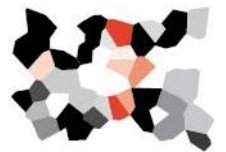
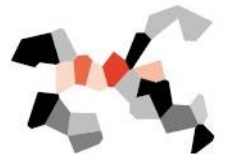


# React Report

**Application 20/03353/OUT: Proposed Food Store Land at  
Cotefield Business Park, Bodicote, London Road, Bodicote,  
OX15 4AQ – Cotefield Holdings Limited**

**On behalf of Cherwell District Council**



**February 2021**

**C10312**



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**On behalf of Cherwell District Council**

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**February 2021**

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## 1.0 Background

- 1.1 This report has been prepared by DPDS for Cherwell District Council and considers the Retail Statement (RS) by Pegasus Group (PG) dated October 2020 in relation to application 20/03353/OUT. The application is for the construction of a foodstore on land at Oxford Road Bodicote. We have also had regard to all other material submitted with the application, the consultees' responses and public comments received at the time of writing.
- 1.2 The application is the same as an earlier application (20/00123/OUT) which was withdrawn. We produced a report on the retail statement in support of that application by RPS dated 26<sup>th</sup> June 2019. This is a separate application which cannot rely on documents which are not part of it. We have therefore produced a free-standing report which does not require reference to our report on the earlier application. However, we concluded that the RPS Retail Statement failed to provide sufficient information to demonstrate that there were no more central sites available (the sequential test) or to provide present a reliable assessment of the likely impact. We identified a number of deficiencies. The most serious were -
- The use of outdated demographic and economic data
  - The lack of any data to inform an understanding of current shopping patterns in the area, for instance from a recent household survey.
  - The use of benchmark turnovers to assess the actual trading position of existing stores
  - The lack of evidence for, or explanation of, the trade diversion estimates presented.
- 1.3 The application is in outline with only access and scale to be determined by the application. The application form indicates that the foodstore would have 1235 sq m of net tradable floorspace on a site area of 0.9 ha including the access road. Access is shown from Cotefield Drive. The Plan shows vehicular access at the northern western corner of the site with a store located at the southern end and a car park to its north with 86 spaces. There is also pedestrian access shown from Oxford Road close to the proposed building. The application form indicates that the shop would be open from 7.00am to 11.00pm (with restricted Sunday opening) and would employ 20 full time staff.
- 1.4 The Retail Statement indicates that the intended operator has not been confirmed, although the RS states (para 4.20) that a proposed operator is identified. Its size would rule out all day Sunday opening and it is large compared to most local convenience stores. The RS describes the Budgens operation in some detail, but limited weight should be given to this as a restriction to this named user would not be appropriate. The unit would not be large enough for a standard Lidl or Aldi store, and it is doubtful that either would show interest in a unit (or site) of this size. Lidl, according to the RS, has an interest in the Spiceball development which has planning permission for a 2392 sq m foodstore. Aldi have an outlet on Ruscot Avenue.
- 1.5 To the south of the site is the Cotefield Business Park which includes an auction house. The land to the west of the site has outline planning permission for housing as Phase 2 of the Cotefield Drive development (app 14/02156/OUT). Immediately to the north is a retail garden centre and café. To the east of Oxford Road is open land.
- 1.6 The site is on the southern edge of Bodicote. The village has an historic main street with a

substantial residential area between this and the Oxford Road. There is Spar Grocery Store/Post Office in the centre of this area, in Molyneux Drive (currently indicated as temporarily shut on the Post Office website). Although it is some distance to the application site by road, there is a footpath link through from Molyneux Drive to Cotefield Drive Phase 1.

- 1.7 There is other large-scale housing development planned around Bodicote. Policy Banbury 4 (Bankside Phase 2) allocates land for 600 houses (as a further development to a 1090 house urban extension) south-east of the town and includes a requirement for a local centre. Outline planning permission has also been granted recently for a 1000 house development on land south of Salt Way (14/01932/OUT) in accordance with policy Banbury 17. The policy requires provision of local retail facilities and the permission includes a local centre including A1 retail up to 1,000 m<sup>2</sup>, financial services (A2), restaurants, pubs and takeaways (A3, A4, A5). The development will bring the total number of houses at Saltway up to 1425.
- 1.8 The proposal site is about 3 km from Banbury Town Centre and a little under 2km from Adderbury. Bicester is some 19 km to the south east and Oxford about 32 km to the south. There are five main foodstores in Banbury including the Sainsbury store about 2 km to the north of the site along Oxford Road. There are also several smaller food and convenience stores in the town centre, surrounding villages and residential areas of Banbury.
- 1.9 The proposal was subject to two rounds of pre-application discussion with the Council. These were based a smaller foodstore (732 sqm gross). The second round was on the retail aspects of the proposal and the Council noted that the sequential and impact tests needed to be addressed and drew particular attention to the possible impact on small local shops. It also noted that it could not comment further on the acceptability of the proposal in retail planning terms until these matters had been addressed.

## 2.0 Planning Policy

### The National Planning Policy Framework

- 2.1 The National Planning Policy Framework establishes a presumption in favour of sustainable development, and for decision taking this is defined as granting planning permission for developments which accord with the development plan, and granting planning permission where the development plan policies are absent, silent, or the relevant policies are out-of-date - unless any adverse impacts would significantly and demonstrably outweigh the benefits when assessed against the policies of the framework as a whole, or specific policies in the Framework, indicate development should be restricted.
- 2.2 Section 7 sets out the policy framework for town centres. Para 85 notes that planning policies and decisions should support the role that town centres play at the heart of local communities. Paras 86 and 87 set out the sequential test in relation to main town centre uses. Para 89 sets out the requirement for an assessment for retail and leisure proposals on the impact on the vitality and viability of centres and on planned and committed investment. It notes that the size threshold for the requirement is to be set in local plans, with a default of 2,500 sq. m where there are no locally set thresholds. Para 90 states that where an application fails either the sequential or impact tests planning permission should be refused. If that is the case in relation to retail proposals, the presumption in favour would not apply.
- 2.3 The interpretation of the framework regarding the sequential and impact tests and the more detailed guidance of the Practice Guidance will be considered in the following sections on these tests.

### Development Plan Policies

- 2.4 The adopted development plan includes the Cherwell Local Plan 2011-2031 (Part 1) and the saved policies of the Cherwell Local Plan 1996. The Council is obviously familiar with its development plan policies and they are not set out in full here.

### Cherwell Local Plan 2011-2031

- 2.5 The plan aims to focus retail development in the main centres of Banbury, Bicester and Kidlington. Policy SLE2 **Securing Dynamic Town Centres** notes that:

**Retail and other 'Main Town Centre Uses' will be directed towards the town centres of Banbury and Bicester and the village centre of Kidlington in accordance with Policies Bicester 5, Banbury 7 and Kidlington 2. The Council will apply the sequential test as set out in the NPPF as follows: Proposals for retail and other Main Town Centre Uses not in these town centres should be in 'edge of centre' locations. Only if suitable sites are not available in edge of centre locations should out of centre sites be considered. When considering edge of centre and out of centre proposals, preference will be given to accessible sites that are well connected to the town centre.**

**The Council will consider if the proposals satisfy the sequential test and if they are likely to have a significant adverse impact on one or more of the factors in the NPPF.**

- 2.6 The policy sets local thresholds for impact assessments at 2000 sq. m in Banbury, 1500 sq. m in

Bicester and 350 sq. m elsewhere.

- 2.7 The policy also notes that the Council will support new local centres within the strategic housing allocations but limits such centres to a small number of shops of limited size.
- 2.8 Policy Banbury 7 aims to strengthen Banbury Town Centre, and supports shopping and other, main town centre uses within the boundary of the town centre. The policy intends to expand the boundary of the centre. Other policies make allocations for mixed use developments including retail and other main town centre uses on the Bolton Road and Spiceball sites.
- 2.9 Policies Banbury 4 and Banbury 17 allocate land for the large-scale housing proposals noted earlier and require local retail facilities to be provided within them.
- 2.10 Retail developments are specifically required to comply with Policy SLE 4 regarding sustainable means of the transport (public transport, walking and cycling).

**The Local Plan 1996 - Saved Policies**

- 2.11 Saved Policies S25 to S29 of the Cherwell Local Plan 1996 refer to retail development in rural areas, Policy S25 states that all new retail development in the countryside and rural areas will be resisted by the Council unless they comply with policies S26 – S28. Policies S26 and 27 relate to ancillary retailing and garden centres.
- 2.12 Policy S28 relates to local shops and states that favourable consideration will be given to small shops and extensions to existing shops where these are required to serve local needs. The explanatory text indicates that this is *“to allow existing shops outside the main centres to adjust to changing circumstances and new shops serving a small local catchment to be established in suitable locations”*.

- 2.13 Policy S29 reads:

*“Proposals that will involve the loss of existing village services which serve the basic needs of the local community will not normally be permitted”*.

Para 4.72 of the text notes the local shop as one of the services but notes that it will be difficult to resist the loss of such facilities when they are proven to be no longer financially viable in the long term.

- 2.14 PG considers that this policy refers only to changes of use or redevelopment used for shops (RS para 8.15). There is nothing in the Plan which suggests the policy is restricted to proposals for redevelopment or changes of use. Had this been the intention the policy could have been drafted as such. The impact of proposals on the provision of services in local areas is clearly a material consideration about which the Council should, as far as possible, be informed in determining applications.

**Conclusions on Policy**

- 2.15 The Development Plan clearly aims to focus retail development in the defined centres and to restrict it elsewhere but policy S28 makes an exception to allow small retail developments which are required to serve a local need. Whether there is such a requirement or not can only be judged in the context of the impact assessment data and this will be considered in due course. Policy S29 seeks to resist development which would lead to the loss of local services including

village shops.

- 2.16 Key policy considerations arising from the NPPF and the Development Plan are the sequential and impact tests. The NPPF is the more update document but there are no significant changes to the relevant policies in the revised (2019) NPPF so far as the tests are concerned. The 2015 Local Plan, prepared in accordance with the 2012 NPPF, therefore can be considered up to date in respect of the tests.



## 3.0 The Sequential Assessment

### Preliminaries

3.1 The sequential approach is well understood in general terms. Local Planning Authorities should ensure that sequentially preferable sites are assessed for their availability and suitability and that all in-centre options have been assessed before less central sites are considered. When considering edge-of-centre and out-of-centre sites preference should be given to accessible sites which are well connected to the town centre. Where it is demonstrated that there are no suitable town centre or edge-of-centre sites available, applicants and local authorities are expected to have shown flexibility on issues such as scale and format.

3.2 The “Dundee” judgment of the Supreme Court in 2012 determined (para 24 of Lord Reed’s judgment) that sites should be assessed as “suitable” for the development proposed by the applicant rather than “suitable for meeting identified deficiencies in retail provision in the area”. The judgment also noted the in-built tension in the test between the suitability of sites and the need for flexibility and concluded:

*“It follows from the foregoing that it would be an oversimplification to say that the characteristics of the development, such as scale, are necessarily definitive for the purposes of the sequential test”.*

3.3 The question of flexibility was subsequently considered in the Lionbrook case ([2014] EWHC 646 (Admin)). The judge commented (para 164 of the judgment).

*“Suitability and availability are matters of planning judgment. They are not matters on which the court will substitute its own view for that of the decision-maker. The decision-maker’s exercise of judgment upon them will not be vulnerable to challenge except on Wednesbury grounds.”*

3.4 The Mansfield judgment (Aldergate Properties vs Mansfield District Council and Regal Sherwood Oaks Ltd [2016] EWHC 1670 (Admin)), is a leading case. It took account of the Dundee judgment and clarifies it with regard to matters that did not arise in the Dundee judgment. The Judge found (para 35).

*‘... ‘suitable’ and ‘available’ generally mean ‘suitable’ and ‘available’ for the broad type of development which is proposed in the application by approximate size, type and range of goods. This incorporates the requirement for flexibility in (24) NPPF (2018), and excludes, generally, the identity and personal or corporate attitudes of an individual retailer. The area and sites covered by the sequential test search should not vary from applicant to applicant according to their identity, but from application to application based on their content’.*

This can be regarded as the definitive meanings of suitable and available.

3.5 PG Appendix 1 comments extensively on the “Rushden Lakes” decision in 2014. This is now somewhat dated; it did not consider the Lionbrook judgment, made some 3 months earlier, and pre-dated the Mansfield judgment. Since then, as identified by PG, there have also been several appeal decisions which have adopted a more relaxed approach to flexibility and disaggregation. These include Honiton Road, Exeter, (APP/Y1110/W/15/300533) which indicated that there could be significant scope to flexibility in terms of the development design and content. At the Tollgate Village Inquiry (APP/A1530/W/16/314703 Aug 2017) the Inspector concluded that

disaggregation was not ruled out by the wording of the NPPF and could, depending on the circumstances of the case, be relevant. The reference to a site being of sufficient size to accommodate “the relevant parts of the development” in the decision (APP/P0119/V/17/3170627 Decision Letter para 20) on the extension to the Mall at Cribbs Causeway also indicates disaggregation, although it is not clear in that decision what the relevant parts were.

- 3.6 In our opinion, however, disaggregation is not appropriate in this case: the proposal is for a single foodstore which could not reasonably be split and there is no need to consider the principle of disaggregation further. Some flexibility with regard to scale is however required.
- 3.7 The Rushden Lakes decision also noted that the NPPF did not qualify “availability” with any timescale and this was interpreted as meaning “available now”. The 2018 and 2019 NPPFs however, refer to sites being “available (or expected to become so within a reasonable period)”. It is a matter of planning judgement what a reasonable period might be in any case. PG (para 4.20) states that the proposed store could be trading in 18 24 months and any site that is not available within this period should be ruled out. This is not necessarily the case, but we do agree that any major obstacles to development would rule a site out. We will comment further in relation to particular sites if this is necessary.
- 3.8 PG sets out the search criteria in paras 4.13 to 4.18. It considers that a site of 0.71 ha is necessary to accommodate a store of the proposed size with car parking. It has based its search on sites of between 0.57 ha and 0.85 ha to incorporate flexibility. We broadly estimate that the site excluding access is more like 0.6 ha but the exact figure depends on what is treated as access and servicing. The conclusions on the sequential test do not, however, depend on the exact measurement of sites and this difference in site area is immaterial.
- 3.9 We have been unable to visit the sites as a result of Covid restrictions but are familiar with them from previous work.

### **Sites Considered by Applicant**

#### **Site 1 The Spiceball Site.**

- 3.10 PG considers land east of Spiceball Park Road as unsuitable and unavailable. The site clearly is suitable for a foodstore and one is likely to open on the site shortly, if it has not already done so. Although PG argues that the unit is too large and could not be subdivided, this seems improbable. The question of availability is more complicated. The Mansfield judgement described earlier considered the position where a town centre site was owned by a retailer who was not going to make it available to another retailer. The Judge commented (para 6.42 of his judgment

*“It is plainly available for retailing, though only to one retailer. That does not mean that another retailer can thus satisfy the sequential test and so go straight to sites outside the town centre. “Available” cannot mean available to a particular retailer but must mean available for the type of retail use for which permission is sought.”*

- 3.11 The position of what happens when a site is developed for retail use and quite when a site becomes no longer available is an open question and was not examined in the Mansfield Judgment. However, with the foodstore now open, or due to open shortly, but we consider that the situation has gone past the point when it could be considered available in sequential test

terms.

- 3.12 The Spiceball site is larger than the area east of Spiceball Park Road considered by PG. We have been unable to ascertain from the application files (or a site visit) the status of the remaining land. We understand from press reports that construction on the remainder of the development is underway, but the Council may understand situation better. Otherwise the applicant should be asked to submit further details on the remaining land.

### **Site 2 The Bolton Road Site**

- 3.13 The site is about 2ha in size, on the edge of the town centre and identified in the Cherwell Local Plan as subject to policy Banbury 8. The Local Plan allocates the site for retail (A1 & A3), hotel, leisure, ancillary residential uses and car parking and seeks a comprehensive redevelopment. PG notes that it is in active use with a number of occupiers and a surface level public car park (replacing the demolished multi-storey one). We agree that in view of the multiple ownership and the lack of a comprehensive development scheme, development is unlikely in the near future and the whole site should not be regarded as available in terms of the sequential test for the current proposal.
- 3.14 The surface level car park is, we understand, in Council ownership and its separate development should be considered. It is also large enough to accommodate a foodstore of the approximate size of the application proposal. PG argue that the loss of town centre parking would present a constraint. That may or may not be the case, but unless there are clear proposals in hand for the disposal of the site, the availability of the site and the timescale at present are too uncertain to consider the site as available in this context.

### **Site 3 Canalside**

- 3.15 Canalside is a large and complex site identified for redevelopment in Policy Banbury 1. The northern corner of it is identified as an extension to the town centre and the policy makes clear that main town centre uses, including retail, will be sought. It does however indicate that small and niche retailers would be sought and comments that it should not include significant convenience retail. We would not regard this as sufficient, on its own, to reject sites in this northern area. While certain aspects of redevelopment will require a comprehensive approach, we consider it would be possible to develop a proposal that took account of the requirements. We conclude that the northern part of the site should not be considered unsuitable for convenience retail development.
- 3.16 However, the area is in multiple active uses and as far as we can tell there are no sites that could be available within the appropriate time.

### **Site 4 Former M&S store Castle Quays**

- 3.17 We understand that the M&S outlet in Castle Quays closed in August 2020 as part of review of M&S's property portfolio, which also saw the closure of the town centre M&S store in Bicester. PG noted that it was not on the market and this still appears to be the case. PG nevertheless regarded it as available. It also notes a planning permission which shows the unit divided into two. PG considers that it is unsuitable because either unit would be too large, would operate on multiple floors, the lack of a dedicated service yard and lack of onsite parking which makes the use of trolleys difficult.

- 3.18 In terms of size, the proposed store is 1235 sq m providing 833 sq m of floorspace. The smaller unit in the former M& S would provide 910 sq m on the ground floor with first floor back up space of 703 sqm. The larger unit would provide 1200 sq m on a single floor. It appears that the units could offer much the same floorspace and faced with the current situation there is no reason to suppose the landlord would not be flexible both on further subdivision of the units and rent.
- 3.19 With regard to other the other deficiencies claimed, it did until recently contain a foodstore and its suitability has to be assessed, following the Mansfield judgment, as *“suitable for the broad type of development proposed by approximate size, type and range of goods”*. In these terms it appears that, with flexibility from a retailer, it could operate as a foodstore. We have doubts that any general food retailer would consider taking a unit in this location and without easy trolley access to parking. It is thus unlikely that the sequential test would achieve the objective to focus retail activity in the town centre. It is a matter of planning judgement whether it would be reasonable to expect this level of flexibility from a retailer and care must be taken to avoid too lax an approach to flexibility if the sequential test is to be effective. However, our judgement is that on balance it would be expecting too much flexibility from a food retailer to operate from the former M & S unit. It would not be unreasonable to take the alternative approach and consider the sequential test failed, but in that case the weight accorded to the test in the overall planning balance would need to be considered carefully.

#### **Site 5 The Former BHS Store**

- 3.20 The former BHS store has, we understand from PG and press reports, opened in August as Lock 29, a food and drink venue with events space. It is therefore no longer available and need not be considered further.

#### **Potential Sites Not Considered**

- 3.21 There is no consideration in the RS of vacant shops in the town centre which may be capable of accommodating the proposal having allowed for reasonable flexibility. We have examined websites for retail property to let or buy and have not found any of sufficient size.
- 3.22 There are a number of sites which have been considered as potentially suitable for retail development. These include potential sites at Calthorpe St, Christchurch Court, George Street/Pepper Alley Cherwell Street/Bridge Street. These have not been considered in the RS.
- 3.23 It would be possible to request assessments of these sites from the Applicant. However, they have been accepted in the past as not being available within a reasonable period. The Calthorpe St area is in multiple ownership and uses and unless there are recent moves to redevelop it can be concluded that it should not be considered as available. Sites at Christchurch Court, Crown House are too small and also in active use. We consider that unless the Council has recent evidence of redevelopment interest in these sites, they could be excluded. If there has been developer interest, we would be prepared to comment on this before the applicant is asked to consider these sites.
- 3.24 Debenhams went in administration in April 2020 and talks with JD Sports for a rescue broke down in November 2020 when Arcadia, Debenhams main concession operator, also went into administration. In January 2021 Boohoo brought the Debenhams brand and website but did not retain the stores. The Debenham unit in Castle Quay should therefore be regarded as open to offers, if not actually vacant yet. Council leaders have reported interest in the unit but no details

are available. Clearly the Applicant has had no chance to consider this site. In our view, the same factors apply to this unit as to the former M & S building and on balance we consider that it would be unlikely to be suitable for a food retailer on the scale of any occupier of the application proposal.

### **Conclusions on the Sequential Test**

- 3.25 The Applicant has now supplied detailed information on alternative, sequentially preferable sites. We conclude that there are no redevelopment sites which are available, or could become available, in a reasonable period. A number of potential sites have not been covered. We have considered these in the past and found that they were unlikely to be available in the short to medium term. Unless the Council is aware of more recent development interest or progress there is no need to request further evidence from the Applicant.
- 3.26 The Applicant has not submitted evidence on vacant units in the town centre. We have examined websites for retail property to let or buy and have not found any of sufficient size. The Applicant did examine two larger units in Castle Quays – the former BHS and M&S stores. The former BHS store is no longer available. We conclude, on balance, that the M&S unit is unsuitable for a foodstore and the same is true for the Debenhams unit which will become vacant shortly. It would not, however, be unreasonable to expect more flexibility for retailers – it is a matter of planning judgement. However, if that view is taken, it is necessary to assess the weight that should be given to the sequential test in the overall planning balance. In our view, a food retailer would not consider space within the M&S or Debenhams units if permission is refused on the Bodicote site and the objective of the sequential test would not be furthered by such a refusal.

## 4.0 Retail Impact

### The Turnover of the Application Proposal

- 4.1 It is easiest for the purpose of this report to consider the turnover of the proposal first since this provides a measure against which the significance of other matters can be judged. The calculation of the turnover of the proposal is shown in the RS Appendix 5 Table 8. It is estimated in 2023 at:

Convenience Goods Turnover	£7.2m
Comparison Goods Turnover	£0.7m
<b>Total</b>	<b>£7.9m</b>

(2018 prices)

- 4.2 It is calculated on the net retail floorspace proposed and company average sales densities (turnover/sqm). The floorspace is based on the assumption that the net trading area will be 67% of the gross floorspace although the figures do not appear to work out quite accurately (we calculate 67% of 1235 sq. m to be 827 sq. m not 833 sq. m) this is not significant. This is a reasonable net to gross ratio and can, in any case, be controlled by condition. The sales density used is for the major grocers excluding the big four, but further details are not given. The sales density of £10067/sq. m for convenience goods and £7518/sq. m for comparison goods would be a reasonable level for any retailer in a store of this size. The sales densities have apparently been taken from 2019 Global Data figures for 2018 and adjusted for floorspace productivity in accordance with Experian's Retail Planner Briefing Note.
- 4.3 Experian's figures were designed to measure structural changes in retailing which were leading to higher sales densities, but the data does not exist to identify this, and Experian's forecasts are based on national estimates/forecasts of retail expenditure and floorspace. They are not necessarily a good guide to likely change in local areas and are inconsistent with the constant market share approach adopted to existing retail outlets. However, over the short term and in the local area the adjustments are small in comparison with the uncertainty of the outturn performance of any proposed store and it is considered that the turnover estimate is a reasonable basis on which to work.

### The Study Area, Population and Expenditure Data

- 4.4 The study area is shown in Appendix 3. It includes the whole of Banbury, the villages of Bodicote, Bloxham, Adderbury, Deddington, Kings Sutton and Aynho. This is an extensive area for a catchment for store of this size, but this is necessary because the household survey based on it is used to estimate the turnover of Banbury town centre. As it is, a substantial part of the town's rural catchment area is excluded. An extensive catchment area is not, in itself, a problem – it depends on how the information on the study area is used in the subsequent analysis.
- 4.5 The base year for the expenditure data is 2018 and 2018 prices are used throughout.
- 4.6 Population figures for the study area have been obtained from Experian and are shown in App 5 Table 1. This is a recognised source for local population data and forecasts and is widely used in retail studies. The forecasts show a population of some 66,700 in 2018 increasing to about 68,100 by 2023, an increase of some 1400 over the period.

- 4.7 In paras 8.82 - 8.87 PG calculates the population growth and expenditure likely to result from new housing. These figures are not built into the impact assessment, but it is argued that the indicate that the Impact Assessment is a worst-case scenario. PG states in paras 6.2 and 8.82 that the Experian forecasts do not take into account the population growth arising from residential development. As Experian has explained its forecasts to us in the past this is not correct. Experian forecasts are controlled to ONS projections for local authorities and include estimates for migration into and out of the area. Some of this will take place into new housing and housing provision is, itself, based around ONS forecasts. Experian have also stated that in the forecasts for areas below district level reflect the housing planned in those areas, although the housing data on which these are based is not clear.
- 4.8 Over the period 2018 to 2023 the population of the study area is forecast to increase by 2.1%. This compares with a 4% increase for the district in the 2018 ONS forecasts. At first sight this might suggest that the additional housing in the study area is not adequately reflected in the local population forecasts. However, the more extensive housebuilding planned around Bicester suggests that the extent of any underestimation of population growth in the study area might be limited. Since this additional expenditure is not built into impact assessment, we have not investigated relative housebuilding rates in Cherwell District further and recommend that limited weight is given to the possibility of additional expenditure being available over the study period.
- 4.9 The expenditure per head local data are set out in App 5 Table 2a of the RS. They are also from a recognised and widely used source (Experian) and are as would be broadly expected but the source data is not provided. The table shows the adjustment for Special Forms of Trading (primarily internet shopping) in 2018. The forecasts are based on Experian forecasts at national level excluding SFT and the approach is consistent. The figures for 2020 show a sharp increase contrary to the general trend. This reflects the exceptional circumstances arising from the Covid 19 pandemic which has led to increased spending on food. Overall convenience goods expenditure per head is forecast to decrease slightly over the period 2018- 2023.
- 4.10 Table 2b gives the estimated total convenience goods expenditure in the study area multiplied by the expenditure per head figures. Overall, the convenience goods expenditure is forecast to be about the same in 2023 as it was in 2018 – the forecast population increase is not sufficient to fully offset the expected decline in convenience goods expenditure per head.
- 4.11 Tables 2c and 2d split the total convenience goods expenditure into that spent on main food shopping trips and that spent on top-up shopping. The footnote indicates that main food shopping is estimated to account for 80% of the expenditure based on the survey results, but the text (para 6.14) indicates that the split used in the tables is 75%/25% and this is, in fact, the case. Surveys tend to overestimate the proportion of expenditure on main food shopping trips, in part because the responses will tend to exclude convenience goods shopping by other members of the household, and we regard 75%/25% as a reasonable main food/top up split. Furthermore, the conclusions on impact are not usually sensitive to the split used as a considerable proportion of top-up shopping is carried out in the main foodstores used for main food shopping trips.
- 4.12 The total comparison goods retail expenditure in the study area, shown in App 5 Tables 3a and 3b is calculated in the same way from the same data sources. The expenditure per head figures show substantial growth between 2018 and 2019 but a 15% drop in 2020 as a result of Covid 19. Comparison expenditure is expected to recover substantially in 2021 with 8% growth, but with



more modest growth thereafter (under 3% each year). This forecast was made before the lockdown was extended well into 2021 and any recovery is likely to be delayed giving lower expenditure growth in 2021, although possibly higher growth in 2022 if the recovery pattern is the same but just delayed. Over the whole period 2018 - 2023 expenditure per head is forecast to be marginally higher than in 2018. Combined with modest population growth total comparison expenditure in the study area is forecast to increase by about 3%.

- 4.13 There is clearly more uncertainty than usual in the economic forecasts at present, but the forecasts in the RS are, in our view, reasonable.

#### **Market Share and the Estimated Turnover of Centres and Stores.**

- 4.14 The turnover of stores and centres are estimated by multiplying the available expenditure in the area (tables 2c, 2d and 3b – main food shopping, top up food shopping and comparison goods shopping respectively) by the market shares shown in tables 4a, 4c and 5a. The market shares are identified from the household survey.
- 4.15 The survey date is shown as July 2020. The sample size is 400 with, it is assumed, 100 completed questionnaires intended from each zone, although only 72 were obtained in zone 3 (Banbury East). The results were then weighted to reflect relative population size to provide results for the study area as a whole. The sample size is relatively small and there is considerable uncertainty about the estimated turnovers for smaller stores as these can depend on only one or two responses. When multiplied by the expenditure in the area this will give a substantial difference in estimated turnover of the stores. The uncertainty would not, however, be reduced significantly until impractically large samples were drawn and we make the point only to make clear the significant level of uncertainty surrounding these calculations and particularly those for smaller stores.
- 4.16 The survey results include internet shopping (and don't do/don't know answers) and market share percentages have to be adjusted to exclude these to bring them into line with the expenditure figures which exclude SFT. The percentages omitting internet and other non-spatial responses should be a little higher than those calculated in the survey results, but because of the market share data is from two survey questions we cannot compare the survey results and market shares used without replicating the whole assessment.
- 4.17 The market shares for main food shopping (Table 4a) are a combination of the responses to Question 01 (“Where do you undertake most of your main food shopping?”) and Question 13 (Apart from the store mentioned in Q01, where else do you undertake your household's main food shopping?). The market share for top-up shopping is similarly calculated from Questions 15 and 21. The market share for comparison goods is derived from Question 26 – “Where do you undertake most of your households non food shopping e.g. clothes, household items, DIY goods etc.?”
- 4.18 The survey questions on food shopping locations are based on a where you *mostly* shop basis rather than a snapshot basis (where you last bought). The usually/mostly bought format of question is widely recognised to overestimate the turnover of the most frequently used stores and underestimate smaller stores since it is assumed that all shopping is done in the store mentioned. The problem is illustrated in this case by the number of smaller stores where no market share or turnover is registered. However, shopping patterns have been disrupted by Covid-19 and the “usual” format may be preferable in these circumstances.



- 4.19 To derive the market shares shown in Tables 4a and 4c, the responses to the relevant questions are added together. Thus the 368 responses to Q01 (400 less 32 internet shoppers) are added to the 202 relevant responses to Q13 (400 less 13 internet shoppers and 135 “don’t do” responses). (The difference between these figures which total 570 and the total of 559 shown in Table 4a is assumed to derive from rounding in the weighted results). This process gives equal weight in the market share to Q01 responses based on “most” shopping and the secondary responses (where else) where respondents have given a “where else” alternative. It is also not clear from the survey results whether respondents were restricted to one alternative or the figure represents multiple alternatives from fewer respondents. The format of the questions presupposes that Q1 “mostly” locations are used more than the “where else” locations and should not attract equal weight.
- 4.20 The process will, however, redistribute the expenditure more widely and to an extent overcome the problem outlined in para 4.18 above. In this respect it is better to make some adjustment than none.
- 4.21 The same process is used to calculate the turnover of shops derived from top up shopping in tables in tables 4c and 4d. The main food and top up expenditures are combined to give a total convenience goods turnover in Table 4e, and an overall convenience market share is calculated in Table 4f.
- 4.22 Table 6 compares the trading performance of the main food stores based on the survey results compared with a benchmark performance based on their floorspace and company average sales densities. Not too much weight should be given to over and under trading when assessing the impact of trade diversion because individual stores’ trading performance varies considerably from their company average and under trading stores are not necessarily loss making.
- 4.23 An allowance is made for “inflow” from outside the catchment area. This is a necessary and normal process and it cannot be based on evidence from the survey. The usual allowances for inflow turnover are around 10-15% depending on location but some of the figures in Table 6 are much higher. The allowance for M & S on the Gateway Retail Park is 50% and the Tesco Extra on Lockheed Close at 25%. The allowances for the Iceland on the Gateway Retail Park and Waitrose on Southam Road are 20%. Even allowing for this inflow, these stores are all assessed as under trading – the Tesco and Waitrose very substantially so. These stores are located to the north of the town and this suggests, as we commented (para 4.4), that their catchment areas extend significantly beyond the study area. While it might mean that larger inflow allowances are considered justified, there is no evidence to support them and large inflow allowances are generally undesirable. This does also have implications for the estimate of the comparison goods turnover of the town centre, which is likely to be underestimated.
- 4.24 The other store with a particularly high inflow allowance is the Spar store on Oxford Road Bodicote which is set at 50%. It is not clear why this should be so. While it is on a main road, so are the stores in Bloxham where the inflow allowances are very small. Our impression is there is more, longer-distance traffic on the A361 in Bloxham than there is along the Oxford Road where such journeys are along the motorway. In fact, the turnover of these stores is based on very few responses – the turnover of the Spar on Oxford Road, Bodicote for instance is based on a single response (for top-up shopping). A different sample drawn from the same population could give a significantly different turnover estimate. A single additional response to the Spar on Bodicote would double its estimated turnover. This illustrates the uncertainty associated with the estimated turnovers of the smaller food shops.

4.25 Allowance for inflow turnover is also made for Banbury Town Centre and the Iceland in Calthorpe St in Table 9. The inflow allowance for the Iceland is 30% and for the town centre is 50%. As noted, these allowances are high, and this basically means that a substantial part of the estimated town centre convenience goods turnover is not supported by the survey evidence. The implications of this will be examined in the context of the estimated impact if necessary.

### Comparison Goods Market Shares and Turnovers

4.26 The estimate of the turnover of comparison goods shops is based on Question 26 “Where do you undertake most of your non-food shopping (e.g. clothes, household items and DIY goods etc.?) This is an extremely difficult question for any one to answer accurately because the place where they shop will depend on the goods they are buying. This makes it difficult to assess where you spend most of your non-food spending and the survey responses are likely to differ significantly from actual spending patterns. The difficulty can be seen in Banbury where people will shop for some comparison goods in the town centre and for others in the retail parks. It would difficult to do most of your shopping at one of the named retail parks since they do not offer a complete range of comparison goods. It is much easier to state where you last bought goods and the normal practice is to ask specific questions on the major categories of goods and to build up an estimate for town centre turnovers from up to eight categories of non-food goods.

4.27 The turnover of the centres and retail parks are calculated by multiplying the total available comparison goods turnover in the study area (Table 3b) by the market shares identified in the household survey (adjusted to exclude internet shoppers and don’t knows etc.) shown in Table 5a. Internet shopping, mail order and don’t knows/varies responses account for about 25% of the responses and this means the market shares in Table 5a are considerably higher than in the survey results for Q26. We get slightly different market shares when repeating the exercise – probably due to rounding in the weighted results.

4.28 The weakness of the estimates for the town centre turnover is recognised in Para 8.78 of the RS. It also notes that the comparison goods turnover of the town centre is likely to be underestimated because it is likely to draw trade from beyond the study area, which is particularly restricted to the north of the town. We have already noted the likely effect of this on the turnover of food stores to the north of the town. We will assess the limitations of the estimate of the turnover of Banbury town centre in relation to the proposal in due course.

### The Turnover of Commitments

4.29 The RS identifies the following retail commitments and turnover in 2023:-

Longford Park (local centre)	267 sq m net sales	£1.83m turnover
Wykham Park Farm (local centre) (South of Salt Way)	280 sq m net sales	£1.90m turnover
Spiceball (Lidl only)	2059 sq m net sales	£16.68 m turnover 2023
Drayton Lodge (local centre)	250 sq m net sales	£1.71m turnover 2023

<b>Total</b>	<b>2856 sq m</b>	<b>£22.12m</b>
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Provided the net sales floorspace is reasonable, the estimated turnovers are reasonable. Only the Spiceball and Longford Park developments are taken into account in the cumulative impact exercise. In para 6.23 the Applicant comments that the Wykham Park Farm commitment (South of Salt Way) has not been included in the cumulative impact assessment because any retail development there will serve only the development itself. However, population growth is taken into account in the expenditure forecasts for the wider area and the Wykham Park Farm commitment should be included. Its omission damages the integrity of the assessment. We can find no explanation of why the retail development at Drayton (pp 18/01882) is not included in the cumulative impact assessment.

### **Trade Draw**

- 4.30 Trade diversion is usually estimated as a two-stage process in retail impact assessments. First an estimate is made of the zones from which the proposed store would draw its trade and then the trade draw is assigned to individual shops according to the trade pattern in each zone. This approach can be based on survey results and thus be reasonably objective. While other factors might be expected to influence which stores a new store will take its trade from, it is useful to see where trade would be drawn from if trade diversion is proportional to existing shopping patterns in its catchment area.
- 4.31 In paras 8.41 – 8.52 the Applicant sets out its views on the likely trade draw and includes a drive time map. Because of its relatively small size, the proposal would have a relatively limited catchment area, and this would be predominantly from a 5-minute drive time. Although it is likely to pick up some pass by trade from the A4260, shoppers travelling longer distances are more likely to travel to the bigger foodstores. We agree that the survey indicates a strong demarcation between the food stores in the north of the town, drawing from zones 3 and 4, and the stores south of the town drawing most strongly from zones 1 and 2.
- 4.32 We therefore agree that the store is likely to draw almost all its trade from zones 1 and 2.

### **Trade Diversion and Impact**

- 4.33 The trade diversion, impact and impact calculations are shown in App 5 Table 9. The impact of the commitments is first estimated and deducted from the estimated turnover of the stores in 2023. The impact of the proposal is then calculated by deducting the trade diversion to the proposal from the post-commitment turnovers and expressed as a percentage. This correctly identifies the impact of the proposal on the post Lidl/Longford Park scenario.
- 4.34 The turnover of the Spiceball commitment is calculated on the basis that the store will be Lidl with a convenience goods turnover of £16.69m. The footnotes to Table 9 indicate that this turnover is allocated to the individual stores based on Table 5 of the Retail Assessment for the Outline permission (13/01601/OUT). While there is a logic to maintaining consistency with data that the Council has accepted, the assessment is dated Oct 2013 and is for a larger foodstore and not for a food discount operator. The trade draw is not consistent with the Spiceball scheme now under consideration. In addition, the Council cannot be held to accepting this trade draw by having granted planning permission some years ago. In our view the trade draw should have been based on more up-to-date information, including the new household survey, and on

the scheme now under consideration.

- 4.35 In fact, we cannot derive the trade draw used by the Applicant from the figures in Table 5 of 2013 Retail Impact Assessment. This indicates that 50% of the proposal's turnover (£11.2m of out £22.69m) was expected to be drawn the Sainsbury and the same amount from the Tesco Extra. Table 9 of the current RS shows a total of 30% drawn from these two stores. 5.7% was assumed to be diverted from the Aldi compared with 40% in the current assessment. Some further explanation of the derivation of the Lidl trade draw is needed if the figures are to be accepted.
- 4.36 70% of the trade diversion from the permitted store in Longford Park is forecast to be from Sainsbury or Morrisons and 23% from the Co-op on Chatsworth Drive. The only other trade diversion forecast is from the Esso garage on Oxford Road (5%) and the Spar on Molyneux Drive Bodicote (3%). This appears to us to contrary to the "like the like" principle on which the trade diversion is apparently based. The only explanation of the trade draw is the footnote to Table 9 which states that it is based on PG assumptions. Some further details of the assumptions behind this forecast trade diversion is needed. The implications of this lack of explanation will be addressed in concluding whether the RS demonstrates that the proposal is acceptable in terms of its retail impact.

#### **Trade Diversion - Proposal**

- 4.37 The estimated trade draw from existing stores is shown in App 5 Table 9 and Table 13 in the main text. The assumptions are described in paras 8.60 – 8.65 of the report. These paragraphs describe the thinking behind the figures but not how they were quantified.
- 4.38 As a useful starting point, the trade diversion could be expected to reflect the shopping patterns in the catchment area i.e. trade diversion would be proportional to market share. This presents a base line to assess the trade diversion that has been estimated in the assessment. Since the trade draw has not been estimated by PG for zones 1 and 2 separately, we have calculated the combined market share of the stores in the zones from App 5 Table 4e. There is, overall, quite a close correlation between the percentage of the trade diversion estimated from individual stores and their combined market share in zones 1 and 2. The Sainsbury store (Oxford Rd) achieves a 32% market share compared with the estimation that 36% of the proposal's turnover would be diverted from there. PG estimates that 26% (£1.88m) of the proposal's turnover would be diverted from the Morrisons store in Banbury, compared with its market share of 19.6%. Only 4% of the proposal's turnover is estimated to be taken from the Aldi store compared with its 10% market share, but the Aldi's market share will have declined with the opening of the Lidl in the Spiceball development. The proposal is also estimated to take 4% of its turnover from the new Lidl store
- 4.39 Underlying both the assumptions of PG and the market share is the claim that that the store will cater for main food shopping trips in much the same way as the main foodstores do. This is made explicit in PG para 8.42 where the size of the store (1235 sq m gross) is noted. However, the proposed store is significantly smaller than the stores now being built by Aldi and Lidl to accommodate their main food shopping offer. These are about 1,800 sq m gross. Furthermore, in the local context, the nearby Sainsbury store is about a 4-minute drive from the site and has a floorspace of 6239 sq m gross. It draws 91% of its turnover from main food shopping trips according the Appendix 5 Tables 4b and 4d. The Morrisons store, about 2 miles from the site. It has a floorspace of 6745 sq m and about 92% of its turnover is estimated to come from main

food shopping trips. The proposal would struggle to offer the same range of goods as these large stores and it is unlikely that people would alter their main food shopping patterns to a proportional extent. No details of a possible operator of the proposed shopping store is offered, but it appears unlikely that the store would be able to attract main food shopping trips on anything like that scale given the nearby competition. Without much firmer evidence on the operation of the proposed store, we conclude that the trade diversion from the two main stores in the area has been overestimated by PG.

- 4.40 This conclusion is reinforced by the fact the trade draw estimated from these two stores is greater than their market shares (36% trade draw compared with a 32% market share for Sainsbury and 26% trade draw compared with a 20% market share for Morrisons). It follows that that more of the proposal's turnover would be derived from top-up shopping and this would affect the smaller stores more than the RS has estimated.
- 4.41 The percentage of the trade diversion from these smaller outlets is given in PG Table 13 and in more detail in Table 9. The 3% from existing town centre shops (i.e. excluding the Lidl commitment) is broadly in line with their market share. PG para 8.64 states that the rest of the trade diversion will be dispersed across the area and sets out the trade draw percentages from the Co-op on Chatsworth Drive (1%), the Longford Farm commitment (2.0%) and the Spar on Molyneux Drive, Bodicote (1.5%). No further explanation is provided.
- 4.42 The 1.5% for the Spar on Molyneux Drive compares with its market share in zones 1 and 2 for the Spar of 1.68%. As the nearest shop to the development the proportion trade draw could be expected to be higher than its overall market share rather than lower. Further explanation is required if reliance is to be placed on the trade draw figures.
- 4.43 The implication of these observations on the trade draw will be considered having considered the percentage impacts.

**Retail Impact**

4.44 The % impact figures estimated by PG are as follows: -

Store	Solus Impact	Cumulative Impact
Co-op Deddington	4.0%	4.0%
Co-op Kings Sutton	5.7%	5.7%
Adderbury Stores	4.7%	4.7%
Sainsbury Oxford Rd	7.1%	16.3%
Morrisons Swan Drive	6.0%	15.3%
Aldi	1.5%	36.4%

Lidl	1.7%	1.7%
Town Centre inc. Lidl	2.1%	+218.4%
Spar Molyneux Drive Bodicote	9.2%	13.1%
Co-op Chatsworth Drive	2.7%	18.0%
Longford Park	7.9%	0
Eso Spar Oxford Road	11.2%	67.8%

- 4.45 We cannot replicate exactly the calculations shown in Table 9. The solus impact of the proposal on the Sainsbury store is shown as 7.1% calculated from a trade diversion of £2.61m from a pre-impact turnover of £33.60m. By our calculation this should come out as 7.8% and not the 7.1% shown in App 5 Table 9. In relation to Spar in Molyneux Drive Bodicote, the trade diversion to Longford Park is shown as 3% of the total trade diversion of £1.83m, but the next column shows £0m. By our calculation, this should be £0.05m and the post impact turnover of the shop is reduced by this amount in the next column of the table. The solus impact of 3.9% is shown. By our calculation it should be 4.2%. The impact of the current proposal on the store is shown as 9.2%, whereas by our calculation, a trade diversion of £0.11m from a pre-impact turnover of £1.13m works out at 9.7%. The cumulative impact according to our calculations would be 13.9% rather than the 13.1% shown in the Table. These are small differences, which may be due the stages at which rounding has been carried out. They became apparent as we sought to ascertain how the table was constructed and we have not recalculated the whole Table.
- 4.46 The cumulative impact on the town centre including the Lidl is positive over the current position because the Lidl is in the town centre. The impact of the proposal on the town centre including the Lidl is estimated by PG at 2.1%. Since it has estimated that there would be no impact on the town centre from the Longford Park local centre proposal, this can also be considered as the cumulative impact post Lidl.
- 4.47 There is little doubt that the greatest trade diversion will be from the main supermarkets but the solus impact on the Sainsbury and Morrison stores is, in our view, overestimated for reasons set out in paras 4.49 and 4.50. The cumulative impacts on these stores are substantial and, in our view, also overestimated as the trade draw assumed to the Lidl is too high.
- 4.48 The corollary is that the impact on the smaller local shops is underestimated. The impact figures are very sensitive to smaller changes in trade diversion because the estimated turnovers are small. For example, if it were assumed that the Lidl store would draw 1% of its trade from the Spar on Molyneux Drive, the cumulative impact of the developments considered would be about 27%. If only 0.5% of its trade were assumed to come from there, the cumulative impact would be about 20%. Alternatively, if it is assumed that 2% of the proposal's turnover would be drawn from this shop rather than the 1.5% assumed by PG, the cumulative impact would be increased from 13.9% to 16.5%. At 5% of the proposal's turnover, the cumulative impact on the Spar would be 34.7%. This would only involve the transfer of only £360,000 from the Spar to the new store. Given that the proposal is only 500-600 m by foot, and 3 minutes by car that it a



perfectly realistic scenario.

- 4.49 The cumulative impact on the Co-op on Chatsworth Drive is high, but this arises mostly from the commitments. However, if it is assumed that 2% of the proposal's turnover were taken from this store rather than 1.5% assumed by PG, other things being equal, the cumulative impact would increase from 17.4% (according to our calculation) to 19.0%. This involves an increase in trade diversion of only £40,000.
- 4.49 We have identified other factors in the impact process which indicate higher levels of impact – in particular the omission of local centre proposals on land South of Salt Way and, of less significance to the assessment, Drayton Lodge Farm and a general bias in the trade draw assumptions towards main food shopping. It is always difficult to assess the likely retail impact on small shops because little is known about their costs, there is greater percentage uncertainty about their turnover and little is known about their ability to adapt to, and withstand, trade loss. Independent stores do not have the resources available to large grocery chains to carry on trading or to see out their leases when confronted with a reduction in turnover. It has been suggested that a loss of 15% of turnover can be enough to lead to the closure of independently run shops, but much depends on the circumstances of the shop in question. It is in our view almost inevitable that this shop would lose a significant amount of trade and such shops are not resilient to losses.
- 4.50 It is in our view almost inevitable that Spa on Molyneux Drive would lose a significant amount of trade. and such shops are not resilient to losses. They do not have the resources to keep trading or to see out their leases that the larger grocery retailers can draw on.
- 4.51 Our purpose here is to assess the likely consequences of permitting the current application. We will consider the appropriate response in the context of retail planning policy in our conclusions. Taking all the matters raised into account, we conclude that there would not be any significant adverse impact on the town centre or the large foodstores in the town. However, there is, in our view, a significant chance that the Spar on Molyneux Drive would close in due course if the proposal is permitted. It is unlikely than the proposal would adversely affect the other small retailers identified to this extent.

#### **Impact on Investment**

- 4.51 The NPPF (para 89) requires an assessment of the impact of proposals on existing, committed and planned public and private investment in the centre or centres in the catchment area of the proposal. PG draws attention to the broad approach to be adopted in paras 6.22 – 6.27 and 8.66- 8.70.
- 4.52 The RS identifies the Spiceball development as an intended investment. It notes in particular the inclusion of a foodstore in the development and Lidl's intention to occupy the unit. This is a large and complex development scheme, and the Lidl store is probably important to its viability. From what we can find out from the internet, construction is well advanced, and the Lidl store has opened or is due to open shortly. There is clearly no need to consider the impact on this further.
- 4.53 With regard to other proposals in the town centre the National Practice Guidance para 15 (ID: 2b-015-20190722) sets out three factors to consider in this context: -
- the policy status of the investment (i.e. whether it is outlined in the Development Plan)

- the progress made towards securing the investment (for example if contracts are established)
- the extent to which an application is likely to undermine planned developments or investments based on the effects on current/forecast turnovers, operator demand and investor confidence

As far as we are aware, none of the proposals around the town centre have advanced far enough to be considered as potential investment. The Council may have better information and we will advise further on particular developments if the Council brings the to our notice.

- 4.54 Paras 8.3 – 8.13 and para 9.5 of the RS suggests that the investment planned in the local centres do not benefit from protection because they are not defined as town centres in Policy SLE2. Policy SLE2 supports the provision of new local centres within the strategic housing allocations in the Plan. These are identified as requirements in the relevant allocation policies and the potential impact on them must be a material consideration. The planning commitment in Longford Park in accordance with Policy BAN 4 is quite close to the proposed foodstore and the Council needs to be aware of any likely impact of the application proposal on this commitment going ahead.
- 4.55 Such impacts can, however, be difficult to judge because they are dependent on the subjective views of developers and retailers more than on the quantitative analysis presented here. There is a risk that the proposed development might not go ahead, but there is little information available to us on the current position regarding the proposal in terms of contracts for construction or occupation and such information is difficult to obtain and assess. In the absence of any objection from the developer or potential occupier, it is difficult to assess what their views might be or to sustain an objection on appeal. It is in our view not a matter which could be given significant weight.

#### **Overall Conclusions on Retail Impact**

- 4.56 This section of the report is primarily concerned with identifying what the likely retail impact of the proposal will be. The next section will examine the appropriate planning decision from a retail planning perspective.
- 4.57 We have identified several matters in the Applicant's RS which point to a greater impact generally and to more localised impacts. However, it is clear that the proposal will not have a significant impact on the town centre vitality and viability or investment decisions within there town centre. There is risk that the planned development at Longford Park will not go ahead, but information on which to base an assessment is lacking and in the absence of any objection by the developer or retailer it would be difficult to support a reason for refusal. There is a significant risk of the closure of the Spar in Bodicote and this would have implications for the availability of services to local residents, including the loss of the post office, which will be considered next.



## 5.0 Conclusions

### The Sequential Test

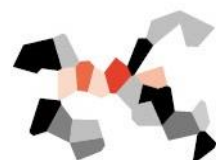
- 5.1 We conclude that there are no redevelopment sites which are available, or could become available, in a reasonable period. A number of potential sites have not been covered. We have considered these in the past and found that they were unlikely to be available in the short to medium term. Unless the Council is aware of more recent development interest or progress in bringing them forward, there is no need to request further evidence from the Applicant.
- 5.2 The Applicant has not submitted evidence on vacant units in the town centre. We have examined websites for retail property to rent or buy and have not found any approaching sufficient size. The Applicant did examine two larger available units in Castle Quays – the former BHS and M&S stores. The former BHS store is no longer available. We conclude, on balance, that the M&S unit is unsuitable for a foodstore and this would also apply to the soon to be vacant Debenhams unit.
- 5.3 It would not, however, be unreasonable to expect more flexibility from retailers – it is a matter of planning judgement which lies in the first place with local planning authority. However, if that view is taken, it is necessary to assess the weight that should be given to the sequential test in the overall planning balance. In our view, a food retailer would not consider space within the M&S or Debenhams units if permission is refused on the Bodicote site. The objective of the sequential test, i.e. to focus main town centre uses in the town centres, would not be furthered by such a refusal in this case.
- 5.4 We conclude that, on balance, there are no suitable sites available in, or on the edge of the town centre and the sequential test is met.

### Retail Impact

- 5.5 Our primary aim is to identify the likely impact on shops and centres in the area and the pre-application inquiry response indicates a significant concern with the possible impact on smaller shops.
- 5.6 We have identified several matters which point to a greater impact generally and to a more localised impact than PG has indicated. However, it is clear that the proposal will not have a significant impact on the town centre vitality and viability or investment decisions within the town centre. There is risk that the planned development at Longford Park will not go ahead, but information on which to base an assessment is lacking and in the absence of any objection by the developer or retailer it would be difficult to support a reason for refusal. There is a significant risk of the closure of the Spar in Bodicote.
- 5.7 PG argues that the impact on retailers outside the town centre are not protected by planning policy. We have found no indication in the development plan that Policy S29 is restricted to redevelopment and changes of use as claimed by PG. However, whatever view is taken of the policy, it is necessary to consider how much weight it should be given in the planning balance. It is not the purpose of retail planning policy to protect existing retailers from competition and there needs to be a clear public interest to do so.
- 5.8 The existing Spar in Bodicote provides an important service to local people, including a post

office, in a convenient location which encourages journeys by foot. However, if it did close as a result of the proposal, there would still be a shop for groceries in the village, albeit in a less convenient location for walking trips. There is no evidence of a need for the proposal arising from the housing development in the area and no need case is put forward by PG. However, the irrespective of the lack of need, the proposed foodstore could still provide a much greater range and choice of goods. Although this is not expressed in any policy statement, this is a distinct public benefit which underlies retail planning policy and to which significant weight should be given.

- 5.9 The proposal would also provide economic benefits both through the construction activity and through the retail jobs it would provide. The advantages of job gains in the retail grocery sector should not be overestimated because, in a situation where expenditure is not increasing, they are likely to be largely offset by job losses elsewhere in the sector. There is, however, likely to some overall increase in jobs which should attract moderate weight.
- 5.10 It is ultimately for the Council to decide how to strike the planning balance but in our view, particularly in the current economic conditions as the economy emerges from the effects of the Covid-19 lockdowns, the economic benefits of the proposal would be likely to be considered as overriding the adverse impact on the existing shop at any appeal.
- 5.11 If planning permission is to be granted, we recommend that conditions are imposed to limit the sales floorspace to that assessed in the RS and sales to food with an appropriate allowance for comparison goods. We can provide more advise on the wording of such conditions if this would help.



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