RETAIL ASSESSMENT

PEEL HALL, WARRINGTON

CLIENT: SATNAM MILLENNIUM LTD

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Our Ref: Q70156

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1 INTRODUCTION

1.1 This Retail Assessment is provided in support of a planning application at Peel Hall, Warrington for:

> **"Outline application for a new residential neighbourhood including C2 and C3 uses; local employment (B1 use); local centre including food store up to 2000m², A1-A5 (inclusive) and D1 use class units of up to 600m² total (with no single unit of more than 200m²) and family restaurant/ pub of up to 800m² (A3/A4 use); site for primary school; open space including sports pitches with ancillary facilities; means of access and supporting infrastructure at Peel Hall, Warrington".**

1.2 This assessment relates specifically to the retail element. This comprises a new local centre including a 2,000sqm (gross) foodstore and 600sqm of retail and service uses (Use Classes A1-A5).

2 POLICY BACKGROUND

2.1 The relevant policy background comprises national policy and guidance and the development plan.

a) <u>National policy and guidance</u>

2.2 National policy is contained within the National Planning Policy Framework (NPPF). Paragraph 14 of which establishes a *presumption in favour of sustainable development*. This means that the default decision for decision-takers should be to approve new, sustainable development.

2.3 National retail policy is set out in paragraphs 23-27. Paragraph 23 relates to plan-making. Paragraph 24 establishes the requirement for a sequential test to be applied to proposals for main town centre uses, including retail. Town centres have first priority, followed by edge of centre sites and then, if no more central sites are available or suitable, out of centre sites.

2.4 Paragraph 26 establishes the requirement for an assessment of impact upon town centres. This relates to several matters:

- Impact upon investment;
- Impact upon town centre vitality and viability, including:
    - Local consumer choice;
    - Trade in the town centre.

2.5 Impact assessments should look five or ten years hence, depending upon the size of the proposal.

2.6 Paragraph 26 and paragraph 16 of the Planning Practice Guidance section *Ensuring the vitality of town centres*[1] confirms that impact assessments are only required for schemes above a set threshold. The NPPF's default threshold is 2,500sqm, but local planning authorities (LPAs) can set lower thresholds in their development plans.

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[1] Reference ID: 2b-016-20140306

2.7 Paragraph 27 confirms that if either the sequential or impact tests are failed, the proposal should be refused.

b) <u>The development plan</u>

2.8 The development plan for Warrington comprises the Warrington Local Plan Core Strategy, adopted in July 2014. Policy CS1 sets the overall spatial strategy and confirms the importance of maintaining the vitality and viability of town centres.

2.9 Policies PV4 and SN5 repeat the NPPF requirement for sequential and impact tests to be applied to retail development. It also sets the threshold for impact assessments at 500sqm.

2.10 Policy SN4 establishes the hierarchy of centres in Warrington and identifies district, local and neighbourhood centres.

3 SEQUENTIAL ASSESSMENT

a) Background

3.1 The NPPF, at paragraph 24, requires a sequential test to be applied to all development proposals for main town centre uses that are not in an existing centre. The sequential test is also required by the adopted development plan, specifically Policies PV4 and SN5 of the Local Plan Core Strategy.

3.2 These policies and the Planning Practice Guidance (PPG) section "*Ensuring the vitality of town centres*", set out the factors to be considered when assessing whether a sequentially preferable site can accommodate a proposal. These factors are:

- Availability;
- Suitability; and
- Viability.[2]

3.3 A site must meet all of these criteria to be considered a sequentially preferable alternative: i.e. it must be an available, suitable and viable alternative site for the development proposed.

3.4 Paragraph 24 of the NPPF also requires applicants and planning authorities to demonstrate flexibility in terms of the format and/or scale of the proposal. Clarity on how much flexibility is required was provided by the Supreme Court's Judgment on Tesco Stores Limited vs. Dundee City Council in which Lord Hope commented:

> **"…the whole point of the exercise is directed toward what the developer is proposing, not some other proposal which the planning authority might seek to substitute for it which is for something less than that sought by the developer".**

[2] NPPF para. 24 specifies availability and suitability as relevant matters. Viability is identified as relevant by the PPG (Para 012, Ref ID: 2b-012-20140306).

3.5 Disaggregation is no longer a policy test in the NPPF. The recent appeal decision at Rushden Lakes[3] confirms that disaggregating elements of a scheme is not part of government policy. The Inspector stated at paragraph 8.47:

> **"Had the Government intended to retain disaggregation as a requirement it would and should have explicitly stated this in the NPPF."**

3.6 The Secretary of State agreed with the Inspector's conclusions that there is no requirement to disaggregate. Thus, any sequentially preferable site must be capable of accommodating the whole of the development proposed, not a significantly smaller version of it.

3.7 Finally, it is important to note that the sequential test is intended to implement the Government's 'town centres first' policy. This seeks to locate main town centre uses (including retail development) in the most central locations possible. However, it is a town centres *first* policy, not a town centres *only* policy. There is no embargo on development outside of town centres.

b) <u>Sequential Assessment</u>

3.8 The area of search under the sequential test needs to be proportionate to the scale of the proposal. It must also take account of the purpose of the proposal, which in this case is to serve the new housing proposed for the Peel Hall site. This being the case, only sites in the immediate surrounding area can serve this purpose. The area of search is set out below:

[3] PINS ref. APP/G2815/V/12/2190175

Figure 3.1: Sequential test area of search

3.9 The definition of this area of search is informed by several factors. First, the proposal is for a local centre that will, by definition, serve local needs. The type of shopping trips undertaken are likely to be small-scale, “top-up” shopping trips that can be undertaken on foot, by bicycle or involve only a short drive.

3.10 Second, the location of similar facilities limits the size of the area of search. Shoppers will generally use their most convenient facility for their convenience shopping, particularly top-up shopping (a litre of milk or loaf of bread being much the same wherever it is bought). They are, therefore, unlikely to travel past one local centre in favour of another, more distant one. Appendix 1 shows the location of existing local and neighbourhood centres, which surround the proposal site to the west, south and east. Shoppers beyond this ring of centres are unlikely to bypass their nearest facilities to access the similar ones proposed at Peel Hall.

3.11 Third, the road network offers obvious boundaries for the area of search. To the north is the M62, which acts as a natural barrier to north-south movement, and open land beyond. This is, therefore, an obvious boundary for the area of search, as is the M6 to the east and the A49 to the west. Whilst the boundary to the south is less obvious, we have used the first major road beyond the ring of local and neighbourhood centres (the A574).

3.12 This area of search was agreed with officers of Warrington Borough Council prior to submission of the application (see **Appendix 4**).

3.13 Within this area, there are five existing local or neighbourhood centres:

1. Cotswold Road, Poplars (Local Centre);
2. Howson Road, Longford (Local Centre);
3. Poplars Avenue/Capesthorne Road (Neighbourhood Centre);
4. Fearnhead Cross (Neighbourhood Centre); and
5. Cinnamon Brow (Local Centre).

3.14 These can be seen on the plan at **Appendix 1**. Under the sequential test, these centres must be surveyed for potential sites that could accommodate the proposal.

3.15 Surveys of all these centres were included in Warrington Borough Council's Warrington Retail Centre Report 2012. We have updated this report for the five centres above, providing plans of the centres' composition. These can be seen at **Appendix 2**.

3.16 In summary, all of the centres are functioning well, with very few vacancies. Each has an anchoring foodstore and provides a variety of other uses. Table 3.1 below summarises the facilities in each centre:

Table 3.1: Summary of uses in local and neighbourhood centres

Centre	Uses
Cotswold Road, Poplars (Local Centre)	Foodstore (Cooperative Food) Pharmacy Hairdressers Dog grooming salon Dentist Restaurant
Howson Road, Longford (Local Centre)	Convenience store (One Stop) Bookmakers Hot food takeaway
Poplars Avenue/Capesthorne Road (Neighbourhood Centre)	Foodstore (Cooperative Food) Pharmacy Post office Bakery Grocer Café Bank Bookmakers Hairdressers
Fearnhead Cross (Neighbourhood Centre)	Foodstore (Cooperative Food) Bakery Convenience store (Premier) Newsagent Hairdressers Beauty salon Pharmacy Bookmakers Credit union Estate agency Hot food takeaway Library Dentist Youth centre
Cinnamon Brow (Local Centre)	Convenience store (One Stop) Community centre

3.17 The role of these centres is to meet people's day-to-day retail and service needs. It is clear from the composition of the centres that they are successfully achieving this. Each centre has at least a convenience store which can provide immediate grocery needs. The larger centres provide a wider range of services such as restaurants, pharmacies and beauty salons.

3.18 In terms of available sites that could accommodate the retail element of the Peel Hall Farm proposal (2,600sqm), there are very few. There are no obvious development sites in any centre and only limited vacancies. The vacant units are shown in the table below, along with their approximate areas:

Table 3.2: Vacant units

Centre	Address	Approximate area
Fearnhead Cross	15 Orchard Street	63sqm
Fearnhead Cross	17 Orchard Street	63sqm
Fearnhead Cross	21 Orchard Street	173sqm
Poplars Avenue / Capesthorne Road	133 Poplar's Avenue	99sqm

3.19 As paragraphs 3.4 – 3.6 above explain, there is no requirement to disaggregate part of the proposal. A sequentially preferable site must be capable of accommodating the 2,600sqm retail proposal <u>in its entirety</u>. Therefore, although there are vacant shop units in the existing centres, there is no available site that is suitable for the proposal as they are all far too small to accommodate it.

3.20 The PPG requires consideration of "flexibility" on the part of the operator, particularly with regard to the format and/or scale of the proposal[4]. However, given the disparity between the size of the available units and the proposal at Peel Hall Farm, there is no possibility of it being accommodated within any of the centres, even with flexibility.

c) <u>Conclusion</u>

3.21 Having surveyed the nearby local and neighbourhood centres, it is clear that there are no sites capable of accommodating the proposal. Sites farther afield (such as Warrington town centre or the

[4] *Ensuring the vitality of town centres*, paragraph 010, Reference ID: 2b-010-20140306

district centres) would not be capable of fulfilling the purpose of the proposal, which is to meet the day-to-day shopping needs of the new housing at Peel Hall. We therefore conclude that there are no sequentially preferable sites that are suitable, available and viable for the proposal.

4 IMPACT ASSESSMENT

4.1 The Planning Practice Guidance (PPG) sets out the broad steps for undertaking impact assessments. These are:

- Determine the scope of the assessment;
- Examine the "no development scenario";
- Examine potential turnover and trade draw;
- Consider potential impacts; and
- Consider whether the impacts are likely to be significantly adverse. If so the application should be refused. If not, the positive and negative effects of the proposal should be considered.

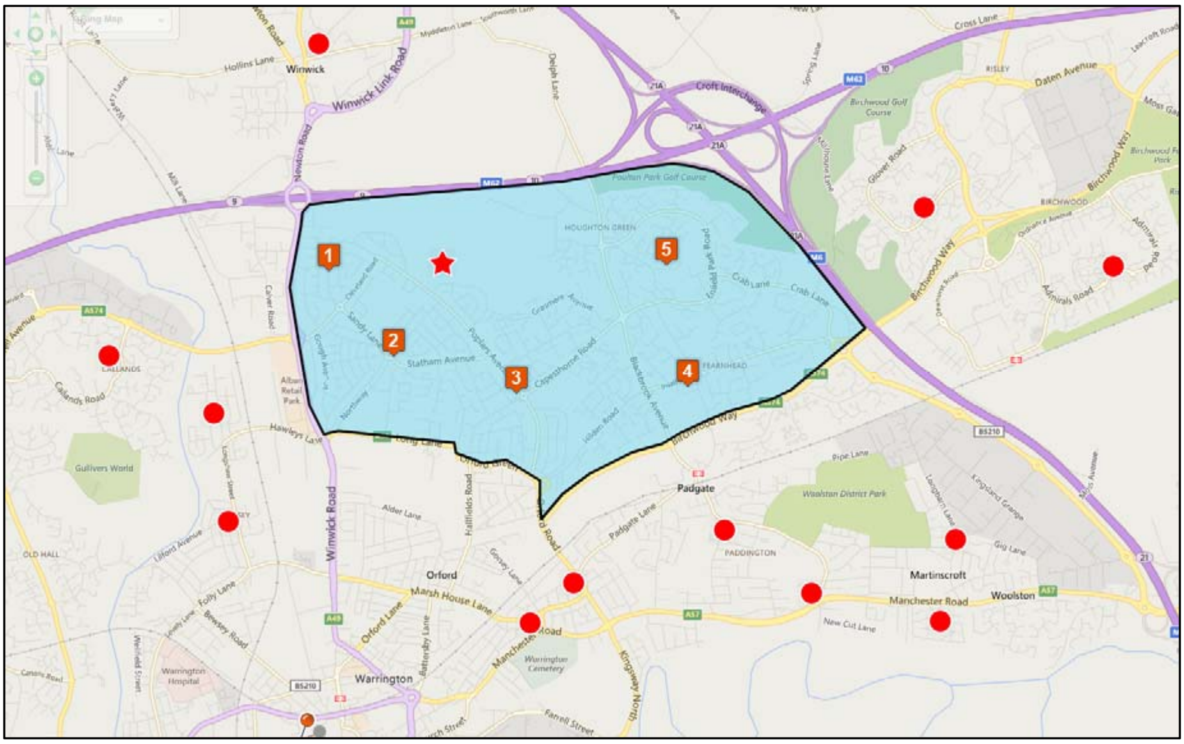
4.2 We address each of these steps in our assessment below. The methodology used in this assessment was agreed with officers prior to submission (see **Appendix 4**).

a) <u>Determine the scope of the assessment</u>

4.3 The retail element of the proposal is relatively minor, comprising a maximum of 2,600sqm of floorspace. It is intended to serve the immediate shopping needs arising from the proposal's 1,200 houses and employment areas. Its effect will therefore only be local, roughly a ten-minute walking catchment, and the scope of the assessment should reflect this.

4.4 Figure 2 below shows the area we believe will be affected. This takes a ten-minute walking catchment and adjusts it for the local geography, including the road network and the location of existing local and neighbourhood centres. Shoppers are unlikely to cross major roads for a convenience shopping trip when there are other options available, so the motorways to the north and east present obvious boundaries for the assessment area. In other directions the local nature of the shopping trips the proposal will attract means that only the first ring of centres around the site are likely to be affected. Beyond this, top-up convenience shopping patterns will be dominated by these centres or the next centres out. All of these are shown at Figure 4.1 below:

Figure 4.1: Scope of impact assessment and location of other local/neighbourhood centres



Proposal site

Other local/neighbourhood centres

Centres most likely to be affected

Impact assessment study area

4.5 The closest centres to the application site are (using the numbering from Figure 4.1):

1. Cotswold Road, Poplars (Local Centre);

2. Howson Road, Longford (Local Centre);

3. Poplars Avenue/Capesthorne Road (Neighbourhood Centre);

4. Fearnhead Cross (Neighbourhood Centre);

5. Cinnamon Brow (Local Centre).

4.6 The proposal may also have a limited effect upon large foodstores that draw trade from the immediate area, and might be expected to do so from the new housing. These stores include Tesco

Extra at Winwick Road and Asda at Birchwood. A plan of existing foodstores in Warrington can be seen at **Appendix 3**.

4.7 Regarding the timeframe for the assessment, this should be over five or ten years. Using a base year of 2016, we examine impact at both 2021 and 2026, making an assumption that the housing will not be fully delivered until 2026.

b) <u>No development scenario</u>

4.8 The policy guidance requires consideration of the "no development scenario". Typically, this might include forecasts of town centre turnover provided by the LPA's retail study, as a guide to the future vitality and viability of the centres. In this case, however, the centres involved are too small to make accurate forecasts and the LPA's retail study[5] does not attempt to do so. This means there is little quantitative data on the current performance of the centres and no way to forecast this. A better way of forecasting the health of the centres is to consider how they are currently performing and forecast whether expenditure in the area is likely to continue to support them.

4.9 The five centres in question were all surveyed as part of our sequential assessment. Those surveys showed that there are only four vacant units. Indeed, all of the centres appeared to be trading well. Each was anchored by a small foodstore and provided some key local services such as pharmacies, dentists, cafes, restaurants, beauty salons, post offices and hot food takeaways. Each centre was fulfilling its role within the retail hierarchy (see the plans at **Appendix 2**).

4.10 Having established that all five centres are currently performing well, examining the no development scenario requires us to consider whether this situation is likely to continue. Growth in expenditure in the local area suggests that it will. The table below shows the growth in expenditure arising from the study area over the period 2016-2026:

[5] Warrington Retail & Leisure Study (WYG, August 2015)

Table 4.1: Growth in convenience goods expenditure 2016-2026

Year	Population	Expenditure per person	Expenditure (£m)	Growth from 2016 (£m)
2016	25,621	£1,967	£50.40	
2021	25,789	£2,059	£53.10	£2.70
2026	25,907	£2,202	£57.05	£6.65

Source: Pitney Bowes

4.11 There will, therefore, be £2.70m of additional convenience goods expenditure in the local area by 2021, and £6.65m by 2026, even without the additional housing proposed. This expenditure will be available to support existing shops, specifically the important foodstores that act as anchors in each of the five centres.

4.12 In light of this, it is reasonable to assume that the shops and services in the five centres will continue to trade and the centres will continue to fulfil their role in the retail hierarchy.

c) <u>Turnover and trade draw</u>

4.13 The most significant part of the proposed local centre will be a small foodstore. We therefore focus on this element first.

4.14 The turnover of the foodstore will be determined by its size, role and operator. As the store will be much smaller than a full-range superstore (such as Asda at Birchwood or Tesco Extra at Winwick Road), it is more likely to cater to top-up or "basket" shopping.

4.15 By way of background, "basket" shopping represents a large and growing share of the groceries market. Customers' shopping habits continue to change but there is a strong movement away from the traditional weekly bulk shopping trip to smaller, more frequent trips, often at more than one store. As a result, the main operators have struggled to maintain historic profit margins from their larger stores. However, margins at smaller convenience stores have been stronger. This is why the main operators have rapidly expanded their convenience store businesses, such as Tesco Express, Sainsbury's Local and Little Waitrose.

4.16 The proposed foodstore at the new local centre will fit this pattern of convenience shopping prevailing over bulk purchases. The small size of the store also suggests that a large proportion of its trade will be top-up shopping rather than bulk purchases.

4.17 The turnover of the store will also depend upon the operator. In this regard, we can make reasonable assumptions about which operators would be interested in taking a store of this size, in this area. Asda and Morrisons do not operate convenience stores (Morrisons recently sold their "M Local" business) and would not want to operate a store of this size, particularly in competition with the much larger competitors at Winwick Street and Birchwood. Waitrose do not have a store in Warrington as the town does not fit their customer profile. These retailers can therefore be ruled out.

4.18 The table below applies the sales density of all the remaining main operators to the proposed floorspace to give the theoretical turnover. Given that the store will cater to top-up shopping (and that shopping patterns are likely to increasingly favour this type of shopping in the future), we have assumed that 50% of purchases will be of the top-up/basket variety:

Table 4.2: Theoretical "benchmark" turnover of the proposed foodstore by operator

Operator	Gross area (sqm)	Sales area (sqm)	Sales density (£ per sqm)	Turnover (£m)	Bulk food (50%) (£m)	Top-up (50%) (£m)
Tesco	2,000	1,200	11,392	£13.67	£6.84	£6.84
Sainsbury's	2,000	1,200	11,465	£13.76	£6.88	£6.88
Co-op	2,000	1,200	8,191	£9.83	£4.91	£4.91
Aldi	2,000	1,200	9,049	£10.86	£5.43	£5.43
Lidl	2,000	1,200	4,833	£5.80	£2.90	£2.90

Note: Sales area assumed to be 60% of gross floor area

4.19 As can be seen, the theoretical turnover varies greatly depending upon the operator. The highest theoretical turnover is Sainsbury's and we have therefore examined the impact of this operator as a worst case scenario. If another operator were to take the store, its turnover (and therefore impact) would be lower. It should be stressed that these figures are based upon the average performance of the individual operators' stores. By definition, some stores trade above this level and some trade below it.

4.20 The purpose of the new local centre is to serve the 1,200 new houses to be delivered as part of the current proposal. The table below shows our forecast of expenditure growth arising from this new housing:

Table 4.3: Expenditure arising from new housing growth

Additional houses	Average household size in Warrington[6]	Additional population	Expenditure per person 2026 (convenience goods)[7]	Expenditure (£m)
1,200	2.3	2,760	£2,202	£6.08

4.21 New housing growth alone is therefore likely to support a significant proportion of the new store's turnover. The remainder is likely to be drawn from the surrounding area, including the expenditure growth forecast in Table 4.1, above.

4.22 Shopping patterns for bulk and top-up food shopping are very different and we therefore examine these separately. Bulk shopping purchases are likely to be drawn principally from new housing growth and diversion of trips made from existing housing to the large Tesco Extra and Asda stores at Winwick Street and Birchwood, as well as the Aldi store at Chiltern Road. A map of foodstore locations is shown at **Appendix 3**. The table below sets out our forecast of trade draw:

Table 4.4: Forecast bulk food shopping trade draw

Location	Trade draw (%)	Trade draw (£m)
Tesco Extra, Winwick St	35%	£2.41
Asda, Birchwood	30%	£2.06
Aldi, Chiltern Road	15%	£1.03
Co-op, Fearnhead Cross	5%	£0.34
Pass by (i.e. out of survey area)	10%	£0.69
New housing growth	5%	£0.34
Total bulk food turnover	100%	£6.88

[6] From Office for National Statistics 2011 Census Table H01UK
[7] From Pitney Bowes (bespoke report for the area shown in Figure 2)

4.23 Most of these stores are outside any town centre and do not benefit from planning policy protection. The only one that is in a centre is the Co-op at Fearnhead Cross. This store is principally a top-up foodstore and not a bulk shopping destination. It is not vulnerable to a significant change in bulk food shopping patterns.

4.24 Regarding trade draw for top-up/basket shopping, our forecast is below:

Table 4.5: Forecast top-up food shopping trade draw

Location	Trade draw (%)	Trade draw (£m)
Co-op, Cotswold Rd, Poplars	10%	£0.69
Co-op, Fearnhead Cross	10%	£0.69
Co-op, Capesthorne Road	10%	£0.69
One Stop, Howson Road	5%	£0.34
Spar, Cinnamon Brow	5%	£0.34
Aldi, Chiltern Road	10%	£0.69
Pass by (i.e. out of survey area)	10%	£0.69
New housing growth	40%	£2.75
Total top-up food turnover	100%	£6.88

Note: trade draw from local/neighbourhood centres in **bold**

4.25 As the three local centres and two neighbourhood centres in the local area all operate in the top-up food shopping market, they are more likely to be affected by trade draw to the new centre. However, the distribution of the centres means they will retain much of their existing trade, and some are also likely to benefit from the new housing growth. The Cotswold Road/Poplars and Cinnamon Brow local centres, being closest to the new housing, are most likely to benefit from additional trade. The extent of this is forecast below:

Table 4.6: Forecast of new housing expenditure to existing centres

Centre	% of additional expenditure (£6.08m)	Expenditure flow (£m)
Cotswold Road	10%	£0.61
Howson Road	5%	£0.30
Poplars Ave	5%	£0.30
Fearnhead Cross	5%	£0.30
Cinnamon Brow	10%	£0.61

4.26 Having forecast the trade draw from and to the existing centres, we are in a position to forecast the net effect upon their turnover:

Table 4.7: Net effect upon local and neighbourhood centres

Centre	Trade Draw (£m)			Trade flow (£m)	Net trade draw (£m)
	Bulk	Top-up	Total		
Cotswold Road	£0.00	£0.69	0.69	£0.61	£0.08
Howson Road	£0.00	£0.69	0.69	£0.30	£0.38
Poplars Ave	£0.00	£0.69	0.69	£0.30	£0.38
Fearnhead Cross	£0.34	£0.34	0.69	£0.30	£0.38
Cinnamon Brow	£0.00	£0.34	0.34	£0.61	-£0.26
Total			**3.10**		**£0.97**

4.27 Potential impacts

i) *Impact in 2021*

4.28 Our forecast of impact in 2021 assumes that the local centre will be provided prior to full completion of the new housing. Impact in this scenario would amount to the total trade draw shown in Table 4.7 (£3.10m), without the benefit of the additional trade flow to the existing centres arising from the new housing.

4.29 This trade draw of £3.10m from the five existing centres would be almost entirely offset by the growth in expenditure over the five years to 2021 (£2.70m, see Table 4.1). Existing shops would, therefore, lose a small amount of trade to the new local centre, but this would be compensated by an increase in the value of their existing trade. In the absence of specific data on the turnover of the centres we cannot express this in the form of percentage impact. However, it is clear that the difference would not amount to a *"significant adverse impact".*

4.30 In this scenario, the proposed foodstore would be likely to trade below its "benchmark" level (as shown at Table 4.2), at least until the new housing is delivered.

ii) <u>Impact in 2026</u>

4.31 We assume that by 2026 the additional housing at Peel Hall will have been built and occupied. This would benefit the existing centres as well as the new local centre, as shown in Table 4.7. Net trade draw from the five centres is forecast to be no more than £0.38m from any centre. There will be almost no impact on Cotswold Road and a net benefit to Cinnamon Brow.

4.32 As stated above, the available data does not allow us to express this in the form of percentage impact. However, as Table 4.1 above shows, there is likely to be expenditure growth from existing households of £6.65m by 2026. The aggregate net trade draw from the five centres (£0.97m) is only 15% of this <u>growth</u> in expenditure. There will be more than enough expenditure in the area to support existing and proposed retail floorspace, especially when the proposed housing growth is considered.

d) <u>Comparison goods floorspace</u>

4.33 The above assessment relates to convenience goods, which is likely to make up the bulk of the proposal (not just the foodstore). Other uses are likely to include services such as cafes and hot food takeaways. There may also be a small amount of comparison goods floorspace and the impact of this also requires assessment.

4.34 In the same way as we have forecast the additional convenience goods expenditure arising from the new housing, we can do the same with comparison goods. Our forecast is as follows:

Table 4.8: Expenditure arising from new housing growth

Additional houses	Average household size in Warrington[8]	Additional population	Expenditure per person 2026 (comparison goods)[9]	Expenditure (£m)
1,200	2.3	2,760	£5,170	£14.27m

4.35 Given that the comparison goods floorspace is likely to be a maximum of 600sqm (and probably much less) this growth in expenditure alone will more than support the proposal. This, and its small size, suggests that there will be no impact of any kind on other centres.

e) <u>Whether impact is significantly adverse?</u>

4.36 Several factors must be considered when assessing whether the above convenience goods trade draw will amount to a *"significant adverse impact"* on any centre:

- The centres are currently trading well;
- Growth in expenditure will largely compensate for the forecast aggregate trade draw in 2021 and will be almost seven times this in 2026, even without the additional housing;
- The forecast trade draw is based on a worst case scenario, using the highest possible sales density for forecasting turnover; and
- The additional housing growth will further boost local expenditure.

4.37 Considering all of these points, there is no reason to expect the forecast trade draw to have a *"significant adverse impact"* – the policy test for refusal of permission. The existing centres will continue to trade and to serve their local customer base, alongside the new local centre.

f) <u>Conclusion: Positive and negative effects</u>

4.38 The PPG invites consideration of the positive and negative aspects of the proposal. In this case, the negative aspects have been considered and found to be less than significant. The most positive

[8] From Office for National Statistics 2011 Census Table H01UK
[9] From Pitney Bowes (bespoke report for the area shown in Figure 2)

aspect is the greater consumer choice for new and existing residents. In addition, the purpose of the local centre is to ensure that shopping trips can be undertaken locally. This reduces the need to travel and makes the entire proposal more sustainable. Therefore, the presumption in favour of sustainable development should be applied.

5 CONCLUSION

5.1 As part of a comprehensive housing-led development of the Peel Hall site, Satnam Millennium Limited is proposing a small retail-led local centre. Planning policy, including national policy and the development plan, requires assessment of retail proposals that are not in designated town centres against the sequential and impact tests.

5.2 We have undertaken comprehensive surveys of all five local and neighbourhood centres in the vicinity of the site (sites farther afield would be unable to fulfil the role intended for the proposal). There are no sites that are capable of accommodating the proposed local centre, even with flexibility in terms of format and scale.

5.3 Regarding the impact test, by 2026 the new retail floorspace will be supported by the new housing proposed with the current application. There will be some diversion from existing centres; however, this will be offset by the significant growth in convenience goods expenditure forecast for the study period and the flow of some expenditure to existing centres from the new housing. No centre will suffer a *"significant adverse impact"* – the policy test for a refusal.

5.4 The provision of local convenience retail and services will reduce the need for local residents to travel to other destinations. In this way it will enhance the sustainability of the overall proposals.

5.5 As the proposal represents sustainable development, and the retail tests have been satisfied, the presumption in favour of sustainable development should apply and the retail element of the scheme should be supported.