that those visiting on foot will be travelling relatively modest distances and therefore the number of people living within five and ten minutes of the stores is considered to be of greatest relevance. Experian data indicates that just four people currently reside within a five minute walk of the proposed Audley Avenue store, compared to 1,161 people residing within five minutes of the Station Road store. Similarly, 474 people reside within a ten minute walk of the Audley Avenue store, compared to 3,889 people residing within ten minutes of the Station Road proposal.
- 7.06 Accordingly, we repeat our view that the Station Road site would have a better chance of encouraging shopping journeys by foot and by bike and a better chance of encouraging links with the town centre (albeit it is accepted that, in practice, only a limited number of linked trips to town centre facilities are likely to be undertaken on foot). Moreover, the additional residential development planned by outline planning application reference TWC/2011/0871 (which is currently under consideration) would, if permitted, further increase the immediate population in the vicinity of the proposed Station Road store.
- 7.07 Accordingly, notwithstanding its designation as a 'out of town' site which is subject to the provision of Core Strategy Policy CS 7, we consider the Station Road site to clearly be the sequentially preferable of the two sites in accordance with the requirements of Policy EC15.1 of PPS4.
- 7.08 With regard to the general impact tests set out by Policy EC10.2, we consider that both application proposals have the potential to accord with at least four of the five tests, but provide no view as to the design of either scheme, which is considered to be a matter outside the terms of our instruction.
- 7.09 In relation to Policy EC16.1, we have considered each of the six impact tests in turn and have concern about the proposals' compliance with criteria b. (relating to town centre vitality and viability) and d. (relating to trade draw) should they be implemented in tandem. In WYG's view, the claims on expenditure which would derive from substantial additional convenience goods floorspace at the Audley Avenue site, the Station Road site and at Mere Park site are such that the impact on town centre trade, and the centre's vitality and viability, is beyond what could reasonably occur without a significant adverse impact being borne by town centre traders. In particular, the implementation of all three stores would result in a level of trade diversion which could well result in the closure of the



existing Co-op store or other town centre convenience goods traders, as well as the potential closure of the edge of centre Waitrose store, which acts to support the centre through the facilitation of linked trips.

- 7.10 Furthermore, whilst the introduction of a single large scale foodstore provides significant qualitative benefits to customers in Newport and the surrounding area, the additional qualitative benefits provided by a second foodstore would be limited primarily to providing some customers with their preferred operator.
- 7.11 Given that insufficient capacity exists to support the convenience goods element of both proposed without there being a significant adverse impact on the trading performance of existing town centre retailers, it is WYG's clear recommendation that, in accordance with national retail planning policy, planning permission should not be granted for both the Audley Avenue and Station Road proposals. Indeed, we consider that the level of trade draw impact associated with the implementation of the Mere Park proposal and either one of Audley Avenue and Station Road to be at the upper end of what is acceptable, and we would therefore not recommend the grant of permission for two superstores, even if one were to be of a smaller scale.
- 7.12 Whilst it is established that Station Road is the sequentially preferable of the two sites, we also again note that this site is located outside of the defined Built Up Area of Newport and that the development of this site is therefore subject to Policy CS 7 of the Core Strategy. Accordingly, it will be for the Council to determine the weight which can be attributed to the sequential test (and also the weight which can be attributed to Audley Avenue's relatively poor performance in respect of the first criterion of Policy EC10.2.b) in reaching its decision in respect of both applications.
- 7.13 Accordingly, should the Council find that the application of the sequential test overrides the requirements of Core Strategy Policy CS 7, then planning permission should be refused for the Audley Avenue application due to its non-compliance with development plan policy (we consider the implementation of two significant food retail development would fail to comply with Core Strategy Policy CS 8), and due to its failure to properly accord with Policies EC10.2.b, EC15.1, EC16.1 (criteria b. and d.) and EC17.1 of PPS4.
- 7.14 Conversely, if the Council adjudicates that Core Strategy Policy CS 7 should take precedence, planning permission for the Station Road foodstore should be refused in accordance with the requirements of



Core Strategy Policies CS 7 and CS 8, and Policies EC15.1, EC16.1 (criteria b. and d.) and EC17.1 of PPS4.

