

Consideration of the need for a locally derived Retail Thresholds Policy

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Summary of Issues:

Local authorities are invited, through the Local Development Framework (LDF) process, to set local thresholds for the scale of applications for edge-of-centre or out-of-centre development that will require an impact assessment. Without a locally derived threshold, impact assessments are required for planning applications for retail and leisure developments over 2,500 sq metres gross floorspace (for context Morrisons, Lysander Road, Yeovil has a total net sales area of 2,787 sq metres, whilst Asda is 3,325 sq metres). The draft National Planning Policy Framework retains this approach.

We have no locally set threshold, this paper explores the issues surrounding the matter and establishes whether we require a local threshold to protect the vitality and viability of our Town Centres.

Considerations:

Current policy (PPS4) requires a sequential approach be applied to planning applications for sites not within the defined Town Centre. All options in the centre are required to be thoroughly assessed before less central sites are considered for development. This requirement applies to all development and extensions greater than 200 sq metres. This approach strongly guides the locational aspects of retail development, as it seeks to focus on the Town Centres first.

As stated above, Retail Impact Assessments are only required for developments over 2,500 sq metres unless there is a locally agreed threshold. The impact assessment establishes if there are any significant adverse impacts of the proposed development on centres (Policy EC16), taking into account the effect of recent permissions, developments under construction and completed developments.

The South Somerset Retail Study (July 2010, updated November 2010) does not indicate any real need for additional convenience shopping in any settlement in the short term. Yeovil and Wincanton have greater capacity in the medium to long term, but the study is clear that this should be focused, especially in Wincanton, in town centre locations, as sites are available. The study indicates that Castle Cary and Somerton could benefit from additional convenience retailing, which will increase the level of retention of main/bulk food shopping trips.

The SSDC Retail Study Retail identifies that a by-product of the restriction of new development of large foodstores (i.e. Town Centre first policy) is the growth in applications to extend existing stores and the changing composition of floorspace within existing foodstores. There is an increasing emphasis on the sale of comparison goods at the expense of convenience goods, as expenditure growth rates for comparison goods are much higher than for convenience goods, and margins much greater. This trend poses an increasing threat to smaller centres, as larger foodstores will increasingly sell a wider product range than day-to-day convenience and comparison goods and services (Note - non-food floorspace accounts on average, for 28% of Morrisons store sales area and 50% of Asda - source: Verdict).

On the basis of the above, the Town Centres of the smaller Market Towns of Somerton and Castle Cary (Langport is sufficiently catered for with the Tesco store) and the Rural Centres (Ilchester, South Petherton, Martock, Bruton, Milborne Port

and Stoke Sub Hamdon) are the settlements likely to be affected by additional convenience retailing, these are also likely to be the settlements where there are a lack of Town Centre and Edge-of-Centre sites available for development, hence the sequential test will not afford the level of protection to the Town Centre, that is does in larger settlements with a greater choice of available sites. It is in these locations that the impact of retail developments may need to be explored in greater detail prior to approving planning applications, and it is suggested that a local threshold be introduced to provide that. This is not to say that the threshold will stifle development, in many cases, as alluded to in the South Somerset Retail study, additional convenience retailing will add to the overall offer and help to retain shopping trips in the local area, and the impact assessment will demonstrate this point, assisting the planning applications process.

Various local authorities have set a local threshold, and we are awaiting information on how they have approached the issue. In South Somerset in recent years, only Tesco in Langport (1,010 sq metres retail floorspace) has been awarded planning permission. Lidl in Wincanton, which was a controversial application is 560 sq metres (net) retail floorspace. Currently Tesco are looking to develop a store of approximately 1,000 sq metres in Martock.

On the basis on the above, and the fact that this approach would be applied to Rural Centres it is suggested that the threshold be set at 500 sq metres. Additional work will be required to evidence this approach, and it is suggested this been done and confirmed with the Portfolio holder prior to the Area Committees, if practical.

Recommendations:

- (1) To protect the vitality and viability of the smaller Market Towns and Rural Centres, a policy is included in the Core Strategy that sets a local threshold for retail impact assessments.
- (2) This threshold be set at 500 sq metres, subject to evidence supporting this approach and to be confirmed with the Portfolio holder prior to the Area Committees.