RESPONSE TO THE DRAFT RETAIL IMPACT ASSESSMENT

A critical review of the Retail Impact Assessment (June 2010) and relevant supporting documents submitted to Purbeck District Council.

For & On Behalf of: Wareham Chamber of Trade, Wareham Town Trust & PEAT.

September 2010

Key Findings

- It can be argued that the Retail Impact Assessment by Nathaniel Lichfield and Partners (NLP) submitted to Purbeck District Council overestimates capacity and need whilst underestimating impact.

- The Retail Impact Assessment (R.I.A) does not include important findings from the assessments carried out by NLP in 2008, which underpin the R.I.A:

Joint Retail Assessment Volume 1 : Capacity Analysis, March 2008 (NLP)

Joint Retail Assessment Volume 2 : Purbeck, March 2008 (NLP)

- When assessing an identified site in 2008 (north east of Wareham train station, it is also included in this current assessment as Site 3), NLP stated that: **"However, it is accessible to the whole of Wareham by car and could therefore draw trade away from the town centre foodstores. As such, the Council will need to carefully consider whether the qualitative benefit to residents as a whole and the potential to reduce outflow of convenience expenditure would outweigh any potential for harm on the vitality and viability of the town centre" (Volume 2, 9.9).**

- Therefore, it is reasonable to extend the concern raised by NLP regarding the proposed site in 2008, to the current `preferred site` in 2010 (referred to as Site 1), particularly considering Site 1 is in a much less residentially populated area, further `out of town` and positioned on the bypass which already directs people around the town. Site 1 shares all, if not more, of the potential impacts and limitations of Site 3.

- It can be argued that the sequential approach has not been applied with rigour and important material evidence relevant to local issues (particularly environmental and heritage) is not included.

- There is no demonstrable evidence supporting the significant degree of quantitative or qualitative need required to support the development of an out-of-centre superstore. Volumes 1 & 2 indicated that residents of Purbeck had good access to nearby larger towns and that the town centres of Purbeck are unlikely to compete with these larger towns. Expenditure convenience spending patterns have not been effectively captured, significant information has been overlooked (such as the rapid growth of internet retail in rural areas) and broad assumptions and estimations made about the ability of the smaller traders to manage the potential impact are unsubstantiated.

- The R.I.A also does not account for the inevitable overall reduced footfall in the town which would have a further impact on the stores and non-retail outlets such as café`s, restaurants and pubs, many of whom rely on `passing trade`.

- It also does not account for the potential indirect loss of jobs and revenue, generated by other businesses and trades which work with or for the local traders eg accountants, suppliers, window cleaners and so on. It would have the unintended affect of drawing trade away from Swanage & impact on local producers and suppliers throughout the District. There is the potential for wide spread loss throughout Purbeck.

- The proposed supermarket is an out-of-town variety, considered to be the most damaging to the vitality and viability of a town centre. It can be argued that the R.I.A is essentially attempting to demonstrate that the need for the most damaging sort of supermarket is to retain a minimal increase in market share across Purbeck, which will then not be redistributed within the local economy as it has been absorbed into the supermarket corporation. It is not a proposition that makes sense economically, environmentally or socially.

- Wider evidence suggests that “the ability of major retailers to make major contributions to local facilities gives them an unfair advantage over smaller retailers and can also distort the decision making process as objections are overcome by financial gain” (FoE 2007); Councillors have a key role as representatives of their local community and this role must not be de-valued by the interests of big business.

Recommendations:

- The decline of small independent retailers and market towns does not have to be an inevitable consequence of modern society; councils and planning departments need to work with the community, to influence the retail future of their areas.

- If a genuine need for increased floorspace is established, a wider consultation should take place in order to assess the best way of meeting additional floorspace needed to protect the vitality and viability of town centres and ensure consumer choice.

- Increased floorspace does not necessarily need to be provided by another supermarket superstore (particularly given the close proximity of several very large superstores), there is a stronger case that other forms of retail deliver more significant benefits, including street markets and small specialist independent shops.

- The Wareham traders and supermarket providers could form a steering group to work with members of the community to establish consumer choice and needs. Consider alternative uses for vacant units inorder to reduce the negative impact that these can have on the overall town with the wider community.

- Council officials to meet with traders regarding concerns raised in the Business Perception Survey which may be limiting their trading and the overall draw to Wareham.

Relevant background information

- Both previous planning inquiries into a supermarket at Worgret Road have come to the same conclusion - that an out-of-town supermarket would have a devastating impact on Wareham town centre - and the inspectors have recommended that a supermarket should not be pursued.

- To resist an out-of-town supermarket is a perfectly sound planning position for the Council to adopt and one which has successfully been supported twice at public inquiry and in the High Court. The argument that an out-of-town supermarket would otherwise be allowed on appeal is clearly ill-advised.

- A top-down approach to planning with housing figures imposed by central government has now been scrapped to be replaced with a locally driven approach to planning in the future. As explained in Eric Pickles' letter to local authorities "The new planning system will be clear, efficient and will put greater power in the hands of local people, rather than regional bodies." This offers the community the opportunity to reconsider the direction of travel of the current consultation and work more closely with the local authority in identifying needs and aspirations and helping to shape the town we want for the future.

Introduction

Nationally and locally, it is a crucial time for town centres and high streets and for the planning policies designed to apparently support them. Despite an attempt to promote more sustainability regarding developments of towns in planning legislation, independent retailers have continued to go out of business. Increasing evidence is demonstrating how the imbalance in resources (between supermarkets, developers and the local authorities) impacts on planning, with supermarkets devoting large amounts of money to negotiating the planning system, acquiring land and making offers and `sweeteners` for their proposed developments. Increasingly, there is the strategy of `dual applications`, that is a housing development which includes a supermarket or visa versa (FoE 2007).

Local authorities and planners increasingly relying on external consultants to undertake Retail Impact Assessments as a means of measuring need and impact particularly around the potential or actual application from a supermarket. It is vital to ensure that planning decisions are not made on the basis of poor quality or even incorrect information provided within these reports. Therefore, the following document endeavours to redress the balance of having only had the input from the commissioned Draft Retail Impact Assessment (R.I.A) in regard to the supermarket proposal part of the Core Strategy.

It will begin with a brief overview of what a R.I.A is and the information it is intended to provide to planners, including the potential imbalance of relying so heavily on these during the planning process. Furthermore, this document will challenge some specific aspects of the R.I.A undertaken by Nathaniel Lichfield and Partners on behalf of the Purbeck District Council as part of the Core Strategy in Part II.

PART I : What is an Retail Impact Assessment & is it a reliable tool for planners?

An R.I.A is: “an assessment by an applicant of the likely impacts of additional retail floor space upon the vitality and viability of existing town centres and designated shopping areas. These must also demonstrate the need for additional floorspace.”

However, an increasing number of local authorities and planning departments have raised concern that the R.I.A`s are often difficult to assess due to the use of complex methodology and data, meaning it is difficult to follow and measure the results of all the different calculations used. Combined with a lack of consistency in approach when undertaking a R.I.A, the result can be that it is easier for developers and supermarkets to prove what they want to prove about need or impact (FoE 2007). Examples of different consultancy firms coming up with different conclusions regarding a R.I.A for the same town have been recorded within planning departments Penistone, 2007).

Nationally, planners have been expressing concern that the Planning Team does not always have the necessary expertise or time to effectively look through R.I.A`s. Information available to planners has changed in the last couple of decades, with increasingly less independent or major academic research that gives planners case study material or broader analyses to be used in interpretation of local materials and submissions; infact the retail sector has created an increasing amount of literature itself and also have the financial means to access much of the information that is no longer freely available to the planners.

R.I.A`s are largely based on assumptions that are subject to personal interpretation, often containing poor, misleading or inaccurate information. Quality and accuracy of R.I.A`s vary widely, often with evidence of biased data, very broad assumptions about X% of people shopping in a certain way, the necessary additional retail floorspace they feel is indicated and how this will or will not impact on a town centre and/or influence peoples shopping behaviour.

R.I.A`s will also determine whether they consider that a town has `sufficient vitality and viability` to sustain impact from a supermarket, with increasing concern that such studies often “over estimate capacity and underestimate impact” (FoE 2007; NEF 2007)). The One Planning Inspector reported: “…various elements where I have found that there are inaccuracies or poorly substantiated assumptions such that I do not feel I can have the necessary confidence in their figures to support the proposed development..” (Planning Inspector`s Decision 2006).

In conclusion, when using R.I.A`s to inform potential planning decisions it is perhaps wise to employ a cautious approach. Planners should ensure that there is an independent check on recommendations and that they (the planners) have had a wide range of relevant information available to them to aid decision making, including recent research, town reviews and case studies. Calculations within the R.I.A are often based on national trends and may actually bear little relevance to their local community. The planners and the local community need to be sure that the R.I.A represents a genuine quantitative and qualitative need rather than clever statistical juggling.

Part II

The following part of this document will look more specifically at the submission by Nathaniel Lichfield and Partners (referred to in the text as NLP), Draft Retail Impact Assessment 2 June 2010 that has been used as part of the public consultation for the Core Strategy. The Retail Impact Assessment was specifically requested by Purbeck District Council to consider the need for a new foodstore in the District. In 2008, NLP prepared a Joint Retail and Leisure Study for four local authorities in Dorset covering Purbeck, North Dorset, East Dorset and Christchurch these are the documents that underpin the Retail Impact Assessment. The following part of this document will question some of the assertions and assumptions made in the Retail Impact Assessment in combination with the original assessments undertaken by NLP:

Joint Retail Assessment Volume 1 : Capacity Analysis March 2008 (NLP)

Joint Retail Assessment Volume 2 : Purbeck March 2008 (NLP)

These will be referred to in the text as Volume 1 or Volume 2, the Draft Retail Impact Assessment will be referred to as R.I.A, numerical detail will also be included where the specific points can be located within these reports. It will also use relevant independent research to highlight the potential damaging impact of a large supermarket in Wareham that are less clear from the R.I.A. This document focuses on the proposal for a large supermarket in Wareham as this is the Council`s preferred option. For ease of comparison, this document will follow the same format as the R.I.A.

Consultation:

As part of their study, NLP sought the views of local traders in Wareham. According to their report:

“The general sentiment at the consultation was against a foodstore and traders were worried about the impact a new foodstore would have on both the character of Wareham and existing retailers in Wareham town centre”(1.7)

The SWOT from the original Volume 2 has been revised; the `lack of a major supermarket` is no longer considered to be a `weakness` but the lack of multiples in the town is considered a strength (appendix 1).

Volume 1 included the results of a survey of the Business Occupier Perceptions in the four areas studied. When asked about their current trading performance it was noted that: “…Wareham (18%) significant proportions of the businesses rated their current trading as poor” (Volume 1, 4.7). Furthermore: “ Wareham was the only centre where there was a significant negative slant on the results with 30% of businesses feeling their trade performance has declined over the last 2 years” (Volume 1, 4.8)

Wareham businesses also cited high overheads and the general economy as the main factors that constrain the business performance. “The majority of respondents considered the centres (town) to have the right mix of shops” (Volume 1, 4.17)

“Businesses in most centres felt that reducing traffic congestion; improving public car parking; reducing parking charges were key priority issues for the future planning of their centres. Most centres also had a good proportion of respondents expressing the view that increasing local speciality retailers was also an important issue”. (Volume 1, page 46)

Volume 2 highlighted that: “The average score awarded to Wareham town centre by businesses was 2.93 which is between neutral and poor with the lowest factors being availability of car parking, traffic congestion and marketing/promotion/events.” (Page 18)

The R.I.A also shows a pie chart summarising the outcome from respondents of questionnaires sent out in September 2009, prior to the actual public consultation, this indicates that 50% supported the `preferred option`; this is misleading. It has become increasingly apparent that people were very unclear about what was being asked of them and the questionnaire has been critcised for the biased nature of questions and most importantly, that there was no option for `no supermarket`, therefore questioning the credibility of this statistic or whether it should be used to form part of the R.I.A.

As part of the consultation, published in Volume 1, NLP commissioned a telephone survey by NEMS Market Research, carried out Sept/Oct 2007, these results have been used within the R.I.A. Purbeck was split in to three sectors:

Zone PB1 Swanage 92 respondents
Zone PB2 Wareham 181 respondents
Zone PB3 Upton 191 respondents

This sample group cannot be considered statistically reliable, it equates to 1% of the population of the whole of Purbeck. Furthermore, it cannot be considered a representative sample. Telephone surveys are not generally considered a reliable source of information in isolation, given the wide variables that can influence results eg time of day calls are made, how the questions are asked and interpreted, response refusal rates.

However, to demonstrate the use of statistics in this regard and highlight how they can be interpreted to mean different things: of 56 respondents (Wareham), when asked what would make them visit their main town centre more often, only 12.5% included more food supermarkets. Arguably then, this proportion of people would be drawn `away` from the town centre should an out of centre store be built.

Purbeck District Council are at the end of their Public Consultation and have not yet made public the results in terms of views about the supermarket therefore it is not possible to put them in this document; anecdotally their seems to be great resistance and concern about the negative impact through Purbeck but particularly in Wareham.

Convenience Need

The study considers the quantitative and qualitative need for foodstore floorspace in the District up to 2027. PPS6 states at paragraph 2.33 that:

“In assessing the need and capacity for additional retail and leisure development, local planning authorities should place greater weight on quantitative need for additional floorspace for the specific types of retail and leisure developments. However, local planning authorities should also take into account of qualitative considerations” (Volume 1, 2.10).

Regarding Wareham itself: “This analysis indicates that there is a quantitative need for additional floorspace in Swanage but **not** in Wareham (R.I.A, 1.12)

A key consideration is also: “an appropriate distribution of locations is achieved, subject to the key objective of promoting the vitality and viability of town centres and the application of the sequential approach, to improve accessibility of the whole community” (Volume 1, 2.12). Furthermore:

“Other local issues, although not necessarily elements of `need`, can be important material considerations” (Volume 1, 2.13). This is particularly pertinent regarding building in Purbeck. Providing this scale of development in one of the most environmentally sensitive areas would have a major and irreversible impact on the town centre as well as Purbeck as a whole.

Population Projections:

Population projections have been used in establishing the need for more foodstore floorspace. Population projections used vary widely and between the lowest projection (DCC) and highest projection (ONS and RSS Panel Report) there was a potential difference of 5,700 noted; NLP acknowledges “there appears to be a degree of uncertainty regarding future population growth…” (Volume 1, 6.19), this consequently makes it a vague reference point with many variables which could affect outcome.

Of note, the Regional Spatial Strategy has now been scrapped, allowing Councils to re-evaluate the housing completions needed. Therefore, the use of these population projections for informing need may not be accurate or relevant.

Expenditure Growth Rates:

Original reports (Volume 1 & 2) used 2005 figures from Experian, the June 2010 R.I.A states that they have used 2008 figures for the updated study. However, it is unclear whether this was before the markets crashed and it is unlikely to represent the significant effect that the recession has had since 2008, the current high levels of inflation or imminent VAT increase.

Special Forms of Trading:

This refers to other forms of retail spending eg, mail order, internet, markets, door to door sales. The R.I.A excludes this information from its assessments as it …”does not have a direct relationship to the demand for retail floorspace” and that the amount is “insignificant in total expenditure spend” (R.I.A, 4.12), the only source they identified as informing this position was Experian who had reported that they had unable to obtain accurate data nationally ; however in Volume 1 it is acknowledged that “trends within this sector may well have implications for retailing within the study area” (6.4, Volume 1) and Volume 2 states one of the issues to consider when looking at scope for new floorspace: “The effect of internet/home shopping on demand for retail property” (Volume 2, 8.1).

Furthermore, other research and data collection shows that on-line shopping has experienced rapid growth since the late 1990`s, with recent evidence demonstrating that there is strong growth in rural areas, Ofcom have suggested that much of their demand from rural areas, is driven by the need for online shopping & banking, with ¾ of rural internet users stating this is their main use of internet, higher than the 69% UK average (Commission for Rural Communities). The number of online shoppers rose 22.4% last year to 22.6 million and it is predicted to grow to account for 13.8% of total retail spend by 2012 (Kollewe, J, citing Verdict Research in Guardian.co.uk, 03.06.08).

Research undertaken by The Future Laboratory for PayPal indicates that 42% of adults living in rural Britain are shopping online more than they did last year, equating to a total of 4.4 million people across the UK countryside increasing the amount they shop online over the last year (Clark, S, Internet Retailing.net, 30.10.09)

Therefore, it could be suggested that the lack of research and consultation relating to this type of shopping for bulk grocery goods in Purbeck is an omission of vital information, without which it is difficult to accurately understand true spending patterns in Purbeck. Certainly anecdotally many people living in Purbeck use this method of shopping to get bulk items and do this for many other reasons than the distance to their nearest large supermarket; mainly convenience and reduced reliance on their car.

Existing Convenience Spending Patterns 2010:

The same Household Survey results (NEMS October 2007) have been used to estimate existing convenience shopping patterns, results show that there is expenditure leakage. The R.I.A breaks these original figures down further into \`zones\`. It does not break it down into numbers of respondents but the original \`3\` zones, Swanage, Wareham and Upton, have been further sub-divided into 7 zones. Making the sample groups even smaller and unrepresentative eg the figures could refer to 75% of five people, given the population of Purbeck as a whole being approximately 45,000 this would potentially equate to 0.0001% of the population, therefore cannot be considered statistically reliable or representative.

It does not allow for the number of variables which would have an influence on the results such as: time of day that the survey was carried out, if all questions to people were carried out & interpreted in the same manner, including people who do not have a landline.

A brief breakdown of the figures (found in Volume 1) supports the argument that the sample is not representative of the population of Purbeck or statistically reliable as demonstrated below:

The majority of respondents were female, over 35 years old, with a significant proportion over 55 & 65 years old. All obviously had access to a landline at home. This sample group will have very different shopping patterns to younger people who work or families with children for example.

There was no questioning around whether people coincide shopping trips with other appointments, work, or other factors that would require them to go to the other towns.

The survey does not take into account the fluctuating levels of visitors and therefore spending patterns due to tourism; therefore more convenience expenditure is kept within the District than just that of residents and this needs to be taken into account.

Other current relevant factors are that are not included within the R.I.A or this survey but which undoubtedly affect spending patterns, are the current high levels of unemployment, with Purbeck having the highest level of long term unemployed claimants in the South West at 15.7% as of June 2010 (The Lowdown). Other factors which will continue to have an impact on spending patterns are the cuts in public services and benefits as well as external market factors such as high inflation and increasing VAT rates.

Baseline Assessment of Convenience Need:

The baseline assessment considers the capacity for new floorspace in Purbeck if existing shopping patterns remain unchanged. The R.I.A did this by estimating the `benchmark turnover` of the large stores in Wareham, whilst acknowledging that this is "not necessarily the actual turnover of the foodstore" (R.I.A, 4.16), so therefore, is actually again more to do with personal interpretation of the statistics generated than necessarily an accurate reflection on the store`s turnover.

The R.I.A also states "average sales densities are not widely available for small convenience shops, particularly independent retailers" (R.I.A, 4.17), the R.I.A therefore adopted an average sales density figure that they felt would be applicable but which actually may bear little relevance to the sales densities of local traders, considering that: Volume 1 included the Business Occupier Perceptions in the four areas studied. When asked about their current trading performance it was noted that: "…Wareham (18%) significant proportions of the businesses rated their current trading as poor" (Volume 1, 4.7).

Furthermore: "Wareham was the **only** centre where there was a significant negative slant on the results with 30% of businesses feeling their trade performance has declined over the last 2 years" (Volume 1,4.8). This further seems to suggest that using an average sales density calculation for many of the traders may not give an accurate reflection on their sales & trading.

Increase in Retention Rates:

The R.I.A states that "given the existing high levels of leakage from the Purbeck area, NLP considers there is substantial scope to improve retention in the study area. This would have the benefit of reducing the distance travelled by residents undertaking convenience shopping on a regular basis" (R.I.A, 4.24).

In Volume 1 however, it is acknowledged "whilst it is a relatively low expenditure retention rate, it reflects the fact that the PB zones (Purbeck) cover a wide area, and large parts of these zones are close to both Poole and Dorchester" (6.42), suggesting that it is the geographical proximity to these locations which contributes significantly to people visiting them.

The R.I.A contradicts the earlier rationale above, by stating: that "most of the Purbeck District (with the exception of the north west area Lytchett Matravers & Upton) falls beyond a 15 minute drive to foodstores over 2000sq m (net)" (4.25). There are two points to be raised regarding this finding:

The first being that distances/time given are inaccurate, most of Wareham & Sandford (a significant part of the overall population of Purbeck particularly when including Lytchett Matraver & Upton) is well within a 15 minute drive (from the centre of Wareham town to the large superstores in Poole: Asda Stores 7.38 miles, Tesco 7.88miles, Sainsburys 7.64 miles and Aldi 7.64 miles, according to "Up My Street.com)

The second point is relating to "drive to a foodstore over 2000sq m (net)", this would remain unchanged as the proposal is for a 2,000 sq m (net) supermarket at Wareham, therefore, this reduces the `need` or the likelihood of the proposal increasing retention rates, going on the R.I.A assumption that this is why people are travelling out of Purbeck. Volume 1 also highlights that "…in all four authority areas one would expect comparison expenditure outflow to continue to large centres including Poole and Bournemouth" (Volume 1, 6.83), suggesting that it is entirely in keeping with expected norms that shoppers tend to outflow to larger nearby towns and this will remain largely unchanged.

In specific reference to Purbeck "in terms of national comparison multiples the town centres of Purbeck are unlikely to compete with these larger surrounding towns" (Volume 1, 7.39). It also reinforces the finding that "all residents in the three centres have an excellent choice of comparison shopping destinations in the sub-region" (Volume 1, 7.38) and "overall residents within the District have a good choice of highstreet comparison destinations with good access to Poole, Bournemouth, Dorchester and Weymouth (Volume 1, 7.41). This further seems to contradict the assertion in the R.I.A that access to other areas are significant factors indicating `need`.

The R.I.A does acknowledge that a "proportion of residents of Purbeck are likely to travel to foodstores due to one or a combination of:

(1) A desire to shop at larger foodstores with a wider range and choice of goods
(2) A preference for a supermarket operator not currently represented in the District; and
(3) Combined convenience shopping trip with work or non-food shopping trip" (R.I.A, 4.24)

Depending on the reasons people or travelling will then influence whether their shopping patterns could be changed. It is not clear what proportion of people may combine shopping trips with work commitments for example, and therefore it is difficult to gain a true idea of the potential retention rates.

Furthermore, Volume 1 highlights that "shopping patterns in 2007 suggests that convenience goods expenditure attracted to Purbeck 2007 is £39.28 million, which suggests that convenience sales floorspace is collectively trading about 78% above benchmark." (Volume 1, 6.45). This is reduced in the R.I.A to "as a whole collectively trading at 34-36% above benchmark levels" (R.I.A 4.20). This suggests either the use of the baseline figures have been calculated differently to demonstrate a `need` **or** updated figures reflect that the recession has had a huge impact on local businesses, which would in turn question the viability of traders to cope with the potential impact of a supermarket.

Finally, Volume 1 (6.77) also questions "whether it is desirable in planning policy terms for future expenditure growth to be met in this way is dependant on a number of factors including:

- Qualitative deficiencies in existing provision;
- Cross flows of expenditure between centres
- The ability to reduce leakage given existing competition from larger centres

- The benefit of reducing the distance travelled by shoppers and
- The physical scope for accommodating growth in any one centre"

Also that there are a "number of issues that may influence scope for new floorspace and the appropriate location for this development, as follows:

- Major retail developments in competing centres, such as Poole town centre
- The re-occupation of vacant floorspace within centres
- The reliability of long term expenditure projections, particularly after 2016
- The effect of internet/home shopping on demand for retail property
- The acceptability of higher than average trading levels
- The level of operator demand for floorspace, bearing in mind the proximity of larger centres
- The potential impact new development may have on existing centres." (Volume 2, 8.1)

In summary, there appears to be little evidence that a genuine need has been demonstrated that would justify the proposal of a supermarket in Wareham. Use of unrepresentative and unreliable statistics generated by a Household Survey in 2007 does not reflect a qualitative need. Volumes 1 & 2 which formed the basis of the R.I.A, question whether it is desirable to attempt to improve retention rates given higher than average benchmark turnover and the unlikelihood of significant change in shopping habits due to proximity and size of other centres and the potential negative impact on the smaller centres (eg Swanage and Wareham) by increasing local floorspace.

Scenario 2 – New Food Store in Wareham:

This part of the R.I.A considers scope for a 2,000 sq m (net) foodstore in Wareham. It sets out "anticipated market shares if such a store was built in Wareham in 2014. It is considered that such a foodstore would have scope to improve retention in Zones A – F" (4.35). This contradicts earlier findings (as discussed in part above) relating to the reality of increasing retention and the `zones` based on the same unrepresentative, statistically unreliable findings from the Household Survey (NEMS 2007, cited in Volume 1).

The R.I.A states that there is sufficient capacity for a foodstore of 2,000 sq m (net) in Wareham, however:

"In assessing the need and capacity for additional retail and leisure development, local planning authorities should place greater weight on quantitative need for additional floorspace for the specific types of retail and leisure developments. However, local planning authorities should also take into account of qualitative considerations" (Volume 1, 2.10).

It is worth reiterating at this stage, that the R.I.A also states that regarding Wareham itself: "This analysis indicates that there is a quantitative need for additional floorspace in Swanage but **not** in Wareham (1.12)

Volumes 1 & 2 indicated that residents of Purbeck had good access to nearby larger towns and that the town centres of Purbeck are unlikely to compete with these larger towns. Trading benchmark levels collectively are higher than average, suggesting that the District as a whole is not suffering due to low expenditure retention rates, expenditure convenience spending patterns have not been effectively captured, and significant information has been overlooked (such as the rapid growth of internet retail in rural areas).

Important factors that were in the original Volume 1 & 2 documents have not been included in the updated R.I.A particularly around traders reports of poor levels of trading and the recommendation that: "**the Council will need to carefully consider whether the qualitative benefit to residents as a whole and the potential to reduce outflow of convenience expenditure would outweigh any potential for harm on the vitality and viability of the town centre"** (Volume 2, 9.9) and that **"enhancing market share will be difficult to achieve in the face of strong competition from Dorchester and Poole"** (Volume 2, 9.10).

Sequential Assessment

The R.I.A outlines the checklist to adopt a sequential assessment of potential sites that could be allocated for development. In this instance it relates to a 2,000 sq m (net) supermarket located on Site 1 which is Worgret Road Middle School Site, Wareham.

The R.I.A does not appear to have applied the sequential approach with rigour. In Volume 1 the following checklist is given with which sequential assessments should be measured. This document outlines in red the evidence that the site does not meet the sequential approach: In black, Volume 1, 2.40: "demonstration of the sequential approach needs to prove that the development/redevelopment is:

- Compatible in character with the centre: **A superstore in amongst a large housing development could not be considered to be in character with the historic market town of Wareham, `Gateway to the Jurassic Coast` or as part of the World Heritage Site of Purbeck as a whole; it would detract generally from the atmosphere and character of the town**

- Maintains/enhances the vitality and viability of the centre: **The superstore would be highly damaging to the vitality and viability of the centre, visitor numbers are likely to be significantly reduced. An attractive part of Wareham is it`s historic and unique character, this encourages tourism. The national study into the impact of large food stores on market towns carried out by the DETR in 1998 (and still quoted in current guidance on planning for town centres PPS4) states "The research showed that large food stores can have an adverse impact on market towns, but the level of impact is dependent on the local circumstances of the centre concerned. In particular, smaller centres which are more dependent on convenience retailing to underpin the function are more vulnerable to the effects of larger food store development at edge-of-centre and out-of-centre locations. The report concluded that it is vital that those responsible for the future of market towns and district centres take positive steps to improve the range and quality of food shopping in these centres, and**

adopt a cautious approach to considering the locations and likely long term consequences of the development of large food stores in non-central locations."

- Does not adversely affect to a significant degree the vitality and viability of any nearby town, district or local centre as a whole**: As well as having a devastating effect on traders in Wareham and the community, it would have the unintended affect of drawing trade away from Swanage. It will impact on local producers and suppliers. It is well established that supermarkets remove wealth from the local economy & compete unfairly with local retailers and producers including local markets. A decline in the sense of community, evidence shows this increases anti-social behaviour and general loss of sense of wellbeing and community identity**

- Does not undermine local shopping facilities: **There is a strong likelihood that local shops would close (the R.I.A itself highlights that 74% of retail outlets in Wareham will be directly impacted on and makes reference to it increasing its vacancy rates), thereby reducing the choice and availability of alternatives to the supermarket and impacting on other shops & non-retail outlets that rely on general footfall in the town. Diversity would be lost and low income shoppers would find it even harder to access food locally.**

- It is easily accessible by a choice of means of transport: **The use of a car would be the main means of transport, which is the least sustainable option. The preferred site is not in a residentially populated area and cannot be considered walking distance from the town centre therefore it is incorrect to assert `good pedestrian links with the town`. It is clearly an out of centre development which would be mainly accessed by car.**.

Scale, Flexibility and Need:

The first aspect of this process relates to the "identified need for development", as discussed above, there is yet to be clear demonstrable evidence of a need for this development. The main need that is being put forward is to increase retention rates within the District as a whole, despite benchmark turnovers exceeding the national average and recognition that this development is unlikely to significantly enhance Purbeck`s market share. In addition:

"Nor do supermarkets contribute to local economies in the same way as local shops. Very little wealth that supermarkets generate actually stays in the communities in which they operate. For example, Tesco`s payroll makes up just 7% of its total turnover. The great bulk of the company`s retail profits flow from the stores back to the head office, and ultimately to the corporation`s shareholders around the world. Meanwhile, the construction of out-of-town superstores creats a vacuum that sucks resources from the town centres, strangling the heart of the local economy" (page 14, NEF, 2007).

In the R.I.A there has been no flexible consideration regarding the use of currently vacant shops, however, in Volume 2, “In addition to the growth in sales densities, vacant shops could help to accommodate future growth” (Volume 2, 9.5); looking at other ways of meeting retail floorspace.

Site Location and Town Centre Designation

Wareham is currently designated as a `town centre` and therefore would not be expected necessarily to have a superstore within it`s boundaries, as a District Centre might. The development plan “to enhance the role of the two main town centres of Wareham and Swanage, through a flexible approach to new development, encouraging provided that they do not harm the vitality and viability of the centres” (Volume 2, 9.25). The development of an out-of-town superstore would inevitably harm the viability and vitality of Wareham and has been rejected by planning inspectors in the past for this reason.

The proposed supermarket is an out-of-town variety, considered to be the most damaging to the vitality and viability of a town centre. Therefore the R.I.A is essentially attempting to demonstrate that the need for the most damaging sort of supermarket is to retain a minimal increase in market share across Purbeck, which will then not be redistributed within the local economy as it has been absorbed in the supermarket corporation.

Volume 2 states: “ In terms of the development of significant retail, commercial, entertainments or leisure facilities outside Wareham and Swanage town centres Policy MN10 states that they `will not be permitted if it could be accommodated within the town centre, edge of town centre or suitably located local centre (in order of preference), unless specifically allocated in the Plan. Any development that would harm the vitality or viability of these existing centres will not be permitted” (Volume 2, 9.27).

Following the planning inquiry into a proposed supermarket at Worgret Road in 2001/2 the Inspector concluded **“I am wholly with the Council in its opposition to supermarket development at Worgret Road. Any deviation from Government advice about the sequential approach to supermarket development would be quite disastrous to a small market town such as Wareham. Small market towns with a relatively weak food store provision are particularly vulnerable to out-of-centre supermarket.”**

Site Availability

This part of the R.I.A looks at site availability for a development. It states that based on the "identified need, we believe that one site should be allocated to accommodate need in the first five years of plan period i.e up to 2016/17" (5.10). This relies again on the basis that the R.I.A has (1) demonstrated clear need (2) time frames and population projections formed as previous planning regulations which have now been stopped; therefore both the need and the time scale is not demonstrated or relevant.

It is also interesting that this site has become `available` within the `required` time frame as a result of highly contentious education reforms within Purbeck, questioning whether the need is more closely associated with financial implications linked in with potential development (106 agreement).

Analysis of Sites

Four sites were identified by the Council, three of which were in Wareham, another on an almost identical site (the greenbelt part of the Worgret Road site, Site 2) and a third north east of the train station (Site 3). However, their preferred site is Worgret Road Middle School, Wareham (Site 1).

This is an out-of-centre site, the most damaging sort of development to the vitality and viability of a town, **"the result of excessive floorspace provision outside of town centres will inevitably draw trade away from existing stores in the centre"** (FoE, 2007).

The R.I.A states that the "site has good pedestrian linkage with the town centre…good links by a choice of means of transport" (R.I.A, page 17). This is not the case, the proposed site would not be considered within walking distance to most of the residents of Wareham, the vast majority would be required to drive a car.

Discussion of Sites

The R.I.A states that the middle school site is "preferable due to its proximity to the town centre" (R.I.A, 5.14) and further states that Site 3 is "the greatest distance from the town centre and has poor pedestrian linkage with the centre" (R.I.A, 5.15); there is no difference in linkage as both sites have pavements going into the town, furthermore:

The current `preferred` Site 1 on Worgret Road is actually further out in terms of distance from the town centre than the Site 3 (0.74 miles to Worgret Road site from Mill Lane, Wareham compared to 0.52 miles to Site 3), also it is a much less densely populated area (Site 3 would be "well located to serve the residents of north Wareham", Volume 2, 9.9). Of note, Site 1 is also placed just off the main bypass, a significant distance from the town centre, therefore ideally positioned to increase the likelihood that people would not go into the town itself.

When assessing an identified site in 2008 (north east of Wareham train station, it is also included in this current assessment as Site 3), NLP stated that: **“However, it is accessible to the whole of Wareham by car and could therefore draw trade away from the town centre foodstores. As such, the Council will need to carefully consider whether the qualitative benefit to residents as a whole and the potential to reduce outflow of convenience expenditure would outweigh any potential for harm on the vitality and viability of the town centre” (Volume 2, 9.9).**

Therefore, it is reasonable to extend the concern raised by NLP regarding the proposed site in 2008, to the current `preferred site` in 2010 (referred to as Site 1), particularly considering Site 1 is in a much less residentially populated area, further `out of town` and positioned on the bypass which already directs people around the town. Site 1 shares all, if not more, of the potential impacts and limitations of Site 3.

There has been no consideration of “specific local circumstances, which may be material to the choice of appropriate locations for development, and these include physical regeneration, employment, economic growth and social inclusion” (Volume 1, 2.20). It is vital to take into consideration that Purbeck is one of the most environmentally sensitive areas of England and the negative impact that this sort of development is likely to have, particularly given the increased traffic and pollution (on roads that already become congested, particularly around the proposed Site 1).

Purbeck is largely designated as an Area of Natural Outstanding Beauty and a World Heritage Site, Wareham is considered to be the `Gateway to the Jurassic Coast`. It really needs to be considered if the out-of-centre superstore is an asset in this regard. The fragile local economy of a small market town is inevitably going to be adversely affected. In terms of social inclusion, the elderly who currently walk to do their shopping would have their access and choice reduced significantly. Diversity would be lost and low income shoppers would find it even harder to access food locally.

Planning decisions are “a crucially important aspect of creating places where people want to live and communities can flourish is to maintain and nurture the vitality of our town centres” (The White Paper, Planning for a Sustainable Future, May 2007, cited in Volume 2, 2.24), this proposed development does not meet this criteria.

Impact

The R.I.A needs to consider the impact of proposed location for a new foodstore. It does this initially by looking at the relative health of the town centres by visiting them.

Existing Vitality and Viability of Town Centres

Wareham Town Centre

The R.I.A concludes that there are "good indicators of vitality and viability in the town centre"; however, the more in-depth analysis in Volume 2, states: "Overall Wareham Town Centre is considered reasonable with the average score totalling 3 i.e. `neither good nor bad`. No factors were given a rating of 1 (very poor) although 16 were given a rating of `quite poor`. Three factors were given the highest rating of 5 which related to the cleanliness of the centre" (Volume 2, 5.24)

"The average score awarded to Wareham Town Centre by businesses was 2.93 which is between neutral and poor with the lowest scoring factors being availability of car parking, traffic congestion and marketing/promotions/events" (Volume 2, page 18).

Wareham was the only centre (in the four areas of Dorset studied) where there was a significant negative slant on the results with 30% of businesses feeling their trade performance has declined over the last 2 years" (Volume 1, 4.8)

These findings appear to contradict with the R.I.A`s assertion that there are good indicators of vitality and viability. It also does not highlight how long the vacant units have been vacant for which would also indicate that there is not much new business coming into the town, this in turn has an impact on the vitality of a town. This document would disagree with the R.I.A`s statement that there are good signs of vitality and viability, given the evidence to the contrary in Volumes 1 and 2.

Impact on Town Centre Turnover

Business Overlap

12.4 NLP surveyed the units in Wareham inorder to identify potential overlap of goods & services currently offered in the town centre and those that could be found in the supermarket with and without controls imposed on floorspace and goods.

12.5 The table below shows the results:

Wareham Town Centre

6.20 The results for Wareham can be summarised as follows:

	% Directly Impact On		% Potentially Impacted On If No Restrictions	
	No.	%	No.	%
Retail Premises	22	21%	47	44%
Shops retailing goods	22	48%	34	74%

6.21 The 22 shops retailing goods which are likely to be directly impacted on by the potential new foodstore constitute 21% of all retail premises and 48% of shops retailing goods.

6.22 If no restrictions were imposed the percentage of al retail premises directly impacted on would increase to 44% and for shops retailing goods would increase to 74%.

6.23 Given that more than half the premises in both towns could be impacted on in no controls were imposed, the amount and range of non-conveniwence floorspace in any allocation should be restricted to limit the impacts on the town centre.

It goes on to say "Given that more than half the premises in both towns could be impacted on if no controls were imposed, the amount and range of non-convenience floorspace in any allocation should be restricted to limit the impacts on the town centre" (R.I.A, 6.23).

It is well documented that supermarkets are very adept at using staged applications to alter any conditions that local authorities impose on planning permissions by either:

(1) Applying for a smaller store then very quickly submitting a further application for an extension or a larger store once the first application has been approved or by

(2) Applying for a store then quickly submitting an application to vary conditions imposed on the original planning permission, in particular to the class of goods sold in the store

There is strong evidence of this happening nationally and in other towns in Dorset, therefore it should be discredited as part of the `option` for reducing impact.

The R.I.A also does not account for the overall reduced footfall in the town which would have a further impact on the stores and non-retail outlets such as café`s, restaurants and pubs, many of whom rely on `passing trade`.

It also does not account for the potential indirect loss of jobs and revenue, generated by other businesses and trades which work with or for the local traders eg accountants, suppliers, window cleaners and so on. There is the potential for wide spread loss throughout Purbeck.

Assessment against Impact Criteria

The R.I.A published a table which summarises the analysis of impact set against criteria set in PPS policy EC16, the findings are discussed below:

The vitality and viability section passes the assumption that the town centre is currently healthy, whereas information contained within their Volume 1 & 2 assessments would suggest otherwise particularly regarding the health of the local traders in Wareham. The analysis of impact also makes reference to `the town could sustain a small increase in vacancy rates without causing adverse impact` this would appear to suggest that it is likely that there would be increased vacancy rates due to the supermarket, The current vacant shops have been vacant for some time, increased and long term vacant units contribute to a further decline in the towns vitality. The degree of negative impact on trade is likely to be underestimated, particularly given the high proportion of traders who report that trade is `poor`. The recommendation that restrictions on the supermarket would limit impact is unlikely to be put in place as discussed previously.

The R.I.A further states that "the impact on Wareham town centre would leave town centre convenience stores trading **below** town benchmark levels" but does not include this detail in Town Centre Turnover section of the impact analysis, (it does refer to the levels of benchmark turnover in Swanage) (R.I.A, 6.33).

To reiterate the original recommendation from NLP regarding an out-of-centre site in Wareham:

"…the Council will need to carefully consider whether the qualitative benefit to residents as a whole and the potential to reduce outflow of convenience expenditure would outweigh any potential for harm on the vitality and viability of the town centre" (Volume 2, 9.9).

yet in the table the impact conclusion of the R.I.A it states the proposed Site 1 is "not considered to cause significant adverse impact", whilst sharing all if not more of the potential impacts and limitations of Site 3 which they considered there was indication of potential harm on the vitality and viability of the town centre and that it was likely to draw trade away from the town centre.

Previous proposals by developers for out-of-town supermarkets have been opposed by the Town and District Councils and rejected by planning Inspectors. A legal challenge by the developer of the Worget Road site to the high court failed when the High Court judge Malcolm Spence QC dismissed the case. Costs were awarded to the Council. Following the planning inquiry into a proposed supermarket at Worgret Road in 2001/2 the Inspector concluded "I am wholly with the Council in its opposition to supermarket development at Worgret Road. Any deviation from Government advice about the sequential approach to supermarket development would be quite disastrous to a small market town such as Wareham. Small market towns with a relatively weak food store provision are particularly vulnerable to out-of-centre supermarkets."