

**Doc. No. HCS/3/A**  
**Case Ref. APP/J1915/V/09/2101286**

***CALLED IN PLANNING APPLICATION BY  
SAINSBURY SUPERMARKETS LTD***

**Proof of Evidence on behalf of  
Hertford Civic Society**

**Retail Matters**

Andrew Sangster

21<sup>st</sup> August 2009

## **1 Personal details**

- 1.1 My name is Andrew Sangster and I appear at the Public Inquiry on behalf of Hertford Civic Society.
- 1.2 I am a retired chartered civil engineer having spent most of my working life in the oil industry.
- 1.3 I joined the Committee of Hertford Civic Society in 1975 and served subsequently as Hon. Secretary and then Chairman before stepping down in 2002. Since then I have acted as chair of the Planning Group dealing with planning applications and making input to the Local Plan, and now the Local Development Framework. I have made representations on the Regional Plan and was involved in participation in one of the discussion groups at the Examination in Public. On behalf of a regional organisation of amenity societies I respond to Government consultations.

## **2 Scope of Evidence**

- 2.1 The over-arching aim of Hertford Civic Society is to protect and promote the well-being of the town, and in particular the vitality and viability of its centre; to further this aim it has promoted new initiatives to enhance the town. The Society currently has 400 members. We have in the past appeared at three public inquiries into proposals for supermarkets and a major redevelopment of the town-centre.
- 2.2 The Society is opposed to the application for three fundamental reasons. Firstly, we are not satisfied that there is a need for additional convenience goods floorspace on the scale proposed, and it is therefore likely that the proposal would adversely affect the viability and vitality of retailing in the town centre, investment in the town centre, and the character of the town. Secondly the proposal would lead to unacceptable levels of traffic congestion, which would have a negative impact on walking, cycling and bus travel through the adjacent area to the town centre and beyond, further weakening the town centre and generally changing the character of the town further. Thirdly, the external appearance of the building is not of sufficient quality and the application has not addressed the impact of the proposal on the conservation area.
- 2.3 Traffic and transport matters will be dealt with by my colleague Mr Harman, and design and conservation area matters will be dealt with by my colleague, Mr Kirby. In my proof I shall question whether the proposal to develop the McMullen site as a supermarket is justified by the need for additional retail floorspace, and then consider the impact of the scheme on town-centre retail activity. I recognise that the introduction of additional floor space for convenience shopping in the town could be beneficial in terms of competition and choice, and will outline an alternative opportunity for achieving these benefits which I believe is both viable and realistic.

### **3 Need for additional retail floorspace**

#### **3.1 General**

The Society does not subscribe to the apparent common ground between the applicant and the District Council (CD C23 para 3.6) that the need for the proposed superstore is justified.

#### **3.2 Growth**

The information on growth of retail expenditure is taken from the Experion Retail Expenditure Reports (2005). These were prepared at a time of stable world food prices and continuing growth in the UK economy. Consequently they, not unreasonably, forecast real growth in expenditure per head of the population on convenience goods, based on the assumption and evidence that as people felt better off they could expand their horizons in terms of the range of food lines purchased. Since then there has been a dramatic increase in world food prices, ameliorated in part by a subsequent fall, contraction of the UK economy, large increases in unemployment and the taking on of a massive level of national debt in order to rescue the banking system. All of these factors will force the re-assessment of domestic budgets leading to the likelihood that expenditure will to some significant extent be focussed in the medium term on basic requirements.

The changes in circumstances outlined above render the calculation of future real growth in convenience shopping in the catchment area invalid, certainly in the applicant's Retail Statement (CD C6) and probably in the Council's Retail and Town Centres Study (CD B11). The inquiry should be considering information reflecting what has happened in the last two years.

#### **3.3 Over-trading**

We question the amount of business for the proposed store arising from over-trading in surrounding stores. Firstly we find the means of calculating it based on comparing turnover with company average unsatisfactory, as did the Council's consultant for the Retail and Town Centres Study, Chase and Partners (CD C23 para 7.32). Under this procedure stores that perform badly could increase the number of stores in the same chain being regarded as over-trading. Clearly, a more realistic means of assessing over-trading needs to be found.

Secondly, although a significant amount of trade could come from clawback from over-trading stores outside the town, by far the largest element in the projected business of the new store is the 57% that would be attracted from the Tesco store in Ware Road (CD C6 Table 11). Justification for this assumption is presumably linked to the 33% over-trading identified for the Tesco store (CD C6 Table 6d). Since the application was submitted Tesco has withdrawn its appeal against refusal of permission to build a replacement store on the site and has published a proposal to extend significantly the retail area of its existing store. This would address the congestion which can be witnessed at peak times in the week and the perceived over-trading. Given the changes in Tesco's plans, we think the projected trade draw from Tesco of 57%, with a 29% impact on Tesco's turnover, unrealistic, particularly if any part of it arises as the result of the calculated current over-trading. I return in para 4.2 below to

the consequences for the town centre, which we foresee, if Sainsbury's assumption about the extent of trade draw from Tesco proves to be unrealistic.

### **3.4 Retail and Town Centres Study**

The Study conducted by Chase and Partners on behalf of the District Council (CD B11) is intended to inform the preparation of the Local Development Framework and decisions on planning applications. It concluded for Hertford that additional floor space required for retailing convenience goods up to 2021 as 469sq.m. net and 782sq.m. gross, and that this was not of a scale to justify a new store. Yet in the Officers report on the application (CD C23 para 7.31) Chase and Partners are quoted as stating that their figures are a guideline only that assumes constant market shares and takes no account of over-trading. But that raises the question: if Tesco take action to address over-trading in their Hertford store is the need for additional convenience retail floor space sufficiently close to the figure identified in the Study to render the provision of a new store unnecessary?

## **4 Impact on the town-centre**

### **4.1 Convenience goods**

The applicant's Retail Statement forecasts a 12% reduction in the trade at the Waitrose store in the centre of the town (CD C6 Table 11). The premises occupied by Waitrose were reserved for the anchor store when the District Council, with a developer, created a new shopping centre for Hertford in the late 1970s. Waitrose was the successful bidder for the site and at that time the only supermarket in the town. The store is located immediately adjacent to the bus station, so plays a critically important role in serving the elderly people who access the town-centre by bus. However, it already operates at a competitive disadvantage because it is the one convenience store of any size in the town which does not have free car parking associated with it, other than for early evening shopping on Thursdays and Fridays. Under Sainsbury's proposal that disadvantage would be compounded by the introduction of a large free car park coupled with convenience shopping within some 250 metres. The Society holds no brief for Waitrose, but it has consistently over the years sought to ensure that there is a successful convenience store on that site to act as an anchor for the rest of the town-centre shopping activity. We are concerned that the District Council has not adequately considered the continuing viability and vitality of convenience shopping on that site when it is known that the present Waitrose is one of the less successful branches of that chain. Table 6a of the applicant's Retail Statement (CD C6) shows it undertrading and it was the last store in the Waitrose chain to open on Sundays on a permanent basis. The Officers report on this application (CD C23 para 7.40) states that 'Chase believe that the store will primarily trade and compete with stores on a like for like basis so for this reason its trade impact on the town centre Waitrose will be less, estimated at 9.5 % and will not bring its viability into question.' I have not been able to find any detailed analysis to support these assertions.

## **4.2 Comparison goods**

The applicant's Retail Statement (CD C6 Table 14) predicts that £410k of comparison trade will be drawn from the centre of the town. In terms of the total comparison trade of the town this represents a small percentage, but this draw will have a not insignificant impact on some independent traders and small chains in the town. There is no clear indication of the range of comparison goods that would be on sale in the proposed store, but we assume it would be similar to this type of store in surrounding towns. The applicant states that many of the purchases would be impulse buying. Given that these purchases would be made alongside convenience shopping in the same location, coupled with free car parking, the independent traders and small local chains in the town-centre will be operating at a competitive disadvantage (The Society was strongly opposed to this aspect of the now withdrawn application from Tesco). Anecdotal evidence suggests that many small traders in the town are struggling to remain solvent and to make a living. I appreciate that it is not the role of the planning system to protect individual traders from competition, but if shops currently occupied by the vulnerable traders were to close, they would not easily find new tenants in the current climate. If premises are empty they are less likely to be well-maintained, which could lead to prolonged or even permanent vacancy. This would not only reduce consumer choice, but also inhibit investment in the town centre and make the town centre a less attractive place to visit, giving rise to a spiral of decline. This is particularly relevant in an historic town centre as older buildings are typically more expensive to maintain and repair. Thus the character of the town, as well as the prosperity of the centre, is at risk. We believe that the District Council should have examined this loss of trade to the town-centre and its impact in greater depth in order to meet Aim A in para 7.1.3 of the Local Plan (CD B6).

A further matter of concern is the area of floor space allocated to comparison goods. If the assumed trade draw from Tesco and the forecast real increase in expenditure on convenience goods in the catchment area do not materialise (in this respect I see no evidence of sensitivity analysis in the Retail Statement of Common Ground between the applicant and the District Council), the turnover of the proposed store will be substantially reduced, possibly making it an under-performing store in the Sainsbury chain. In these circumstances the operator would be tempted to expand the offering of comparison goods. If the Secretary of State is minded to approve this application we urge that a condition be attached limiting the permitted floor space for comparison goods to the area shown in the application.

## **4.3 Footfall**

In 4.1 and 4.2 I have identified the trade draw to the proposed new store from the town-centre for both convenience and comparison goods. The applicant has argued that that the provision of a new pedestrian route to the centre will be of direct benefit to the town-centre trade. The present 12% of Waitrose business that Sainsbury expects to attract guarantees an amount of footfall in the shopping centre of the town. There is no certainty that the availability of a new pedestrian link will make good the loss of footfall associated with the trade draw from Waitrose. Likewise, the trade draw for comparison goods is likely to result in loss of footfall in the centre. This loss of business in the town-centre could be exacerbated by the provision of a café in the proposed store. There are a number of well-patronised cafés in the centre of the town, which all help to encourage

people in choosing to shop there. Small retailers in the town-centre are fearful of any reduction in footfall, particularly in the present economic circumstances. We think this matter has been glossed over in the Officers report and the Retail Statement of Common Ground, and should have been subject to closer investigation by the District Council as an action in support of its strategy for town-centres as set out in Chapters 7 and 12 of the Local Plan (CD B6).

#### **4.4 Linked trips**

The applicant makes much play of the linked trips that will be generated by the provision of a new walkway connecting to the town-centre. The Society knows from observations made outside the Tesco store in Ware Road how important for the town-centre trade is the percentage of customers making linked trips and how easy it is for them to do so. If the Secretary of State is minded to approve this application we urge that a condition be attached requiring a minimum of 2 hours parking time in the store's car park. One of the biggest deterrents to people shopping in the centre of Hertford is the current 'pay and display' parking system. Certainty of adequate time to make linked trips is essential.

#### **4.5 Use of the site**

The site is currently designated for employment use, as confirmed by the District Council's Employment Study 2008 (CD B10) and referred to in para 7.8 of the Officers report on the application (CD C23). The Officers report on the first application from Sainsbury (see Doc.No. HCS/3/B), subsequently withdrawn, gave the following ground for recommending refusal:

*'The site lies within a designated Employment Area reserved for B1, B2 (and B8) uses. The proposed development makes a case for a departure from this policy but given the known traffic consequences of a large retail foodstore development, does not in the Council's view achieve the best use of this land or offer the broadest employment opportunities. The site has not been marketed to assess its scope for employment redevelopment. This is contrary to Sustainable Development objectives for retaining a balance of employment and residential uses within the town and contrary to Policies SD1 and EDE1 of the East Herts Local Plan Second Review April 2007 which reserves employment land unless there is clear justification for its release.'*

The same report stated in Recommendation (d) that *'in the event of refusal of the current planning application 3/08/0098/FP members consider and advise on future development options for the site. It is recommended that the applicants prepare a Development Brief for the site, to be subject of public consultation, which accords with Option 3, a Mixed Use Development strategy'*.

Furthermore, the Officers report on the second application stated in Recommendation (d) *'That in the event of refusal of the full planning application, 3/08/1528/FP, members consider and advise on future development options for the site. That it be recommended that the future Local Development Framework incorporate provisions for a Development Brief for the Hartham Lane area, to be subject of public consultation, which accords with a lower traffic impact development strategy, Option 2 or Option 3, to secure the regeneration of the area and enable the repair and use of the listed brewery.'*

We believe that these abstracts from the two Officer reports support the Society's view that this site is not suitable for a major supermarket and that it could be put to better use for the benefit of the town. Further support is offered by the 2008 Retail and Town Centres Study by Chase and Partners (CD B11) which identifies in para 5.9 retailers of well-known brands who have expressed interest in Hertford, and in para 7.28 recommend that *'bearing in mind the level of need identified for comparison goods in the town, East Herts Council may consider it advantageous to direct comparison goods-led retail development to this site where it could support the vitality of the town centre.'* If no special parking arrangements were made these retailers would be operating under the same constraints as the existing retailers in the centre of the town. However, the Society's preference is for a mixed residential and small employment use. Any car parking needed to serve the latter would be available on the existing facility at Hartham.

## **5 An alternative opportunity**

The 2008 Retail and Town Centres Study (CD B11) identified a need for 782sq.m. of additional gross convenience retail floor space (469sq.m.net) in Hertford for the period up to 2021. The aims and objectives in Chapter 7 of the Local Plan are to maintain and enhance the viability and vitality of the District's town centres, preferably locating major generators of travel in town centre locations. The ideal position for this additional floor space would be within the existing shopping area, so that it is well served by public transport, is within easy reach of bus stops and the existing car parks, and acts as a means of directly increasing footfall in the centre of the town. Such a location exists in the redundant Woolworths building in Maidenhead Street. It has some 5000sq.ft. (467sq.m.) of space at ground level with a first floor over; the letting agent has confirmed that it would be suitable for a convenience store. We suggest a small format version from one of the major supermarket chains other than those already represented in the town. Servicing would probably have to be from the front, but this is already an established practice in the street. This solution would introduce more choice and competition into convenience retailing in the town-centre, whilst enhancing the viability and vitality, and avoiding damage to the comparison goods trade. Examples of this solution exist in other market towns that retain numerous independent retailers.

## **6 Conclusions**

The Society remains unconvinced of the need for another large convenience store in the town.

We are concerned about the potential impact on existing retailers in the centre of the town, with the consequent effect on the character of the town-centre, and believe that the District Council has given insufficient consideration to this matter in deciding to support the application.

The redevelopment of the application site could be of greater benefit to the town if a mixed-use approach were adopted.

An opportunity exists to introduce into the centre of the town additional convenience retail floor space to meet the identified shortfall.