



Retail Impact Threshold Advice for West Suffolk

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Date	Originators	Approved
19.06.2014	Bláthnaid Duffy Associate Partner	Dr Steven Norris Partner


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1.0 INTRODUCTION

- 1.1 Strategic Perspectives (SP) was commissioned by Forest Heath District Council and St Edmundsbury Borough Council (referred herein as West Suffolk) to provide advice on an appropriate local floorspace threshold for retail impact assessments (RIA). This will provide the Councils with an evidence base to justify applying a locally set threshold enabling greater control in identifying impact associated with retail at edge or out-of-centre locations.
- 1.2 The advice provided in this report will be used as supporting evidence to the Forest Heath & St Edmundsbury Local Plan Joint Development Management Policies Document (JDMPD), which is subject to examination hearings in July 2014. The findings will also be used to inform the preparation of a proposed modification to Policy DM35 of the JDMPD.

Background

- 1.3 The JDMPD in its current form does not provide policy on thresholds for RIAs. Without an agreed local threshold, the default threshold of 2,500m² set by the *National Planning Policy Framework* (NPPF; paragraph 26) will apply to all proposals located at edge or out-of-centre locations.
- 1.4 A key question in testing the soundness of the JDMPD is whether there is a need for a local threshold for RIAs or whether the NPPF's default floorspace threshold is appropriate. The need for a local threshold for RIAs was raised following the examination of the St Edmundsbury Site Allocations DPD documents known as Visions 2031. The examination Inspector proposed modifications to include the introduction of a local floorspace threshold of 1,000m² in respect to proposals at Bury and Haverhill.
- 1.5 This raised questions as to whether a local threshold should be applied to the rest of St Edmundsbury (i.e. the rural area) and for Forest Heath District. Currently, there is no local floorspace threshold identified within the Forest Heath Local Plan or DPD.

The Need for a Local Threshold

- 1.6 Evidence shows growing pressure within West Suffolk for out-of-centre floorspace, which will inevitably impact on the role, function, vitality and viability of the Councils' network of centres. Most recently, Newmarket was subject to public inquiries following the submission of proposals by four major grocery retailers for foodstores, all of which were located out-of-centre. In those cases, the proposed foodstores were above the NPPF's default threshold; therefore, it was possible for Forest Heath District Council to fully assess the potential impact of these proposals, both individually and cumulatively on the vitality and viability of Newmarket Town Centre.

- 1.7 However, there is a continuing creep in the development of smaller retail schemes at out-of-centre locations nationally and locally. In many cases, proposals are below the NPPF's default threshold and where a local threshold is not in place; applicants do not have to undertake an impact assessment.
- 1.8 The application of a local impact threshold for new retail development provides local planning authorities (LPAs) with greater control and involvement in guiding where new retail development is best located. By exploring the potential to apply a lower threshold this will enable West Suffolk to fully assess and determine the impact of new out-of-centre floorspace on the vitality and viability of its centres, including the impact on existing, committed and planned public and private investment in accordance with the NPPF (para 26).
- 1.9 Furthermore, it should be noted that there are many examples where a LPA's request for a RIA has been dismissed at appeal (including costs awarded to the applicant) where a locally set RIA policy has not been in place. Examples include a 780m² (gross) foodstore located on the edge of Coggeshall Local Centre, Essex (APP/Z1510/A/2171723); an 815m² (gross) non-food retail unit out-of-centre to Bracknell Town Centre, near Reading (APP/R0335/A/12/2181506; and a 277m² (gross) convenience store out of centre to Dosthill Local Centre, near Tamworth (APP/Z3445/A/12/2177615). In all three cases, the Appeal Inspectors concluded that an RIA was not required on the basis that the proposed floorspace was below the NPPF's default threshold and there was no local threshold to justify the LPA's request. These cases further highlight the importance of identifying an appropriate local RIA threshold for the West Suffolk area.

Report Structure

- 1.10 The advice set out in this report has been prepared in compliance with the NPPF and takes account of the advice set out in the National Planning Practice Guidance (NPPG). It covers key considerations including: current retail development trends; vitality and viability of centres in Forest Heath District and the rural areas of St Edmundsbury; as well as recent and emerging retail development consents.
- 1.11 The methodology and reporting output is set out as follows:
- **Section 2: Review of retail development trends** – this section provides important context to our advice and takes account of current trends in retail development outside of centres and the changing format of retail units/ retailer requirements.
 - **Section 3: Review current threshold guidance** - provides an overview of current policy guidance on floorspace thresholds for RIAs including national guidance and development plan (current and emerging) policies. This includes an appraisal of the proposed local floorspace threshold for Bury and Haverhill.

- **Section 4: Identify key issues for town centres in West Suffolk** – reviews the findings of relevant evidence-based documents to identify the key issues for the town centres in Forest Heath and St Edmundsbury. In particular, an overview is provided on the findings of town centre health checks carried as part of the St Edmundsbury Retail Appraisal Report 2012 (Drivers Jonas Deloitte) and Forest Heath Retail & Town Centres Study 2011 (Strategic Perspectives); and is also informed by recent town centre audits by West Suffolk.
- **Section 5: Potential Effect of Committed Development** – reviews demand for in-centre and out-of-centre retail floorspace within Forest Heath and St Edmundsbury. This provides an understanding of the type and scale of retail development promoted by developers/ retail operators and identifies areas where there is particular pressure for out-of-centre retail development.
- Finally, **Section 6** sets out the **recommended local impact threshold** based on the findings of previous sections.

2.0 RETAIL DEVELOPMENT TRENDS

- 2.1 The shift of grocery and non-food shopping to out-of-town locations is well documented and is a challenge for most local planning authorities (LPAs) in the UK. While town centres are continuously adapting to changes in retail trends, the growth of out-of-centre retail development and online shopping has in many cases left town centres more vulnerable.
- 2.2 As highlighted in Section 1, there is increasing growth in smaller format retail schemes at out-of-centre locations. In general terms, national retailers seeking space in town centre and out-of-centre locations usually have requirements for retail units of 500m² and above. This is evident in the significant growth of convenience format stores by the UK's major food retailers. Tesco now has more Express and Metro stores than larger format stores. According to Tesco Stores Plc, their Metro stores typically require units of 1,000m² (net sales) and 195m² (net sales) for Express stores. Sainsbury's Local stores are expected to out-number traditional foodstore format stores in the near future and typically require units of approximately 418m² gross (278m² net). This compares with our own survey of Tesco Express/Metro and Sainsbury's Local stores in West Suffolk and neighbouring local authorities with store sizes ranging from approximately 300m² gross to 500m². Other retailers such as Waitrose, Co-op and Morrisons are also expanding their smaller convenience store offer along with traditional Symbol retailers (e.g. Nisa, Spa and One-Stop). As competition grows between the UK's food retailers, so does demand for new sites and units, with demand increasing for locations unrepresented by multiples such as edge or out of centre locations.
- 2.3 In general terms, proposals for retail floorspace over 300m² gross (195m² net assuming 65% of gross area) are unlikely to be a purely local facility and will tend to draw trade from outside of their immediate local catchment¹. As a result, it is unlikely that standalone out-of-centre stores will seek floorspace below this threshold; their 'business models' and competitive advantage over other stores and shopping locations is largely predicated upon trading from larger format retail units and drawing customers from wider catchment areas.
- 2.4 While proposals for smaller retail formats (under 2,500m²) at edge or out of centre, such as those promoted by the UK's key grocers, have been viewed as having less impact compared to larger foodstores; smaller towns and rural villages are more vulnerable to impact where they compete directly with comparable in-centre retail

¹ According to the Sunday Trading laws a 'large shop' is defined as being over 280m² internal area (i.e. area used for the display of goods and customer services. This provides a broad indication at the national level as to what constitutes a 'large shop' capable of generating a reasonable amount of trade (and, therefore, the potential to result in an impact on shopping patterns).

offer. Furthermore, cumulatively, growth in smaller format retail development has the potential to impact on larger centres.

- 2.5 Furthermore, the growth of online shopping will also potentially reduce retailers' requirements for new floorspace, and could result in some operators withdrawing where centres show signs of under-performing. In the current market there is only a finite demand from retailers seeking space in town centre locations. It therefore follows that those retailers operators taking space in edge or out-of-centre locations could be 'lost' from the town centre for good.
- 2.6 We therefore conclude it is reasonable for applicants proposing developments of 300m² gross and above to demonstrate that they will not have a significant adverse impact on town centres either on their own or cumulatively with other commitments in the area.

3.0 REVIEW OF EXISTING THRESHOLD GUIDANCE

3.1 This section provides an overview of current policy guidance on impact thresholds for retail impact assessments (RIAs) including national guidance and development plan (current and emerging) policies.

National Policy and Guidance

3.2 National guidance on RIA thresholds for local planning authorities (LPAs) is set out in paragraph 26 of the *National Planning Policy Framework* (NPPF). It states that local planning authorities should request an impact assessment for retail, leisure and office development proposals outside of town centres (that are not in accordance with an up-to-date Local Plan) (i.e. in edge² or out of centre locations) and over a locally set floorspace threshold. Where Council policy remains silent in terms of a local floorspace threshold for RIAs, the NPPF's default threshold of 2,500m² will apply. The NPPF's default threshold has remained the threshold for the majority of Councils in the UK, though it is unclear exactly how the threshold has been informed. It was likely influenced by the trends for retail floorspace development at the time, which reflected a growth in medium to larger format foodstores in edge and out of centre locations.

3.1 The *National Planning Practice Guidance* (NPPG) published in March 2014 maintains its previous guidance and that of the NPPF in promoting a default RIA threshold of 2,500m² where a local threshold is not in place. It also provides helpful advice for LPAs seeking to identify a locally appropriate threshold and states that it will be important to consider the:

- scale of proposals relative to town centres;
- the existing viability and vitality of town centres;
- cumulative effects of recent developments;
- whether local town centres are vulnerable;
- likely effects of development on any town centre strategy; and
- impact on any other planned investment.

3.2 The need to set a local threshold ultimately reverts back to the reasons for seeking an RIA in the first place. As the NPPG states in paragraph 14, RIAs are required to determine whether proposals in certain locations will have an impact on existing, committed and planned public and private investment or on the role of centres.

² For reference, for retail purposes edge-of-centre locations are defined by the NPPF as "well connected and up to 300 metres of the primary shopping area". However, the NPPF states that LPA's should consider "local circumstances" when determining whether a site falls in an-edge of centre location.

Development Plan Policy

- 3.3 The current development plans for West Suffolk provides limited guidance on the need for an RIA for retail proposals located outside a town centre. The emerging policies for Bury and Haverhill propose a retail threshold of 1,000m² gross, however no impact threshold has been set for Forest Heath and the rural areas of St Edmundsbury. As a result, the NPPF's default threshold will apply to retail proposals coming forward at edge or out-of-centre sites in certain parts of West Suffolk's administrative area.
- 3.4 The following paragraphs provide more detail on guidance set out in current and emerging development plan policy for the two Councils.

Forest Heath Core Strategy

- 3.5 Section 3 of the Forest Heath's adopted Core Strategy (FHCS) sets out retail and town centre policy for the District. **Policy CS 11** replaces policies 7.2-7.4 of the adopted Local Plan (only shopping policy 7.5 is retained). This updated policy supports the vitality and viability of Newmarket town centre, along with the smaller market towns of Mildenhall and Brandon, in accordance with their identified role in the spatial strategy. It specifically identifies capacity for new food and non-food retail floorspace in these centres up to 2021, which were informed by the findings of the *Retail and Town Centre Study* (2006 RTCS) published in 2006. Strategic Perspectives was subsequently instructed by the Council in Autumn 2011 to review and update the 2006 RTCS; resulting in revised capacity forecasts for the District.
- 3.6 Policy CS 11 states that developments that cumulatively exceed forecast capacity levels may still be approved: "...provided that qualitative benefits result or it can be demonstrated that such development assists in clawing back leakage of expenditure that would be expected to support that centre". This is the only indication of where the Council will require applicants to demonstrate retail impact. Clearly any proposal for significant new floorspace over and above that identified by the retail capacity assessment would need to be in compliance with national and local plan policies, and meet the criteria set out in the NPPF (i.e. the sequential and impact 'tests'). However, without explicit guidance on a floorspace threshold, the NPPF's default threshold will apply.

St Edmundsbury Core Strategy and Sites Allocations DPDs

- 3.7 Guidance on town centre uses is set out in **Policy CS10** (Retail, Leisure, Cultural and Office Provision) of the adopted Core Strategy. Here policy follows the town centre approach to new retail development; requiring new proposals to be directed to Bury and Haverhill Town Centres. New retail proposals are expected to take account of the need to protect the vitality and viability of Bury and Haverhill Town Centres; the sequential approach; impact on existing centres; and accessibility by a range of

- transport modes. Policy CS10 identifies capacity for new retail development in Bury and Haverhill based on the findings of the 2007 Retail Appraisal. However, these figures were updated by the subsequent retail study and convenience retail development.
- 3.8 For development elsewhere in the Borough, retail development will be focused in Key Service and Local Service Centres identified in Core Strategy Policy CS4. Key service centres include Barrow, Clare, Ixworth, Kedington, and Stanton.
- 3.9 As paragraph 4.126 of the CS states, more detailed policies on retail will be included within the Development Management Document, Area Action Plans for Bury St Edmunds and Haverhill and the Rural Site Allocations document.
- 3.10 The St Edmundsbury Sites Allocation DPD comprises three documents; the Bury Visions, Haverhill Visions and the Rural Visions. The submission draft Vision DPDs applied a local RIA thresholds for proposals in retail parks only. However, following the examination, the Inspector proposed modifications to include a 1,000m² threshold for all edge and out of centre retail proposals at Bury and Haverhill under Policy BV17 and HV11.
- 3.11 The Rural Visions DPD and the inspectors proposed modifications do not include a policy setting a RIA threshold, as there are no equivalent retail parks policy to apply this to. As such, for proposals where policies BV17 and HV11 are not applicable, the NPPG default threshold would apply for edge or out-of-centre retail proposals in rural areas of St Edmundsbury.
- 3.12 The Inspector's proposed modifications reflect the findings of the St Edmundsbury Retail Appraisal, which advises a Borough-wide RIA threshold of 1,000m².

St Edmundsbury Retail Appraisal 2012

- 3.13 The threshold proposed as a modification in the Visions DPDs for Bury and Haverhill reflects advice by Drivers Jonas Deloitte in the St Edmundsbury Retail Appraisal 2012 (2012 RA). Here, the 2012 RA recommends a blanket local threshold of 1,000m² for new retail proposals across the Borough (paragraph 13.6). We note that the recommendation is not supported by any identified methodology or rationale but has "regard to the hierarchy of shopping centres within St Edmundsbury". As already discussed, under the new NPPG, published after the 2012 RA, local thresholds for RIA should take account of a range of considerations. While a 1,000m² is appropriate for Bury and Haverhill, we consider a lower a threshold may be required for more rural locations.

Forest Heath & St Edmundsbury Local Plan Joint Development Management Policies Document (JDMPD)

- 3.14 As highlighted previously, the JDMPD in its current form does not provide policy on thresholds for RIAs. Therefore, the default threshold of 2,500m² set by *National Planning Policy Framework* (NPPF) will apply. Currently Policy DM35 (“Proposals within the Town Centre Boundaries”) provides guidance on proposals for retail and non-retail commercial uses within town centres. However, this relates to development purely within the town centre boundary, rather than providing policy advice on development elsewhere.
- 3.15 The only reference provided in relation to development outside town centres is provided in paragraph 7.9, which states that:
- “Proposals for main town centre uses for sites elsewhere will need to demonstrate that there will be a minimal impact, both economically and environmentally, on existing town centres. There will also need to be a clear indication that a sequential approach has been taken to identifying the site, starting from the primary shopping area of the town centre.”*
- 3.16 The proposed modifications to Policy DM35 provides the joint Council’s with the opportunity to ensure that edge and out-of-centre proposals for additional retail floorspace that are disproportionate in scale to their respective town centres are required to demonstrate that there will be no significant harmful impact on town centre vitality and viability. This can be ensured by setting a local threshold that reflects the role, function and position of centres within West Suffolk’s shopping hierarchy. Furthermore, the application of a local floorspace threshold for RIAs within the JDMPD will ensure that the development plan is in tune with national policy and guidance.
- 3.17 In identifying an appropriate threshold, consideration should be given to recent and emerging demand for out-of-centre retail development in terms of the scale and type of commitments and proposals compared to existing provision and the health of nearby town centres. For Forest Heath District and rural St Edmundsbury, this is considered in the following sections (**Section 4 and 5**).

4.0 EXISTING VITALITY AND VIABILITY OF TOWN AND KEY SERVICE CENTRES

- 4.1 An important factor in determining an appropriate local floorspace threshold for RIAs is understanding the key issues for town centres; particularly those likely to be affected by the pressures for out-of-centre development. For the purpose of this review, we have focused on the town and key service centres in Forest Heath District; Newmarket, Mildenhall, Brandon, Lakenheath and Red Lodge, as well as the key service centres serving the rural area of St Edmundsbury Borough; Barrow, Clare, Ixworth, Kedington and Stanton.
- 4.2 The review is informed by existing baseline evidence; in particular health check assessments carried out as part of the Forest Heath Retail & Town Centres Study 2011 (2011 RTCS); supplementary retail advice provided by Strategic Perspective in respect of the foodstore inquiries in Newmarket; and recent town centre audits prepared by West Suffolk.

Newmarket

- 4.3 Forest Heath District Council's (FHDC) most recent audit of town centre uses in October 2013 identified 226 retail and commercial services units (A1-A5) in the town centre. This represents a small increase from the 222 units identified in the 2011 Retail Study. The increase in provision is attributed to an increase in A3 units (+7.5) while the number of A5 units has fallen slightly (-3). A more recent health check and audit of the town centre carried out as part of our advice to the Council in respect to the foodstore applications identified no significant change in Newmarket's overall retail offer since the 2011 RTCS.
- 4.4 In terms of vacancies, the number of vacant units fell from 22 recorded in the 2011 Retail Study to 16 identified by the Council in October 2013 (excluding the development site south of High Street).
- 4.5 At the time of the Council's audit, no. 166 High Street was subject to a planning application for office and residential uses. The unit is currently under renovation and is being marketed by local estate agents on a leasehold basis.
- 4.6 In summary, based on existing evidence Newmarket town centre is a vital and viable centre. It provides its local shopping and rural catchment population with a good range of shopping facilities typically found in a centre of its size and position in the retail hierarchy. However, there are a number of weaknesses/ threats to the centre's overall attraction and performance including:
- the continued lack of investment, particularly in The Guineas;
 - under-provision of larger modern units;

- lack of a cinema and a diverse leisure offer;
 - decline in the street market;
 - increasing competition from out-of-centre shopping facilities both within and outside the District; and
 - poor perceptions of the centre's evening offer.
- 4.7 The town centre has recently been subject to four applications for out-of-centre foodstores. The Council subsequently granted permission in February 2014 for a replacement Tesco store (5,500m² net) at Fordham Road (Ref: F/2011/0084/FUL) and a new Morrisons store on the former gas works site on Exning Road (F/2011/0712/FUL) in December 2013. The proposals for a new mixed use development at the George Lambton Playing Fields (F/2011/0541/HYB), including a Sainsbury's superstore (3,770m² net) was refused by the Council, along with a new Asda store (3,717m² net), and mixed uses on land at 196-198 and 218-222 High Street, Newmarket (F/2012/0216/F). Asda subsequently appealed against the Council's decision, but their appeal was dismissed by the Inspector in March 2014 (APP/H3510/A/2201646).
- 4.8 The refurbishment/redevelopment of The Guineas in Newmarket Town Centre remains a "high priority". Any improvements to the scale and quality of the shopping centre's retail offer, including the provision of larger units, would significantly improve Newmarket's overall vitality and viability. It would also help to strengthen the centre in the face of growing competition from out-of-centre retail and leisure destinations in both the District and the wider sub-region. While the number of vacant units has fallen since the 2011 Town and Retail Study, every effort should be taken to support new investment in the town centre.
- 4.9 As evident from the recent foodstore applications and inquiry, demand for out-of-centre retail development is strong for Newmarket and it is likely that new convenience (or comparison) floorspace proposals will come forward again in the future. While the town centre is performing relatively well based on findings of the recent town centre audit it is still vulnerable to edge and out-of-centre development. The application of an appropriate RIA floorspace threshold will ensure that current and future investment in the town centre is safeguarded against the cumulative impact of smaller format stores at edge or out-of-centre sites.

Mildenhall

- 4.10 The 2011 Retail Study identified 87 retail and commercial service (A1-A5) outlets in the town centre. However, based on the FDHC's most recent audit, the number of units fell to 82 in October 2013. Of this total there was a slight reduction in the number of A1 (-1), A2 (-3) and A3 (-1) outlets and a small increase in A4 and A5 outlets (both +1).

- 4.11 As highlighted in the 2011 Retail Study, convenience retail provision was substantially enhanced following the opening of a 4,084m² (gross) Sainsbury's store in 2009. Sainsbury's formerly occupied a smaller unit on St Andrew's Street, which was subsequently occupied by Wilkinson. The quick turnover of this unit back to operation was noted in the 2011 RTCS health check assessment as "a positive sign and shows that the centre continues to attract new retailers".
- 4.12 In terms of retailer representation, the 2011 RTCS identified a good mix of multiple retailers, which reflects the role and position of the centre in the shopping hierarchy. This still appears to be the case. In addition, it is noted that the centre benefits from a good provision of independent retailers.
- 4.13 FDHC's audit in October 2013 recorded 10 vacant units in the town centre; representing a reduction from 12 identified in the 2011 RTCS. It is noted that the majority of vacant units are located in secondary areas of the town centre.

We note that the findings of the 2011 on-street survey highlighted that almost 35% of respondents indicated that they thought Mildenhall had a good range of food shops; an improvement on previous survey results and influenced by the opening of the larger Sainsbury's. Parking in the town centre was identified as the main issue of concern by town centre users.

- 4.15 In summary, while on balance the town centre is performing well in terms of a reduction in retail unit vacancies, retail and commercial service offer and tenant mix; the fall in the number of A1-A3 uses raises some concerns. As a smaller centre, Mildenhall will be vulnerable to edge and out-of-centre retail proposals, including smaller foodstores, which will compete directly with in-centre offer. This is particularly relevant given the poor perception of parking in the town centre, which may encourage shoppers to visit out-of-centre retail if it is available.

Brandon

- 4.14 FDHC's most recent audit of town centre uses in Brandon identified 67 retail and commercial service outlets (e.g. A1-A5) in October 2013. This represents an increase from 58 recorded in the 2011 RTCS. In terms of individual use classes, there was an increase in A1 (+4.5), A2 (+2), A3 (+2), and A5 (+2) units while the number of A4 units remained unchanged.
- 4.15 Brandon has one out-of-centre foodstore, a 1,024 m² (net sales) Tesco store on London Road. Based on the findings of the 2011 household survey, the assessment notes that the store increased its market share of convenience expenditure in the Zone 3 (as defined in the 2011 RTCS), which corresponds to a primary shopping catchment for Brandon. An increase was also identified for the combined market share of convenience stores in the village. This is a positive indication of Brandon's economic performance and suggests a reduction in convenience leakage from its catchment.

- 4.16 The centre has a limited multiple offer and it is mainly characterised by its smaller independent businesses. This is to be expected for a centre of its size and its role and function in the District's retail hierarchy.
- 4.17 The 2011 RTCS recorded a fall in the number of vacant units from 8 in 2006 to 6 in 2011; equivalent to a vacancy rate of 11.3%, which at the time was below the UK average for town centres (13.2%). Based on the Council's town centre survey in October 2013 the number of vacant units has halved to only three.
- 4.18 The 2011 in-centre survey identified local dissatisfaction with the centre, with almost half of respondents identifying 'nothing/very little' that they like about Brandon. It appears that this could be linked with what is perceived as a 'poor range of shops' which was identified by 32% of respondents to the on-street survey as something which they disliked about the centre.
- 4.19 In summary, based on the most recent town centre survey data, Brandon is performing well; evident from a significant reduction in vacancies since 2011 and an increase in retail and commercial services offer. However, while Brandon Town Centre appears to be a vital and viable town centre, it will still be vulnerable to edge and out-of-centre development; particularly smaller foodstores that compete directly with existing town centre retailers. Therefore, development proposals for edge or out of centre retail development needs to be adequately assessed to gauge potential impact.

Lakenheath

- 4.20 Lakenheath is the smallest of the District's centres and has a more limited retail and service offer compared to Brandon, Mildenhall and Newmarket. Convenience offer includes a small Co-op store and a Post Office/ newsagent. Planning permission was granted for a 2,039m² (gross) Tesco in the village centre, however, work has yet to commence on this store. Lakenheath's comparison retail offer is limited but is expected for a centre of its size, role and function in the District's shopping hierarchy.
- 4.21 FDHC's recent survey of the centre (June 2014) identified 18 retail and commercial service outlets (A1-A5). This represents a reduction from 22 outlets recorded in the 2011 RTCS. Reductions are noted in A1 (-3) and A3-A5 (-2). Currently the village centre has three vacant units compared to four recorded in 2011. However, we note that one of the vacant units is intended to accommodate the new Tesco store.
- 4.22 The 2011 RTCS notes the importance of community facilities in supporting the vitality and viability of the centre such as the library, church, surgery and other community uses, including the Royal British Legion and the village hall and pavilion.
- 4.23 Overall, the village centre appears vital and viable and based on existing retail and commercial service provision, meets the day to day needs of the local population. However, the reduction of key village uses (A1-A5) since 2011 should be closely monitored in the future and will require greater protection from edge or out-of-centre

developments that could potentially impact on the centre (e.g. convenience retail proposals).

Red Lodge

- 4.24 Red Lodge is subject to a masterplan that includes the planned growth of 1,500 new homes served by a mix of retail, commercial and community uses within a village centre. Outline permission was originally granted for up to 3,000m² of retail floorspace. To date, six retail units have been completed of which four are currently occupied by Nica (symbol convenience store), a chemist, a letting agency, and a takeaway. The two remaining units are currently vacant.
- 4.25 As a planned investment area, the development of edge or out-of-centre development at Red Lodge or nearby centres could impact on the viability of town centre uses coming forward. The application of a local threshold for rural locations in Forest Heath District would ensure that the future development of town centre uses at Red Lodge is protected.

Key Service Centres in St Edmundsbury Borough

- 4.26 Heath check assessments were not carried out for the rural centres in St Edmundsbury as part of the St Edmundsbury Retail Appraisal 2012 (2012 RA). Therefore, our review is based on known village uses located within each of the rural centres and any committed development.

Clare

- 4.27 Clare is a small traditional market town and based on our own survey of the centre, provides a greater offer of retail and services compared to other rural centres in the Borough. Existing retail caters to a local catchment population with convenience offer served by a small Co-op store and supporting convenience offer. We note that the centre benefits from a good range of comparison niche retailers, which is a key strength for the centre. Overall, Clare is a pleasant and viable centre, which is performing relatively well for a centre of its size and status.

Ixworth

- 4.28 Ixworth village is located six miles from Bury St Edmunds and provides a basic offer of local retail and service uses including a convenience store, post office, butchers, boutique, restaurant and public house. Planning permission was granted for a 589m² (gross) Co-op store located out of centre to the village, which is due to open this summer. The village's proximity to Bury means that demand for new retail floorspace is likely to be for smaller format retail as demonstrated by the planned Co-op.

Kedington, Stanton and Barrow

- 4.29 Retail and service offer is very limited in the smaller villages of Kedington, Stanton and Barrow. Retail offer in Kedington and Stanton includes a Post Office/ convenience store and basic day to day services (e.g. takeaway and hair salon). Kedington benefits from a local butcher shop and Stanton a hardware store. Stanton and Kedington's proximity to Bury and Haverhill, respectively, means that there is likely to be limited demand for retail investment nor the critical mass in population to support retail proposals over 2,500m². This is also the case for Barrow, which has a particularly limited mix of uses that are dispersed across the village.
- 4.30 While retail and service provision is appropriate for the size and catchment population of the village centres they serve, they will be particularly vulnerable to edge or out-of-centre retail developments, including at larger nearby centres. For example, the opening of a 300m² (gross) convenience store outside the village centre is likely to have a significant impact on these villages where it competes directly with existing provision. With a local threshold in place, this will allow West Suffolk to identify impact and ensure local retail and service provision is maintained and enhanced for the future.

5.0 POTENTIAL EFFECT OF PLANNED AND COMMITTED RETAIL DEVELOPMENT

5.1 This section examines retail consents in West Suffolk including their size and location. This will assist in identifying centres under pressure from out of centre development and will inform an appropriate floorspace threshold.

Planned and Committed Development of Town Centre Uses

5.2 Table 5.1 provides a summary of planning applications circa 300m² or above for retail (A1) in West Suffolk since the completion of the latest retail studies for both Councils. A more detailed schedule of completed, planned or proposed retail development is provided in **Appendix 1**.

5.3 In summary, since late 2011/ early 2012 planning permission was granted for 11 retail (A1) schemes of circa 300m² (gross) and above; equating to 17,654m² (gross) of floorspace. As Table 5.1 shows, 9 of the 11 retail schemes identified are located at out-of-centre sites; equating to 91% (16,134m²) of total committed retail floorspace. Bury St Edmunds, Haverhill and Newmarket are the main recipients for committed out-of-centre retail floorspace; reflecting their position as key retail locations within the Councils' shopping hierarchy.

Table 5.1: Development Schedule for Retail (A1) Schemes circa 300m² and above

	TOWN CENTRE			OUT OF CENTRE		
	Number of consents	Total floorspace (m ² gross)	Floorspace Range (m ² gross)	Number of consents	Total floorspace (m ² gross)	Floorspace Range (m ² gross)
Bury	1	908	908	5	4,137	308 to 1,893
Haverhill	-	-	-	1	2,108	2,108
Ixworth (Rural Area)	-	-	-	1	589	589
Newmarket	1	612	612	2	9,300	4,647 to 4,653
Total	2	1,520	-	9	16,134	-

Source: Appendix 1

Notes: Number of retail planning consents (circa 300m² gross or above) since the publication of the Forest Heath Retail and Town Centres Study (November 2011) and St Edmundsbury Retail Appraisal (January 2012).

5.4 In summary, Table 5.1 demonstrates the sustained demand for retail floorspace (along with other town centre uses) in out-of-centre locations in West Suffolk since late 2011/ early 2012. While consents for town centre locations indicate continued investment in Bury and Haverhill, the balance of development for medium to large convenience store proposals (circa 300m² gross and above) in terms of planning consents and floorspace is clearly weighted towards out-of-centre sites. Furthermore, of the 9 out-of-centre

retail schemes identified; seven comprise floorspace that falls below the NPPF's default threshold (i.e. less than 2,500m² gross floorspace). This highlights the importance of identifying an appropriate local threshold in order to manage future development proposals and ensure they are appropriately tested in terms of impact as well as the sequential approach.

6.0 RECOMMENDATIONS

- 6.1 The planning system has a crucial role to play in protecting and enhancing the high street. Developments in edge and out-of-town locations, which are not in accordance with national and local policy and/or disproportionate in scale to their respective centres have the potential to have severe negative impacts upon the vitality and viability of those centres.
- 6.2 The NPPF (paragraph 26) advises that local planning authorities can put in place local impact thresholds, where it is considered expedient to do so. It is also supported in the NPPG.
- 6.3 A review of current retail trends and emerging store formats show that there is increasing growth in smaller format stores; particularly in the convenience retail sector. In many cases, the floorspace of retail and proposals at edge or out-of-centre locations are below the NPPF's 'default threshold' of 2,500m² gross. This is evident in West Suffolk area where seven out of 11 out-of-centre committed retail schemes comprise floorspace under 2,500m² (gross).
- 6.4 A review of town and village centres in Forest Heath District and rural areas of St Edmundsbury shows they are performing well and offer a mix of uses appropriate to their role within the Councils' respective shopping hierarchy. However, in light of increasing demand from developers and retail for development at out-of-centre sites, and without a local threshold in place, these centres are vulnerable to impact. We consider that maintaining a 'default threshold' of 2,500m² gross could have a significant adverse impact on West Suffolk's strategy and plans to attract new investment and business to its town and local centres, particularly key service centres.
- 6.5 As a result we recommend that a lower floorspace threshold is set for Forest Heath District and the rural area of St Edmundsbury Borough. This will enable West Suffolk to fully assess and determine the impact of new edge and out-of-centre floorspace on the vitality and viability of its centres, including the impact on existing, committed and planned public and private investment in accordance with the NPPF (para 26).
- 6.6 In this case we consider a local floorspace threshold of 1,000m² and above for retail outside of Newmarket Town Centre is reasonable, appropriate and proportionate. The threshold reflects the size and role of Newmarket as the Forest Heath District's primary shopping town and the scale and demand for out-of-centre retail; as evident from the recent foodstore inquiry. In addition, the 1,000m² corresponds to the recommended threshold identified for key centres in St Edmundsbury Borough, Bury and Haverhill which are comparable to Newmarket.
- 6.7 For the key service centres and local centres in Forest Heath District including Brandon, Mildenhall, Lakenheath and Red Lodge and the key service centres and local centres in St Edmundsbury including Barrow, Clare, Ixworth, Kedington and Stanton;

we recommend a lower floorspace threshold of 300m² gross. We consider a more restricted threshold is appropriate and proportionate to size of these centres, which are potentially more vulnerable to smaller scale out-of-centre retail. For example, the opening of a small format convenience store outside of these local centres is likely to directly compete with village centre stores. We therefore conclude it is reasonable for applicants proposing developments of 300m² gross and above to demonstrate that they will not have a significant adverse impact both individually or cumulatively.

- 6.8 Finally, it is important that the scope and detail of any Retail Impact Assessment (RIA) required in support of a planning application is discussed and agreed between the applicants and West Suffolk at an early stage in the pre-application process. The scope and level of detail included within a RIA should be proportionate with the scale of the proposal, and should be agreed with West Suffolk on a case-by-case basis.

7.0 GLOSSARY

TOWN CENTRES:	Town centres will usually be the second level of centres after city centres and, in many cases, they will be the principal centre or centres in a local authority's area. In rural areas they are likely to be market towns and other centres of similar size and role which function as important service centres, providing a range of facilities and services for extensive rural catchment areas. In planning the future of town centres, local planning authorities should consider the function of different parts of the centre and how these contribute to its overall vitality and viability.
LOCAL OR VILLAGE CENTRES:	Local centres include a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. In rural areas, large villages may perform the role of a local centre.
TOWN CENTRE USES:	Main town centre uses are retail development (including warehouse clubs and factory outlet centres); leisure, entertainment facilities the more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres, and bingo halls); offices; and arts, cultural and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).
TOWN CENTRE BOUNDARY:	Defined area, including the primary shopping area and areas of predominantly leisure, business and other main town centre uses within or adjacent to the primary shopping area. The extent of the town centre should be defined on a proposals map.
EDGE-OF-CENTRE	For retail purposes, a location that is well connected up to 300 metres from the primary shopping area. For all other main town centre uses, a location within 300 metres of a town centre boundary. For office development, this includes locations outside the town centre but within 500 metres of a public transport interchange. In determining whether a site falls within the definition of edge-of-centre, account should be taken of local circumstances. (For example, local topography will affect pedestrians' perceptions of easy walking distance from the centre).
OUT-OF-CENTRE	A location which is not in or on the edge of a centre but not necessarily outside the urban area.
OUT-OF-TOWN	A location out of centre that is outside the existing urban area.
CONVENIENCE SHOPPING	Convenience retailing is the provision of everyday essential items, including food, drinks, newspapers/magazines and confectionery.
SUPERMARKETS	Self-service stores selling mainly food, with a trading floorspace less than 2,500 m ² , often with car parking.
CONVENIENCE STORE	Typically small stores that offer a convenience shopping top-up function.
COMPARISON SHOPPING	Comparison retailing is the provision of items not obtained on a frequent basis. These include clothing, footwear, household and recreational goods.
COMMERCIAL SERVICE USES	For the purpose of this assessment we have grouped A2 to A5 uses as 'commercial services'.
RETAIL PARKS	An agglomeration of at least 3 retail warehouses.
GROSS RETAIL FLOORSACE	The total built floor area measured externally which is occupied exclusively by a retailer or retailers; excluding open areas used for the storage, display or

	sale of goods.
NET RETAIL SALES AREA	The sales area within a building (i.e. all internal areas accessible to the customer), but excluding checkouts, lobbies, concessions, restaurants, customer toilets and walkways behind the checkouts.

- END -

APPENDIX 1: COMMITTED RETAIL DEVELOPMENT SCHEDULE

COMMITTED RETAIL (A1) DEVELOPMENT SCHEDULE

	Application reference number	Site	Description	Floorspace (m ² gross)	Decision	Completion	Location
St Edmundsbury Borough Council	BURY						
	SE/12/0639	Unit 1, Robert Bobby Way	Mezzanine Floor TKMax (A1)	908	12/07/2012	Completed	Retail park in Town Centre
	SE/09/1420	The Bartons Retail Park, Barton Road	Erection of 1 no. Class A1 unit.	507	14/01/2010	31.3.12	Out of centre
	SE/11/0085	C W G Ltd, Chapel Pond Hill	Use of land and buildings as Class A1 (for the display and sale of countryside related products)	1893	09/05/2011	To be confirmed	Out of centre
	DC/13/0919/FUL	Out Risbygate, 8, Unit 2	COU from Sui Generis (car sales showroom) to Class A1 (retail) for Co-op	308	26/02/2014	Completed	Out of centre
	SE/11/0922	Newmarket Road/Dettingen Way (Aldi)	Erection of discount food store (A1)	1,429	11/09/2012	18/09/2013	Out of centre
	SE/13/0349/CLP	Unit A & Unit B Easlea Road	Lawful Development Certificate for Proposed Use - to use premises for the sale of goods within class A1 (with exclusions)	Not known	20/09/2013	Completed	Out of centre
	HAVERHILL						
	SE/11/0242	Former Project Office Furniture, Hamlet Green	3 Retail units (A1)	2,108	25/05/2011	Commenced	Out of centre
	RURAL ST EDMUNDSBURY						
SE/13/0604/FULCA	High Street, Ixworth	COU of garage to Class A1 (convenience foodstore)	589	09/01/2014	Not completed	Out of centre	
Forest Heath District Council	NEWMARKET						
	F/2012/0338/EOT	Exeter Road, 4, former Conservative Club, Newmarket	COU to A1/A2/A3/A4/A5	612	20/07/2012	Not completed	Town centre
	F/2011/0712/FUL	Exning Road, former Gas Works land, Newmarket	Demolition of existing buildings and redevelopment to provide a new food store Morrisons (A1)	4,653	30/12/2013	Not completed	Out of centre
F/2012/0704/FUL	Fordham Road, Unit 1 Oaks Business Park	Erection of a Tesco Superstore (9,870m ²) to replace existing (5,223m ²); equating to a net increase of 4,647m ² gross.	4,647	14/02/2014	Not completed	Out of centre	