Gloucester, Cheltenham and Tewkesbury

Joint Core Strategy Retail Study 2011-2031 Phase 2 Update

Prepared on behalf of

Gloucester City Council
Cheltenham Borough Council
Tewkesbury Borough Council

By

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June 2014

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Contents

1.0 Introduction

1.1 This report forms Phase 2 of the Joint Core Strategy (JCS) Retail Study. The purpose of Phase 2 of the Study is to review the quantitative retail floorspace requirements arising from the strategic allocations identified in the Draft JCS. It is based on the Pre-submission draft of the Joint Core Strategy of April 2014.

1.2 Phase 1 of the study was published in December 2011. In view the new data that has become available since then, particularly the results from the 2011 Census, an update to this has been undertaken (the Phase 1 Update). The Phase 1 Update figures are reflected in Policy SD3 of the Pre-submission draft as follows

Over the plan period to 2031 provision will be made for the following new floor space requirements in the existing designated centres

	Convenience goods floorspace capacity (sqm net)	**Comparison goods floorspace capacity (sqm net)**
Cheltenham	**0**	**69997**
Gloucester	**0**	**41957**
Tewkesbury	**0**	**821**
Winchcombe	**248 sq m**	**445**
Bishops Cleeve	**1197 sq m**	**626**

1.3 The majority of the retail floorspace requirements are for comparison goods sales and should be concentrated in the centres of the identified settlements, according the sequential approach as set out in paragraph 23 of the NPPF. In broad terms, there will be no need for additional convenience goods (food) floorspace up to 2031, except in the smaller centres of Winchcombe and Bishops Cleeve, where there has been little recent foodstore development or commitments to such development.

1.4 However, there is a need to examine food shopping provision on a more local level as well. The housing provision proposes the development of a number of strategic allocations and there are sound reasons for providing local food shopping provision within these areas even if there is no overall requirement for additional convenience floorspace. These include the convenience of the residents at the strategic allocations, the creation of a sense of a shared neighbourhood and the reduction in the need to travel.

1.5 Phase 2 of the Retail Study therefore undertakes a more detailed quantitative and qualitative assessment to establish whether the proposed housing is located within a reasonable distance of food shopping or if there would be any specific locational needs arising for convenience (food) shopping. The figures are shown in the attached table (Appendix 1). This should be seen as a preliminary appraisal and any proposals would have to be assessed thoroughly through an appropriate retail impact assessment.

1.6 The starting point for this exercise is the number of homes proposed on each of the strategic allocations. This is converted to a population forecast using a broad average household size figure of 2.4 persons per household. This is higher than general for the area, but is intended to reflect the higher proportions of families in new neighbourhoods. The forecast average convenience goods expenditure per head for the retail study area in 2031 is used - £1,640 per head. Both the proportion of families and their spending on food will vary between neighbourhoods, but so will the performance and sales densities (turnover per sq m) of the centres, and a sense of spurious accuracy should be avoided. This approach gives a broad measure of the spending on convenience goods in the new developments in 2031. In total the population of the strategic allocations would generate some £48m of convenience goods spending, of which, conventionally, some £34m (70%) would be regarded as main food shopping and some £14m (30%) as top-up shopping.

1.7 The amount of expenditure generated by the development is then examined in the context of the existing provision in terms of the distance and accessibility to existing main and top-up food stores and their characteristics. A qualitative assessment is also made.

1.8 The calculations for each of the strategic allocations are shown in the attached table. Each development is considered separately below.

2.0 Local Foodstore Provision

A1 Innsworth Urban Extension

2.1 The development would generate some £4.9m of convenience spending of which some £3.4m would be main food shopping and £1.5m top-up. At present, Innsworth itself has very limited local shopping provision. The nearest larger shopping facilities are on the Cheltenham Road East, where a new Tesco with 1,071 sq m of net sales floorspace has recently been built. This is located about 1.3 km from the site as the crow flies. There are other local shopping facilities nearby in Churchdown. The nearest big foodstore is the Sainsbury at Barnwood. This is about 3km from the site centre as the crow flies and a relatively inconvenient journey. The trading performance of the new Tesco on the Cheltenham Road East is not known because the household survey was carried out before it was trading, but the Retail Study suggests that the Sainsbury is already “overtrading” and our local experience would back this up. The new Tesco is also likely to attract considerable trade from the Churchdown urban extensions.

2.2 Given the limited retail provision in the area at present, the distance from the nearest facilities and their current trading performance, we consider that additional food shopping should be provided in the new residential area. This needs to be assessed in conjunction with the two Churchdown allocations (see below) because additional facilities in the area would need to be designed to bring about a redistribution of shopping patterns in the area and should in our view provide facilities for main food shopping as well as serving as a local centre. Equally any new provision should not be of a scale that attracts longer trips from outside the area.

A2 North Churchdown Urban Extension

2.3 This urban extension would generate some £2.1m of convenience spending, about £1.5m of which would be main food shopping and £0.6m top up shopping. It could not support substantial retail development and will be fairly well served by the Tesco on Cheltenham Road East and local facilities. It is also more conveniently located than the Innsworth area for access to the Sainsbury at Barnwood. On its own, it is not considered suitable for more than local facilities.

A3 South Churchdown Urban Extension

2.4 This urban extension would generate some £3.4m of convenience spending, about £1.0m of which would be top-up shopping. The site could not support significant retail development, and is reasonably well located for the Sainsbury store at Barnwood.

Conclusion - Innsworth and Churchdown

2.5 These three sites near Churchdown taken together would generate about £10m in spending on food and it is clear that there will be some pressure on main food shopping facilities in the area. The Sainsbury at Barnwood has already been extended and must now be near its optimum size for a food offer. We do not know of the current trading position of the new Tesco store on Cheltenham Road East.

2.6 We conclude from a retailing point of view that it would be sensible to investigate the possibility of providing a foodstore on the Innsworth site which could accommodate much of the increased pressure on facilities in the area and serve as a main food shopping destination without attracting trips from a wider area. The additional turnover would support some 870 sq m of net convenience goods sales floorspace. This would be slightly smaller than the Tesco store at Churchdown. A store of that size would not meet main food shopping needs well. However, given the existing pressure on food shopping in the area, we consider that there may be scope for a larger foodstore. This would take some of the pressure off the food stores in the north of Gloucester and overcome the lack of shopping facilities in the Innsworth area. A medium sized store of 1500 to 2000 sq m net sales might be reasonable but this would need assessing carefully through a more detailed impact assessment.

A4 North Brockworth Urban Extension

2.7 This urban extension would generate some £6m of convenience spending, about £1.8m of which would be top-up shopping. The site is well located in relation to the Tesco store at Brockworth - a modern store which the Retail Study suggests is under-trading and could accommodate the additional expenditure. This store is suitable for meeting top-up shopping needs but is not very convenient. The top-up shopping expenditure might just about support a small convenience store but it would be difficult to find a single location within the development for it to serve the whole area. Convenience store operators generally want a location on a main road to provide passing trade and locations within the allocation are considered unlikely to prove attractive to retailers for this reason. Overall, we consider that the existing local centres and particularly Court Road would be capable of accommodating the additional top-up shopping expenditure and conclude that the local planning authority should not make specific additional provision to meet the additional need.

A5 North West Cheltenham Urban Expansion

2.8 This urban extension would generate some £19m of convenience spending, about £6m of which would be top-up shopping. The site is located very close to the existing Sainsbury store on Kingsditch Retail Park, Tewkesbury Road, and within reasonable distance of the Tesco store on Collets Drive. Both have been extended and refurbished within the past few years and are probably near to their optimum size. The Retail Study suggests that both are significantly under-trading, but experience suggests this may not be to the extent suggested by the survey.

2.9 We consider that some additional convenience goods retail provision will be required. Given the overall size of the proposed site, with nearly 5,000 dwellings, the distribution of housing within the site, and the location of large food stores, we consider that the best approach is to consider local centres. The expenditure generated would suggest that this could be as a single centre anchored by medium sized foodstore or provided by smaller centres serving more local areas. A single centre anchored by a foodstore suitable for main food shopping would meet more of the development's requirements overall, and might attract a wider range of shops and services, thereby reducing the need to travel. Further investigation would be necessary to establish this.

A6 South Cheltenham Urban Extension – Leckhampton

2.10 This urban extension would generate some £4.4m of convenience spending, about £1.3m of which would be top-up shopping. This would not support large scale retail shopping provision. The site is relatively close to the Caernarvon Rd District Centre, and not that far from the Bath Road centre. The Morrison store, which forms a large part the Caernarvon Rd centre, has been extended in the last few years, but the Retail Study suggests that it is still heavily overtrading. This overtrading might have reduced somewhat with the opening of the Asda store on Hatherley Lane since the household survey was carried out. There is no scope for the significant physical expansion of the Caernarvon Rd centre or indeed the Morrison store which forms a large part of it, without the loss of other facilities. We conclude that the need for additional floorspace resulting from this development is limited but there would be scope for a new local centre without impacting on the existing centres nearby. Commercially we consider the only interest is likely to be on the Shurdington Road frontage.

A8 MOD Site at Ashchurch - Tewkesbury

2.11 This allocation proposes 2125 dwellings by 2031 and would generate some £8.4m of convenience spending, about £2.5m of which would be top-up shopping. The site is a considerable distance from Tewkesbury Town Centre, but would be close to the permitted Sainsbury store on the former Trelleborg site. As a result of this commitment there is a considerable surplus of convenience floorspace in the town and this development would absorb some of it. While the furthest part of the site would be some distance from the store, we doubt that further provision on the A46 frontage at the eastern end of the site would be desirable and we suspect that any small scale floorspace in the residential area would be difficult to make viable. Further investigation would be necessary to establish this.

2.12 A further 600 houses are planned for after 2031. Allowing some growth in expenditure in 2031 and 2032, suggests that these would generate some £2.4m of convenience spending. The surplus capacity at Tewkesbury, as a result of the planning permission on the Trelleborg site, is still sufficient to meet this additional requirement.

A9 – Ashchurch Strategic Allocation

2.13 This allocation is for employment use. While large employment areas do generate a demand for top-up shopping facilities, and in combination with the existing employment use would probably support a small convenience store, the need in this case would be met by the permitted Sainsbury store on the former Trelleborg site.

3.0 Conclusions

3.1 Despite the conclusion of the Phase 1 Study Update that there is no need for additional convenience goods retail floorspace in the main centres before 2031, local needs for more convenience floorspace will arise in some of the strategic allocations if residents are to have convenient shopping facilities without the need to travel. While the concept of local centres within the residential areas is attractive, there must be doubt that they would be viable in many of the strategic allocations without main road frontage and the benefit of passing traffic.

3.2 Our recommendations, subject to further investigation and retail impact assessments where indicated are summarised in the table below:

Site		Recommendation
A1, A2 & A3	Innsworth, North Churchdown and South Churchdown	Investigate the provision of a medium sized foodstore in the Innsworth development to meet the deficiency in provision in Innsworth and the needs of the wider area
A4	Brockworth	No further provision. Existing facilities sufficient to meet the requirements.
A5	North west Cheltenham	Further provision required. Investigate the benefits of a medium sized foodstore as part of a larger centre or local centres with convenience stores.
A6	Leckhampton	Limited requirement but could support small local centre. Would probably need to have Shurdington Road frontage for viability.
A8	MOD site Tewkesbury	No further provision needed following the grant of planning permission for a foodstore on the former Trelleborg site
A9	Ashchurch Strategic Location	No further provision needed following the grant of planning permission for a foodstore on the former Trelleborg site

3.3 In summary, we conclude that convenience floorspace provision is likely to be needed in the area north of Gloucester and the area North West of Cheltenham, but the scale of this in both cases needs closer examination of the performance of the existing larger stores. Any proposals should therefore be accompanied by a thorough retail impact assessment, which specifically addresses population and expenditure increases as the result of proposed strategic allocations.

3.4 Small scale local facilities could be provided at Leckhampton but would probably require a location on Shurdington Road to be viable. Existing main food shopping facilities are adequate to serve North Brockworth. It would be difficult to provide local facilities to serve the whole of the development and it is considered that the existing centres will accommodate the need arising from the new development. The grant of planning permission for a new large foodstore at Ashchurch will meet the needs of both the former MOD site and the Ashchurch strategic allocation.

APPENDIX 1

TABLE - LOCAL RETAIL PROVISION

Cheltenham, Gloucester and Tewkesbury JCS Retail Study - Phase 2 - Local Retail Provision

Urban Extensions and Strategic Sites	Housing Numbers	Average H'hold Size	Population	Expenditure per head £	Convenience Spending £m	Main Food £m	Top Up £m
A1 Innsworth	1250	2.4	3000	1640	4.92	3.44	1.48
A2 North Churchdown	532	2.4	1277	1640	2.09	1.47	0.63
A3 South Churchdown	868	2.4	2083	1640	3.42	2.39	1.02
A4 North Brockworth	1500	2.4	3600	1640	5.90	4.13	1.77
A5 North West Cheltenham	4785	2.4	11484	1640	18.83	13.18	5.65
A6 South Cheltenham Leckhampton	1124	2.4	2698	1640	4.42	3.10	1.33
A8 Former MOD site Tewkesbury *	2125	2.4	5100	1640	8.36	5.85	2.51
Total	**12184**		**29242**		**47.96**	**33.57**	**14.39**

* up to 2031