

Retail Impact

As requested, following planning committee in December 2012, the applicant has submitted a full Retail Impact Assessment (RIA) in support of the proposal. This was first received in May 2013, and undertaken by White Young Green (WYG). A number of queries were raised with regards to the submission, which resulted in a revised RIA being submitted in July 2013.

After reviewing the revised RIA I still remained unsatisfied with certain elements of it, particularly assumptions made around the sales density benchmark employed, inflow expenditure and the overall trade draw estimates. As a result the applicant agreed to sensitivity test my own assumptions within their model, and submitted a further letter dated 18th July 2013 detailing the impact assessment outputs, using my own assumptions. The applicant and I now agree on all aspects of the RIA other than the final trade draw estimates applied. The extant Planning Policy Statement 4 Practice Guidance (PPS4 PG) states that these should be based upon transparent judgements (paragraph D.27).

Trade Draw

Disagreement between the applicant and I revolves around the judgements made on the proportions of the proposed store's turnover that will be diverted from existing facilities in Calderdale.

Applicants' case

The applicant argues that the majority of trade draw will come from both the Asda and Tesco superstores in Halifax (20% of the proposed store's turnover from each), with a lesser draw of 15% each from the Co-op in Hebden Bridge and Morrison's Todmorden. The remaining 30% would arise from: expenditure generated from outside the catchment area ('inflow' of 8%); the Local Shops in Hebden Bridge (5%); other supermarkets in Todmorden, Sowerby Bridge and Halifax (5% each); and local shops in Mytholmroyd (2%). The resulting impact on Hebden Bridge town centre facilities based on these trade draw judgements are as follows:

- Co-op, Hebden – A -27.4% impact on turnover of the store, resulting in the store trading at 81% of benchmark trading levels
- Local Shops, Hebden – A -10.2% impact on turnover of these facilities, resulting in the shops trading at 172% of benchmark trading levels

Table 2 attached to the applicants' letter dated 18th July sets out these impacts in detail. The basis of these anticipated impacts, and the judgement employed by WYG, are that shopping practices will change as a result of a new foodstore opening in Hebden Bridge, and that those who currently travel out of the primary catchment area to do their main food shopping at larger facilities are more likely to change their shopping habits.

I agree with this assumption in principle, indeed the PPS4 PG states that 'like-for-like' is one of the key principles to apply in determining likely impact. However I disagree with how it has been implemented and the weight attached to it. The applicant has judged this to be the primary principle to consider in the case of Hebden Bridge, giving this greater weight than the other aspects of 'popularity' and 'proximity' that are also considered, and quoted, in paragraph 5.36 of their July RIA.

As evidence against the applicants' anticipated 20% trade diversion from both the Asda and Tesco stores in Halifax, Table 1 sets out some key figures. In monetary terms, the predicted trade diversion from the applicant, from both the Asda and Tesco stores in Halifax is greater than the total money currently spent in those facilities, a scenario that is clearly not credible.

Table 1: Applicants' principal trade draw estimates on facilities outside of Hebden Bridge

Destination	Convenience expenditure from Zone 12 (£m)	Applicants' estimated trade diversion [% turnover of proposed facility]	Trade diversion (£m)
Asda, Thrumhall, Halifax	2.0	20%	2.2
Tesco, King Cross, Halifax	1.8	20%	2.2
Morrisons, Todmorden	2.0	15%	1.6

Even if the full amount of expenditure currently going to these facilities were to be spent in the future at the proposed new foodstore (highly unlikely as an element of shopper loyalty will no doubt remain), then it could only be in the region of 18% and 17% maximum of the new food store's trade drawn from these facilities respectively. On this basis I am still unable to agree with the applicants' assessment of trade draw.

Officer case

In response therefore I have provided my own assessment of likely trading impacts, and evidenced this against the key principles of 'like-for-like', 'popularity' and 'proximity' used in RIA work. This is set out in Table 2 below. Bold text indicates where a destination fulfils one of the impact principles; with the number of impact principles satisfied being totalled in the 4th column. This is then used as a guide in judging the likely retail impact, i.e. where 2 facilities satisfy the same number of principles a similar diversion is likely, taking into account other qualitative considerations.

On the basis of the evidence in Table 2, I am still unable to agree with the applicants' assessment of trade draw. No similar evidence to support the applicants' judgements has been presented. In the absence of any further evidence from the applicant, Table 2 establishes that there is no clear reason for attributing a higher percentage of trade draw from the Asda and Tesco stores in Halifax than the Co-op in Hebden Bridge. Although the proportion of spend in the Co-op store on main food shopping isn't as high as these larger stores, with a 59/41% split between main food and top-up shopping being undertaken there (compared to 89/11% Asda and 81/19% Tesco), it is the most popular choice of shopping destination for residents within the primary catchment area, and is the closest located to the proposed development site. I would therefore conclude that the Co-op will experience a higher trade draw than either Asda or Tesco, on the basis that all 3 impact principles are met.

Similarly, I would also conclude that Hebden Bridge Local Shops should be attributed a higher proportion of the trade diversion than WYG estimate (5%). My conclusion is based on the proportion of money spent in these facilities being classed as 'main food' shopping (49%), the local shops being the joint second most popular destination for main food shopping for residents within the primary catchment area (12%), and again the proximity to the proposed development site.

In terms of other main facilities satisfying 2 of the impact principles, I see no clear reason for attributing a higher percentage of trade draw from Asda and Tesco in Halifax than Morrisons in Todmorden, as all available data for these facilities are very comparable. A 15% figure for Asda, Tesco and Morrisons appears more realistic based on actual turnover figures clawed back. As stated above, WYG estimates of 20% relate to over 100% of the current expenditure to Asda and Tesco store location. It is unrealistic to expect this proposal to claw back all current expenditure from these facilities as an element of shopper loyalty will no doubt remain, and clearly impossible that it may claw back more than is currently being spent at these locations.

With regards to inflow, I would judge that a rate of 8%, as per the original WYG RIA submitted in May, is appropriate. A figure of 10% seems high considering the very wide nature of the study area.

Table 2: Officers' impact assessment including comparison with applicants'

Destination	Impact Principles			No. of impact principles satisfied	Officer % diversion	WYG % diversion
	Like-for-like ¹ (Main food: top-up %)	Popularity ²	Proximity ³			
Hebden Bridge						
Co-op	59 : 41	16%	0.4 miles	3	20	15
Local Shops	49 : 51	12%	0.5 miles	2	10	5
Mytholmroyd						
Co-op Late Shop	15 : 85	1%	1.9 miles	-	2	2
Local Shops	0 : 100	-	2.1 miles	-		
Sainsbury's Local	30 : 70	-	2.1 miles	-		
Halifax						
Asda	89 : 11	12%	7.3 miles	2	15	20
Sainsbury's	90 : 10	4%	8.6 miles	1	5	5
Tesco	81 : 19	10%	7.3 miles	2	15	20
Sowerby Bridge						
Tesco	82 : 18	3%	6.4 miles	1	5	3
Todmorden						
Morrisons	86 : 14	11%	4.1 miles	2	15	15
Lidl	91 : 09	2%	3.7 miles	1	5	5
Inflow					8	10

¹ Like-for-like: proportion of total store turnover generated by main food or top up shopping (Table 4 RNA) – a majority of spend being 'main food' spend equates to principle being satisfied

² Popularity: percentage of Zone 12 residents' selecting destination as their main food shopping destination (Q01 RNA household survey) – percentage of 10% or higher taken as threshold for principle being satisfied

³ Proximity: approximate distance from site by road – only Hebden Bridge facilities deemed to be within close proximity (reasonable walking distance) to proposed development

Implications of retail impact

Table 3 sets out the implications for the anticipated retail impacts in the assessment year of 2018. It summarises the opposing views of the applicant and myself, the overall impact on turnover for existing facilities, and the likely trading levels of each facility, compared to its benchmark, by the assessment year of 2018. Full trading impact tables of each position are set out in Tables 1 and 2 attached to the applicants' letter dated 18th July.

Table 3: Final comparison of applicant and officer impact assessment (2018)

Destination	Applicant (WYG) position			Officer position		
	Trade diversion %	Impact %	Trading compared to benchmark %	Trade diversion %	Impact %	Trading compared to benchmark %
Hebden Bridge						
Co-op	15	-27.4	81	20	-36.5	71
Local Shops	5	-10.2	172	10	-20.5	152
Sub Total (Zone 12)	20	-19.3	112	30	-28.9	98.6
Mytholmroyd						
Co-op Late Shop	2	-6.4		2	-6.4	
Local Shops						
Sainsbury's Local						
Sub Total (Zone 9)	2	-6.4		2	-6.4	
Halifax						
Asda	20	-3.6	176	15	-2.7	178
Sainsbury's	5	-2.0	96	5	-2.0	96
Tesco	20	-4.9	158	15	-3.7	160
Sowerby Bridge						
Tesco	5	-3.0	111	5	-3.0	111
Todmorden						
Morrisons	15	-8.4	215	15	-8.4	215
Lidl	5	-22.1	64	5	-22.1	64
Inflow	8			8		

Significance of impact

Having ascertained the predicted impacts of the proposed development in the assessment year of 2018, the key question then turns to whether the predicted impacts are deemed to be 'significantly adverse' in line with paragraph 27 of the NPPF.

The most up to date evidence available in the Retail Needs Assessment demonstrates that both the Co-op and Local Shops in Hebden Bridge are trading significantly above benchmark turnover values. In addition, the centre is considered to be in good overall health based on historically long-term low vacancy rates and a diverse mix of uses. The centre overall has a much higher proportion of comparison retailing goods than would be expected of a centre of this size, and a lower proportion of convenience goods, although this has been rising slightly in recent years (Calderdale Town Centre Land Use Surveys – Summary Report 2013). The resilience of the centre therefore to impacts on turnover in convenience floorspace is considered to be higher than more vulnerable centres in the district. Nevertheless a combined impact of -28.9% on the town centre is a considerable figure.

In terms of the Co-op first, an impact of -36.5% of turnover is estimated to leave the store trading at 71% of its benchmark turnover figure by 2018. Trading of 30% below benchmark values could therefore bring the future viability of this town centre store into question and there would be a real risk that the store would close.

In terms of the town centre local shops, an impact of -20.5% is estimated to result in stores still trading at 152% of benchmark values by 2018.

Clearly therefore, based on the evidence available, there is reason for concern over the future viability of the Co-op, however the future viability of the local shops is not called into question. The Co-op does currently represent the key 'anchor' store of Hebden Bridge and is obviously located within the primary shopping area being an in-centre facility. If it were to close in the future there would undoubtedly be further cumulative impacts on turnover in the local shops, beyond those impacts predicted in this RIA, due to the loss of linked trips expenditure, however these are hard to quantify. The majority of the overall modelled impact of -28.9% on the town centre, and the significant impacts associated with this, are therefore predicted to fall on the Co-op store only.

Despite the real risk that the Co-op store, an in-centre store, may close, the PPS4 PG states that *'in all cases it is important that the impacts are considered on the viability of the whole of a centre or centres, not simply on individual facilities which may be similar to the proposed development'*. The PPS4 PG also states that likely future impacts should be assessed against trade in the town centre and local consumer choice, both impacts of which should be considered on the town centre as a whole. Clearly this proposal would offer increased consumer choice to the residents of Hebden Bridge and the wider catchment area. Even if the Co-op store were to close, the overall impact on consumer choice in the town would not likely be 'significantly adversely' affected based on the evidence available.

For many centres, a predicted overall impact of -28.9% on existing convenience goods retailing would prove to be a very significant figure. However, in the case of Hebden Bridge, due to the strength and diversity of the centre, I would conclude that the proposal would be unlikely to have a significant adverse impact on the vitality and viability of the centre as a whole. In the absence of any proposed existing, committed and planned public or private investment in the centre within the catchment area of the proposal, and likely to be impacted by this proposal, I can therefore conclude that the proposal satisfies both impact tests set out in paragraph 26 of the NPPF.

Alternative Scenario implications – Discount operator

The commentary above relates to the proposed development being occupied by one of the top 5 supermarket operators, set out as Scenario 1 within the applicants' RIA. On request, the applicant helpfully provided an alternative scenario of a discount operator occupying the proposed development (Scenario 2). I agree with the principles employed in the trade diversion assessment, in that a greater level of trade draw would be expected from the Co-op and local facilities if the proposed development were to be occupied by a discount operator. However as with Scenario 1, I am not convinced by the exact trade draw percentages that have been applied in Scenario 2. Despite this, I acknowledge that there will be no overall greater level of impact on the town centre due to the significantly lower turnover of a discount operator store. The commentary set out above is therefore deemed to represent the worst case scenario for impact to the vitality and viability of Hebden Bridge town centre and no further detailed figures are provided in relation to Scenario 2.

*Don, can you copy to Darren +
the agent + ask for
Comments*

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Ref: 12/01003/FUL

Date 15th August 2013

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ECONOMY AND ENVIRONMENT	
16 AUG 2013	
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Dear Richard

Re: Proposed foodstore, Mytholm Works, Hebden Bridge (reference 12/01003/FUL)

As a key stakeholder in Hebden Bridge town centre, we (The Co-operative Group) write in connection with the above planning application which is with you for consideration. You will recall that we wrote via our planning consultants, NJL Consulting expressing our concerns on 12th November 2012 and appeared at Planning Committee in December 2012.

This second letter is written in response to the additional retail information which the applicants have submitted dated July 2013 and the subsequent letter dated 18th July 2013. We commissioned NJL to review the submitted information to ascertain whether there was cause for further objection. On reading NJL's subsequent report (which is attached for your information) we have very serious concerns about the application and how the impact upon our store is being interpreted.

At present our store is the only convenience goods anchor for Hebden Bridge town centre. It is a popular destination for food shopping with a dedicated car park that promotes linked trips with other retail outlets and facilities in the town. We do not see how, and cannot accept that, the impact of the proposed development can be deemed not significantly adverse and therefore, acceptable. To condemn a healthy and viable in-centre store to possible closure (as concluded by the Planning Policy Officer in his e-mail to WYG dated 22nd July 2013) is not sustainable and flies in the face of all levels of planning policy.

The analysis of the Planning Policy Officer is cursory and does not include a correct reading of national planning policy. He has interpreted the impact test as being purely about whether there will be a significant adverse impact on vitality and viability of the centre as a whole and overlooked the second bullet point of paragraph 26. Paragraph 26 reads:

"the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area..."

A development which could potentially force the only national multiple food retailer in the town centre to close would clearly have a significant adverse impact on local consumer choice in the town centre.



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We have very serious concerns about what advice he is giving to the Case Officer. In particular he is assuming that Hebden Bridge is going to be resilient to impact because it has a low proportion of convenience goods. In our view, for the reason above relating to consumer choice this approach is flawed. The Policy Officer has also cited the Practice Guidance as his reason for looking at the centre as a whole. He is presumably referring to the first sentence of paragraph 7.22 but what he fails to do is then consider the rest of the paragraph which says:

"It will also be appropriate to consider the implications of a proposal on retail diversity, particularly the range, type and quality of goods available. This will be especially relevant in historic market towns, or centres which have developed a distinct and unique character which contributes to their vitality and viability. This needs to be factored in when reaching an overall judgement on town centre impacts."

Lastly, the policy officer has confused data sets within his advice he says that the centre overall has a much higher proportion of comparison retailing goods than would be expected of a centre of this size, and a lower proportion of convenience goods.. In contrast, paragraphs 3.07 and 3.08 of the Revised Retail Assessment says the number of convenience and comparison units are both above the national average whilst the amount of floorspace for both is below the national average.

We have no confidence in the current determination process to the point that if the application is approved on the back of his advice there would be a real risk of challenge down the line.

We understand from the Case Officer that the application will be determined at Planning Committee on 10th September at the earliest. As this date is a month away we would welcome the opportunity to meet with you and your Officers to discuss the application and the Co-op's position. Our Planning Consultants will be in touch shortly to arrange a meeting should you be agreeable.

Yours sincerely



Chris Beebe



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Briefing Note



**Planning
Sustainability
Development**

Client: The Co-Operative Group
Document No: 2012-164-04
Job Name: Co-op Hebden Bridge
Date: 13th August 2013

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Review of Retail Assessment Submitted for Planning Application at Mytholm Works, Hebden Bridge

1.0 Introduction

- 1.1 As requested we have carried out a comprehensive review of the retail assessment prepared by WYG dated July 2013 and the subsequent letter dated 18th July 2013. Following that review we have compiled below a series of comments that outline our ongoing concerns about the impact that the proposed development would have on the Co-op store and Hebden Bridge town centre as a whole.

2.0 Catchment Area

- 2.1 The catchment area utilised by WYG appears to be the whole of the Borough of Calderdale. Hebden Bridge is a second tier centre in the retail hierarchy of the Replacement Unitary Development Plan (UDP) it is also positioned in the west of the Borough. The town's position both geographically and in the retail hierarchy means that its primary catchment area is very unlikely to constitute the whole of the Borough. This assertion is supported by the findings of the household survey which shows that existing convenience goods facilities in Hebden Bridge only currently have a significant trade draw from Zone 12 with Zones 11 and 9 forming a secondary catchment area.
- 2.2 The result of having an enlarged catchment area is that it is assumed that all of the available expenditure within Calderdale is available to support the proposed development, which in turn can mean that capacity is overstated. Ultimately an unrealistic pattern of trade diversion is created by having a catchment area that is too large which has an effect upon the impact assessment.

3.0 Existing Convenience Goods Provision

- 3.1 At paragraph 3.12 it is concluded that the Co-op store is overtrading. It states:

"These observation which are corroborated by the findings of the CRNA, indicate that the store is overtrading quite significantly."

- 3.2 We take issue with this statement for two reasons. First, according to the WYG retail tables the Co-op store is overtrading by less than £1m. Such a margin does not constitute significant overtrading and we can also confirm that the store is not trading above benchmark levels. This should also be countered by the fact that the store is actually trading at company average level, we understand its turnover was £5.9m last financial year.
- 3.3 Secondly, the only 'observations' which precede the statement are that the Co-op car park experiences congestion at peak times. No evidence relating to congestion in the store or poor stock levels are provided. At no point is it claimed that conditions in store due to overtrading are so bad that people are prevented from using the store.
- 3.4 Within their letter of 18th July the potential impact on the Co-op store is shown as being between 36.5% and 27.4%, so approximately one third of the Co-op's trade will be lost to the proposed development. This is a very significant impact that could jeopardise the future trading potential of the store. Also within their letter of 18th July WYG state:
- "...the Co-op store would only be trading £1m below company averages, and this would be recouped through growth in expenditure overtime. As a result, WYG is in no doubt that the Co-op would still not close since it is a store which was opened nearly 30 years ago and carries little historic costs and bears mainly operational costs."*
- 3.5 This is pure speculation by WYG which bears no grounding in fact, particularly as their starting point assumes an incorrect turnover for Co-op, also whether or not the store would be forced to close is not part of the impact test. WYG do not put a timescale on how long it would take for a general increase in total expenditure to recoup the £1.6m lost to the proposed store but tables 6A and 6B of the Revised Retail Statement only show an increase in turnover of £0.4m in a 5 year period. On this basis it would take the Co-op in excess of 10 years to recoup the lost trade, which is by no means a reasonable timeframe.
- 3.6 The potential effect of impacting upon a town centre convenience store has been played out by several recent appeal decisions. Of particular note in relation to the way the impact test should be applied is Tesco Stores Ltd versus Basingstoke and Deane Borough Council (3rd April 2013). Paragraph 16 of that decision states:

"Moreover, SP's revised view appears to be based on the incorrect test of whether the Asda store would close rather than on the impact on the vitality and viability of the Centre as a whole."

3.7 The paragraph then continues to state:

3.8 *"Asda would fight back as best it was able but the Centre as a whole is constrained and has no opportunity to expand. It is not suggested that Asda would close, but there would be a dramatic change in footfall in the centre. On Asda's figures, dividing trade diverted by an average basket spend of £20.11 indicates that there would be a diversion of in the region of 16,700 trips a week from Asda. Although this calculated uses dated methodology it gives a general indication of the effect on the flow of customers and the vitality of the Centre."*

3.9 In this case it was held that there would be a significant adverse impact upon the centre. It is our view that a similar situation is created here. We have carried out a review of recent appeal decisions to see what level of impact was deemed to be significantly adverse. Attached to this note is a summary of those decisions which all bear many similarities to the situation in Hebden Bridge. Notably, they listed the following convenience goods impacts as being significantly adverse:

- Barnoldswick. Pendle Projects Ltd V Pendle Borough Council. – 37% impact on Co-op and 30% on Town Centre as a whole
- Basingstoke. Tesco Stores Ltd V Basingstoke and Deane Borough Council. – 26-31% impact on Asda equating to a diversion of 16,700 trips a week. Impact on Town Centre as a whole is not specified in the Inspector's report but deemed to be high considering the loss of linked trips.
- Todmorden. Sainsbury's Supermarkets Ltd, Property Alliance Group Ltd and MCR V Calderdale Metropolitan Borough Council. – 28.5% impact on Todmorden Town Centre.
- Barnoldswick. Liberty properties Ltd, Leggett and Platt Components Europe Ltd and Tesco Stores Ltd V Pendle Borough Council. – 46.4% impact on Co-op and 9.2% on Barnoldswick Town Centre.
- Saffron Walden. Sainsbury's Supermarkets Ltd V Uttlesford District Council. – 50-59% impact on Waitrose and 16-18% on Saffron Walden Town Centre.

- Keyworth. Tesco Stores Ltd V Rushcliffe Borough Council. – Impact of 17% at Main Street Local Centre and 35% at Wolds Drive.
- Lytham St Annes. BAe Systems Properties Ltd V Fylde Borough Council. – Not stated specifically but envisaged to be above 6% impact on Freckleton. 6% impact was calculated by the appellant but the figure is disputed by the Inspector and deemed to be much higher

3.10 Despite WYG's assertions that the Co-op store does not form an anchor for the town there would be a loss of linked trips as a result of the trade diversion away from Co-op. WYG have made no attempt to quantify this loss of trips and without such evidence we can only conclude that in conjunction with the impact upon the Co-op store a significant adverse impact would be created.

4.0 Comments of Planning Policy Officer

4.1 In addition to the information submitted by WYG we have also had sight of the comments of the Planning Policy Officer who is assessing the application against the relevant retail tests. Within his e-mail dated 22nd July 2013 to Bethany Brown of WYG he states:

"The evidence available in the Retail Needs Assessment demonstrates that both the Co-op and Local Shops in Hebden Bridge are trading significantly above benchmark turnover values. In addition, the centre is considered to be in good overall health based on historically long-term low vacancy rates and a diverse mix of uses. The centre overall has a much higher proportion of comparison retailing goods than would be expected of a centre of this size, and a lower proportion of convenience goods. The resilience of the centre therefore to impacts on turnover is considered to be higher than more vulnerable centres in the district. Nevertheless a combined impact of -28.9% on the town centre is a considerable figure."

4.2 We strongly disagree with this extract, there is no reason why a centre with an above average level of comparison goods provision and a below average level of convenience goods provision would be more resilient than any other centre. In particular because the proposed development is for a convenience goods store the reverse would be true. Also, in his comment the Officer is mixing up two different data sets. According to paragraphs 3.07 and 3.08 of the Revised Retail Assessment the

number of convenience and comparison units are both above the national average whilst the amount of floorspace for both is below the national average.

- 4.3 Lastly, the Officer cites the traditional low level of vacancies in the centre as a sign of its health. However, paragraph 3.15 of the Revised Retail Statement says that the number of vacant units is above the national average.

- 4.4 In terms of impact the Officer concludes:

"However, despite the predicted overall impact on the town centre being so high (-28.9%), as for many centres this would prove a very significant figure, in the case of Hebden Bridge I would conclude that the proposal would be unlikely to have a significant adverse impact on the vitality and viability of the centre as a whole, due to the local shops currently trading so significantly over and above the benchmark. The proposal is therefore deemed to satisfy the second of the NPPF impact tests on town centre vitality and viability."

- 4.5 What is not considered within this analysis is the fact that the vast majority of stores within Hebden Bridge town centre are independent retailers. This means that it is not possible to accurately ascertain whether or not they are overtrading. As independent traders their businesses are unique and not subject to average floorspace densities in the same manner as national multiples. Independent retailers also tend to have lower profit margins which means that it takes a much lower level of impact to significantly impact upon them. It is for these reasons that the level of impact indicated by WYG is significantly adverse contrary to the Policy Officer's conclusions.

- 4.6 The above assertions are ones which have been tested at appeal, most notable are those in Todmorden (reference APP/A4710/A/12/2171556/NWF) and Barnoldswick (reference APP/E2340/A/12/2175946). Given below are quotes from the Inspector's Reports':

Todmorden – Paragraph 38 – "...20% is still a significant impact on the Town Centre and there is no evidence of new supermarkets opening in such circumstances and continuing to trade at such a low level.

Paragraph 39 – The fact that there is likely to be significant excess capacity suggests that both Morrisons and Lidl would be noticeably affected initially. They would react by cutting prices, a strategy that can be supported by retailers with shops around the

country but not easily by independent traders such as are found in the Town Centre. In consequence they could be impacted upon further.

Barnoldswick – Paragraph 24 – ... National retail representation within the town centre is low (about 12%) with the majority of units operated as independents. The Council indicates that members' local knowledge suggests that many operate on a marginal basis, being trapped by long leases, whilst others seek to operate as 'hobby shops' which do not provide a living wage. I have no substantive evidence to back up these assertions. Nonetheless, it is likely that small independent retailers would be more sensitive to change in the level of trade they might expect if footfall was to reduce and they would be unlikely to have the buffers to change that multiple retailers might enjoy"

- 4.7 Our view on the potential impact upon Hebden Bridge Town Centre is shared by the local traders who participated in the survey by Incredible Edible Mytholm (supported by the Co-op) during January 2013. In the survey it was asked whether they thought the proposed store would have an impact on their business; 11 thought it would, 1 thought it would have negative and positive impacts and 2 did not know. Of the 8 which felt it would not have an impact on their business only 1 sold comparable products to the proposed foodstore. Traders were also asked whether they thought the store would have an impact upon the town centre and all, apart from one which said that they didn't know and one which said there would be positive and negative impacts, said they thought it would have a negative impact on the town centre. A summary of the responses is attached to this Briefing Note for information.

5.0 Conclusion

- 5.1 The NPPF and its accompanying Practice Guidance advocated sustainability and have a town centre first approach to retail development. The existing Development Plan for Calderdale is in broad accordance with this policy approach.
- 5.2 This current proposal would see a town centre use located in an out of centre location that would draw a significant amount of trade away from Hebden Bridge Town Centre. In no way is it sustainable to provide a new foodstore in an out of centre location that could irrevocably jeopardise the trading future of an existing in centre facility.
- 5.3 No evidence has been presented by WYG to support their claims that the impact levels of in the region of 36% on the Co-op individually 28% on the town centre as a whole

would not be significantly adverse. Nor is there any calculation of the potential loss of linked trips between the Co-op store and the town centre which would undoubtedly increase the impact on the town centre above 28%.

- 5.4 On the basis of the evidence presented thus far by the applicant we do not see how any conclusion can reasonably be reached other than that there would be a significant adverse impact upon the town centre which in turn means that the application should be refused.

Appeal Decision Review

Land off Pershore Road/Fordhouse Lane, Stirchley, Birmingham, West Midlands.

Reference: APP/P4605/a/12/2187738

Asda V Birmingham City Council

Dismissed 2nd July 2013

Paragraph 46 – A number of active retail outlets towards the south of the PSA and beyond would benefit from linked trips associated with the Asda store. However, this would be at the expense of retail activity and consequent vitality in the core to the north, the area of Stirchley most in need of regeneration.

Paragraph 47 – There would be a real risk that the existing Co-op would be unable to withstand trade draw from both Tesco and Asda, resulting in closure. This would leave a site with considerable difficulties with regard to subdivision and re-letting, unattractive to deep discounters and others. There might also be a consequential effect on community uses associated with the public houses, the library, the former baths and the school.

Paragraph 48 – ...They suggest there should be no objection to the increase in expenditure retention which would be brought about by the development of the two stores, given the very low level of less than 25% of convenience expenditure retained within the PSA at present. However, the lack of expenditure in the northern core brought about by the Asda development, would be harmful, its consequences possibly including the closure of the Co-op. It would also give rise to an inappropriate scale of retail function with a greater concentration of convenience floorspace than at Selly Oat, a nearby higher order centre towards which policy directs future growth.

Paragraph 49 – Besides economic harm, the proposal would cause harm of a physical nature to the vitality and viability of the District Centre through the absence of an active frontage onto Pershore Road and the awkwardness of the transition between Mayfield Road and the site.

Skipton Road Business Park, Skipton Road, Barnoldswick.

Reference: APP/E2340/A/12/2188392

Pendle Projects Ltd V Pendle Borough Council

Dismissed 3rd June 2013

Paragraph 15 – With a few exceptions, most of the comparison goods shops could not reasonably be considered as "destinations", attracting significant numbers of customers in their own right, customers who are making journeys to specific stores. ... a good proportion of those using the town centre are likely to be undertaking multi-purpose trips, of which visits to comparison goods shops form only part. This appears to be borne out by the results of an on-street survey carried out by Co-operative Group in November 2011 which indicated that non-food shopping was the main purpose of visit to the town centre for only some 11% of respondents (compared to 32% for food shopping); and that only about 33% regarded it as their principle destination for non-food shopping.

Paragraph 16 – Also, although the Appellant argues that the centre has become much more specialist and tourism related, I am not convinced that this has happened to such an extent that the comparison goods shops alone provide a sufficient and robust underpinning for the town centre as a whole. Thus,

whilst it was agreed at the Hearing that the centre is currently vital and viable...these qualities are potentially quite fragile.

Paragraph 17 – ... the L & P Springs appeal decision letter refers to survey data as indicating that about two-thirds of visitors to the town centre go to the Co-op and of these about 90% make linked trips from there to the town centre. From the available evidence I concur with my colleague's assessment in that case, that the Co-op store is intimately bound up with the functioning of the town centre.

Paragraph 30 – Although it is agreed that the Co-op store is not within the town centre, impact upon it warrants consideration to the extent that it is considered to generate trade for the centre. The appellant estimates that cumulative impact on the Co-op store would be around 34%, which would leave it trading at around the company average and remaining viable. The Council suggests a figure of some 37% which they say would leave it trading below company average; and though it would be unlikely to close, it would be left weakened.

Paragraph 31 – Even allowing for the Appellant's assessment that the Co-op store is trading in a robust way, given the role that it plays in anchoring the town centre I consider that impacts of the size suggested by the main parties would have potentially serious implications for that centre. Whilst the store might not close, it is likely that its offer would be reduced in scale, range, staffing or hours of operation, or a combination of these changes. As a result it would become a significantly less attractive store to visit and would in turn attract fewer customers who would then go into the town centre for further shopping.

Paragraph 33 – Given the importance of food shopping as an attractor of trade into the town centre, from which comparison goods shops then benefit, any significant reduction in that trade is likely to have potentially serious consequences. Most of the shops are small and in terms of trade are likely to be quite inter-dependent as few have an obviously unique offer that is likely to draw people into the centre in its own right. It has also been suggested that at least some of the shops are trading on quite narrow margins. All these factors mean that the loss of even a few shops, or quite a small amount of trade, could result in a markedly less active centre.

Former Smiths Industries Aerospace Limited, Winchester Road, Basingstoke.

Reference: APP/H1705/A/12/2182975

Tesco V Basingstoke and Deane Council

Dismissed 3rd April 2013

Paragraph 16 – Moreover, SP's revised view appears to be based on the incorrect test of whether Asda store would close rather than on the impact on the vitality and viability of the Centre as a whole. Whilst Tesco's retail witness estimates the trade draw from Asda store based on the lower turnover of the proposed Tesco would be 18.5%, some £10.56m, the Council's and Asda's experts suggest it would be 26-31%, in the region of £16.4-£17.81m. Even the lower estimate would have a significant impact on the Centre. The number of units in the Centre is small, as is the size of the units. Asda would fight back as best it was able but the Centre as a whole is constrained and has no opportunity to expand. It is not suggested that Asda would close, but there would be a dramatic change in footfall in the centre...

Paragraph 19 – I conclude that the proposal would be likely to have a significant adverse impact on the vitality and viability of the designated District Centre as a whole, contrary to the aims of paragraph 27 of the Framework

Land at Hope Street, Halifax Road, Todmorden, West Yorkshire

Reference: APP/A4710/A/12/2171556/NWF

Sainsbury's Supermarkets Ltd and Property Alliance Group Ltd and MCR V Calderdale Metropolitan Borough Council

Dismissed 13th November 2012

Paragraph 38 - ... 20% is still a significant impact on the Town Centre and there is no evidence of new supermarkets opening in such circumstances and continuing to trade at such a low level.

Paragraph 39 – The fact that there is likely to be significant excess capacity suggests that both Morrisons and Lidl would be noticeably affected initially. They would react by cutting prices, a strategy that can be supported by retailers with shops around the country but not easily by independent traders such as are found in the Town Centre. In consequence they could be impacted upon further.

L & P Springs UK, Ravenscroft Way, Barnoldswick

Reference: APP/E2340/A/12/2175946

Liberty Properties Ltd, Leggett and Platt Components Europe Limited and Tesco Stores Ltd V Pendle Borough Council

Dismissed 31st October 2013

Paragraph 15 – Coupled with the convenience of dedicated car parking, wider choice, competitive pricing, and likelihood of basket-only aisles and self-scanning, their trading profiles would suggest that the stores would be convenient, uncrowded and attractive not only for main-spend weekly shopping but also for top-up shopping. There would thereby be competition with the likes of the existing smaller Co-op store which provides, for many, this latter role now. I am not persuaded in these circumstances that the operation of two large-format supermarkets would fulfil such a different role and function that their combined impact, particularly on the continuing operation of the Co-op, would be minimal.

Paragraph 23 – Because of its role in terms of the town centre, any materially adverse impact on the Co-op in terms of much reduced visits or even closure would have major consequences for the town centre since it is likely to result in reduced footfall.

Paragraph 24 – The predicted impact on comparison shopping as a result of the two-store scenario is limited given that their principal offer would be convenience shopping, with comparison goods being restricted in floorspace and viewed as ancillary. ...National retail representation within the town centre is low (about 12%) with the majority of units operated as independents. The Council indicates that members' local knowledge suggests that many may operate on a marginal basis, being trapped by long leases, whilst others seek to operate as 'hobby shops' which do not provide a living wage. I have no substantive evidence to back up these assertions. Nonetheless, it is likely that small independent retailers would be more sensitive to change in the level of trade they might expect if footfall was to reduce and they would be unlikely to have the buffers to change that multiple retailers might enjoy.

Paragraph 25 - ...given the important current role of the Co-op as an anchor for the town centre and my views on the likely cumulative effects of two large-format stores on it and consequent reduction in footfall, on balance, I consider there to be a strong probability of a substantial impact on the vitality

and viability of the town centre. This would serve to undermine its current role as a focus for the community offering a range of services in an attractive environment.

Land at Thaxted Road, Saffron Walden, Essex.

Reference: APP/C1570/A/11/2152457 and APP/C1570/A/11/2158685 (2 similar schemes of separate sites assessed at the same time)

Sainsbury's Supermarkets Ltd V Uttlesford District Council

Both appeals dismissed 17th May 2012

Paragraph 38 – There is no evidence that the Waitrose store would close in the face of such competition. Nevertheless the store does have a number of shortcomings due to the constraints of its site.

Paragraph 39 – Taking account of the importance of quality to the John Lewis brand it is improbable that the town centre store would be allowed to decline in the face of further competition. Whilst some improvements could be made within its existing fabric it is also quite reasonable to surmise that the company would not direct significant new investment to an outlet that was performing poorly relative to other Waitrose stores. The severity of the impact would undoubtedly reduce footfall and vitality within the store and diminish its attractiveness as a town centre retail destination.

Paragraph 43 – Although it [*extension to Waitrose*] would not result in a step change in terms of significantly increasing the number of shoppers drawn to the town centre it would improve the retail experience for existing shoppers and more importantly deter them from taking their custom to foodstores elsewhere especially as the store has been losing market share. It has the potential to encourage people to stay in the town centre, maintain footfall and undertake linked trips. The loss of planned private investment to a town centre store is of serious concern in this case.

Paragraph 44 - ...From all of this there is a picture of a relatively prosperous and vibrant small market town with a strong sense of community. Demand for units appears to be relatively strong, rental values look to be generally secure and the level of vacancy is comparatively low. The town seems to be doing well notwithstanding the economic downturn.

Paragraph 51 – Drawing all of this together I consider that the Appellants have misjudged the likely cumulative retail impact on the convenience goods turnover of the town centre. This is largely because they have underestimated the diversion of trade from Waitrose and the Tesco extension but also the direct and indirect impacts on other food outlets. The Council's analysis seems more credible and for a town centre to lose as much as 43% to 50% of its convenience turnover is likely to result in serious and significant harm to vitality, viability and retail function even for a town centre as healthy and relatively prosperous as Saffron Walden. Those food stores with small profit margins would undoubtedly suffer and market traders may find it difficult to remain viable.

Paragraph 52 – Even if shop closures do not happen it is probable that new investment will not be forthcoming and this is seen most starkly in terms of the Waitrose extension. There would be a noticeable decline in the quality and choice of convenience goods which make an important contribution to the diversity of offer in a market town. Furthermore the loss of footfall would reduce the bustle and vibrancy that is an important feature of the centre. In short the harm that would arise is likely to be unacceptably diminish the qualities that give the historic town centre its special sense of place for the local community and visitors alike.

Former Wrights Garage Nos. 24-30 Selby Lane, Keyworth, Nottinghamshire

Reference APP/P3040/A/11/2148617/NWF

Tesco stores Limited V Rushcliffe Borough Council

Dismissed 8th September 2011

Paragraph 37 – The analysis suggests that Budgens, the Co-op and Sainsbury's would all be trading below company average turnover in 2015 if the Tesco Store were trading. My concerns expressed above cast serious doubt on the extent of this under-trading, as estimated by the Appellant. At face value, the Appellant's impact of 17% on shops in Main Street Local Centre would not, in my view, be sufficient to cause shop closures, neither would the impact of 35% at Wolds Drive...

Paragraph 38 – However, as I have discussed above, the accuracy of the Appellant's model has significant weaknesses and the results are clearly open to question and doubt. The Council considers that both centres could be impacted upon to a significantly greater extent than the Appellant's analysis suggests.

Paragraph 43 – My findings above lead me to conclude that the Appellant's retail impact assessment is not a sound basis for assessing the proposal against the impacts on centres set out in Policy EC16.1 b. and d. On the basis of the information before me I must find that the proposal could lead to a significant adverse impact on in-centre trade/turnover and the vitality and viability of the Keyworth Main Street and Wolds Drive Local Centres and could therefore be in conflict with Policy EC17.1 b.

Land at, and adjacent to, the former GEC Marconi plastics factory Mill Lane, Warton, Lytham St Annes.

Reference APP/M2325/A/08/2083308

BAe Systems Properties Limited V Fylde Borough Council

Paragraph 14 – There is also concern that the local shops could be affected, thereby not only jeopardising the 'local centre' in Freckleton, but also undermining the sort of service enjoyed by other people in the village and offered by outlets (such as the Spa shop) long embedded in the local community; a submitted petition testifies to the extent of those worries. And, by 'clawing back' trade from Lytham and Kirkham, there is concern that the scheme would threaten the smaller independent outlets that contribute so much to the character of both towns.

Paragraph 32 – I do not deny that such a scenario might materialise. But in my view, it encompasses some very doubtful propositions. First, I doubt that the proposed store would offer anything like the variety and choice available at the large stores on the periphery of Blackpool and Preston. The latter would accommodate from 3 to 6 times the convenience floorspace of the proposed store and, in my view, although both would cater for 'main food' shopping trips, the nature of those trips would be distinctly different. Hence, I consider that the estimated level of trade likely to be 'clawed back' from those stores is doubtful. Second, whether or not the proposed store would operate primarily as a destination for 'main food' shopping trips, I seriously doubt that it would not also cater for 'top up' shopping.

Paragraph 33 – The implication of those doubts is that the proposed store would be likely to have a larger impact on town and local centres than the submitted analyses currently indicate.

Paragraph 34 – The survey analysis indicates in relation to 'main food' shopping such an additional impact would be likely at the Morrisons store at Kirkham. Although the operation of the store itself might not be greatly affected, the building has been carefully positioned close to the primary shopping

frontage in the town with pedestrian links from the car park to the town centre. I realise that the survey reveals that the proportion undertaking a linked trip as part of a 'main food' shopping expedition to Morrisons is below average (about 15% compared to an average of 25%). But, due to the popularity of that store, the number of shoppers actually undertaking such a trip would be relatively high. Moreover, the store is the most popular destination in the study area for 'top up' shopping.... Hence, diverting additional trade from the Morrisons store in Kirkham, both for 'main food' and for 'top up' shopping, would also reduce the number of linked trips to the small shops in the town centre. I consider, therefore, that the trade likely to be diverted from the small shops in Kirkham would be significantly higher than the 6% suggested.

Paragraph 38 – Certainly, the scheme would meet many of the relevant tests. But, I remain unconvinced, on the evidence available, that it could be accommodated without having an adverse impact on some local centres.

Lauren Harris

From: Nicole Johnson
Sent: 15 August 2013 15:42
To: Lauren Harris
Subject: FW: Mytholm Works Hebden Bridge RIA - final policy comments

From: Darren Tweed [Darren.Tweed@calderdale.gov.uk]
Sent: 22 July 2013 11:40
To: Bethany Brown
Cc: paul.shuker
Subject: Mytholm Works Hebden Bridge RIA - final policy comments

Hello Beth,

Thank you for your letter dated 18th July (ref: A082165) in which you set out the refinements to your RIA that I had requested. It has helped to clarify matters for me in relation to potential impacts on the vitality and viability of Hebden Bridge town centre from the proposed foodstore at Mytholm Works.

Inflow and sales density

I note that you are happy to accept two of the three requested changes, specifically with regards to inflow and the benchmark sales density. You state that *'this information has purely been presented to satisfy [my] request and does not in any way reflect WYG's professional opinion'*. As you are aware however I had simply requested that these be reverted to the original assumptions that were presented as WYG's 'professional opinion' in the RIA of May 2013, but altered in the July RIA without due justification.

Trade draw

In terms of the trade draw estimates I am grateful for your modelling of my revised % estimates of 20% from the Co-op and 10% from Hebden Bridge local shops. I also understand your argument for retaining your estimates of 15% trade draw from the Co-op and 5% from local shops, in that shopping practices will change as a result of a new foodstore opening in the town, and that those who currently travel out of the area to do their main food shopping at larger facilities are more likely to change their shopping habits. I agree in principle that there would most likely be an element of this if the new foodstore were to be developed, however there is a limit to how much expenditure can be clawed back from these larger facilities. You set out in Table 2, attached to your letter, some key figures in this regard that I have reproduced below.

	Convenience expenditure from Zone 12 (£m)	Trade diversion % [of proposed facility]	Trade diversion (£m)
Asda, Halifax	2.0	20%	2.2
Tesco, Halifax	1.8	20%	2.2
Morrisons, Todmorden	2.0	15%	1.6

Your assessment claims that £2.2m will be clawed back from Asda (Halifax) when only £2m is currently spent there by Zone 12 residents. You similarly claim that £2.2m will be clawed back from Tesco (Halifax) when only £1.8m is currently spent there. This is clearly not a credible scenario. Even if the full amount of expenditure currently going to these facilities were to be spent in the future at the proposed new foodstore (highly unlikely as an element of shopper loyalty will no doubt remain), then it would be in the region of 18% and 17% of the new food store's trade drawn from these facilities respectively.

On this basis I am still unable to agree with your assessment of trade draw. I provided my further reasoning and evidence for my estimates in my previous communication with you where I set out how the Co-op meets all three of the considerations relating to trade-draw (like-for-like, popularity and proximity). The findings above re-affirm my position in this regard.

Significance of impact

My position is therefore to adopt the impact assessment set out in Table 1 of your letter. The question then turns to whether the predicted impact of -36.5% on the Co-op and -20.5% on the Local Shops (-28.9% on the town centre as a whole) is 'significantly adverse' in line with paragraph 27 of the NPPF.

The evidence available in the Retail Needs Assessment demonstrates that both the Co-op and Local Shops in Hebden Bridge are trading significantly above benchmark turnover values. In addition, the centre is considered to be in good overall health based on historically long-term low vacancy rates and a diverse mix of uses. The centre overall has a much higher proportion of comparison retailing goods than would be expected of a centre of this size, and a lower proportion of convenience goods. The resilience of the centre therefore to impacts on turnover is considered to be higher than more vulnerable centres in the district. Nevertheless a combined impact of -28.9% on the town centre is a considerable figure.

In terms of the Co-op first, an impact of -36.5% of turnover is estimated to result in the store trading at 71% of its benchmark turnover figure by 2018. Trading of 30% below benchmark values could therefore bring the future viability of this town centre store into question and there would be a real risk that the store would close. In terms of the town centre local shops, an impact of -20.5% is estimated to result in stores still trading at 152% of benchmark values by 2018. Clearly therefore, based on the evidence available, there is reason for concern over the future viability of the Co-op, however the future viability of the local shops is not called into question. The majority of the overall impact of -28.9% on the town centre, and the significant impacts associated with this, are therefore predicted to fall on the Co-op store only.

Despite the real risk that the Co-op store, an in-centre store, may close, the PPS4 Practice Guide states that 'in all cases it is important that the impacts are considered on the viability of the whole of a centre or centres, not simply on individual facilities which may be similar to the proposed development'. The PPS4 practice guide also states that likely future impacts should be assessed against both local consumer choice, and trade in the town centre, as a whole. Clearly this proposal would offer increased consumer choice to the residents of Hebden Bridge and the wider catchment area. The Co-op store currently represents the only real 'anchor' store and is obviously located within the primary shopping area being an in-centre facility. Therefore if it were to close there would undoubtedly be further cumulative impacts on turnover in the local shops, beyond those impacts predicted in this RIA, due to the loss of linked trips expenditure. However, despite the predicted overall impact on the town centre being so high (-28.9%), as for many centres this would prove a very significant figure, in the case of Hebden Bridge I would conclude that the proposal would be unlikely to have a significant adverse impact on the vitality and viability of the centre as a whole, due to the local shops currently trading so significantly over and above the benchmark. The proposal is therefore deemed to satisfy the second of the NPPF impact tests on town centre vitality and viability.

Scenario 2 implications

I have also now had a chance to look in more detail at the Scenario 2 information that you supplied in your RIA. I can confirm that I agree with the principles employed in your trade diversion assessment under a discount operator scenario, in that a greater level of trade draw would be expected from the Co-op and local facilities. As with Scenario 1, I am not convinced by the exact trade draw %'s that you have applied in Scenario 2, however I acknowledge that there will be no overall greater level of impact on the town centre due to the significantly lower turnover of a discount operator.

I will be forwarding my final comments along these lines on to Daniel shortly as I understand he is due to return to work at the end of the week and will be picking up this application on his return.

Regards

R

Darren Tweed
Planning Policy Officer

Spatial Planning
Economy and Environment
Calderdale Metropolitan Borough Council
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Please note that I do not work Thursday afternoons

Our Ref: 12/01003/FUL
Your Ref:
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Chris Beebe
The Co-operative Estates
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Dear Mr Beebe

Re: Proposed foodstore, Mytholm Works, Hebden Bridge (reference 12/01003/FUL)

I write with regards to your letter dated 15th August 2013, in which you raise concerns over the advice given by myself to the Case Officer, on the above application. I have set out below my response to what I perceive to be your four main areas of concern.

1. Impact on local consumer choice and trade in the town centre

You have expressed concern that I have focused purely on whether there will be a significant adverse impact on vitality and viability of the centre as a whole, and overlooked the impact of the proposal on 'local consumer choice and trade in the town centre'.

In my comments to the Case Officer I do state that both aspects should be considered in regards to future impact on the town centre as a whole (2nd paragraph, final page). Paragraph 26 of the NPPF states that, when considering the impact on local consumer choice and trade, this should be considered in the context of the town centre 'and wider area'. For this reason I conclude that, even if the Co-op store were to close, (and I do not believe that my comments by any means condemn this store to this fate) then there would be no 'significant adverse' impact on consumer choice in the town when considering its wider area as well (i.e. the development site).

2. Confusion of data sets

Your letter states that I have confused data sets within my advice; I can confirm however that this is not the case. The applicant, in paragraphs 3.07 and 3.08 of their revised retail assessment (to which you refer in your letter) used GOAD 2012 data to support their statement. I, however, refer to the more recent Calderdale Town Centre Land Use Surveys – Summary Report 2013. These are based on our own monitoring of town centre and district centre occupancies, on a rolling annual basis across the district.



INVESTOR IN PEOPLE

Geoff Willerton
Head of Planning and Highways

Hebden Bridge was surveyed in 2012, however due to severe flooding in the summer of that year many units remained closed and the occupancy survey was not deemed to be an accurate reflection of the centre. Therefore a re-survey was undertaken in 2013 and it is these results that I refer to (the summary report is available on our website at <http://www.calderdale.gov.uk/environment/planning/local-plan/evidence-base/index.html>). I would suspect that the GOAD 2012 survey data was also affected by the flooding events based upon the very high vacancy rate set out in paragraph 3.15 of the WYG retail assessment.

My statement regarding the proportion of comparison retailing goods in Hebden being much higher than would be expected of a centre of this size is, I believe, a reasonable one. In relation to other centres of a similar size and place in the retail hierarchy in Calderdale, Hebden Bridge does have a higher proportion of comparison retailing (both in terms of number of units and floorspace). The evidence for this is contained within the above referenced summary report. Likewise, convenience retailing in the town centre is lower than similar sized centres in Calderdale. The WYG revised retail assessment compares potentially inaccurate 2012 survey figures with national averages, as opposed to locally based ones.

3. Mix of uses in Hebden Bridge town centre and resilience to impact

Having clarified the data upon which I based my statements on the mix of uses in Hebden Bridge, I will turn to your serious concern over my conclusions on resilience of the centre to impact. Specifically you disagree with my conclusion that, due to the fact that Hebden Bridge centre has a lower proportion of convenience goods, that it is considered to be more resilient to impacts on turnover.

To clarify, the point I make is that simply, in terms of impact on trade in the town centre as a whole, a predicted impact on a smaller proportion of a centre's overall turnover will have a lower overall impact on trade in the centre. i.e. a 20% impact on 11% of floorspace given over to convenience shopping in Hebden Bridge (at the time of the 2013 survey) will have a lesser overall impact than 20% on comparison retailing which comprises 27% of floorspace in the town. If we were looking at the convenience sector in isolation within Hebden Bridge then the conclusions on resilience and vulnerability may be different. However when considering the overall impact on the vitality and viability of the centre on trading grounds, the impact will undoubtedly be less.

There are clearly other factors at play to consider, beyond simply the trading impact on the convenience goods sector, and these are covered further under point 4 below. However the PPS4 PG requires us to look at the centre as a whole. It is on that basis that I come to the conclusion that I have. On this point, my references to the centre 'as a whole' in my comments relate to paragraph D.38 of the PPS4 PG, not 7.22 as you have assumed. Paragraph D.38 states that *'in all cases however it is important that the impacts are considered on the vitality and viability of the whole of a centre or centres, not simply on individual facilities which may be similar to the proposed development'*.

4. Wider issues to consider in reaching an overall judgement on town centre impacts

Linked to the above reference to paragraph 7.22 of the PPS4 PG, you also appear concerned that I have not considered wider issues in reaching an overall judgement on town centre impacts, for example on retail diversity, particularly the range, type and quality of goods available. Paragraph 7.22 also goes on to refer to historic market towns, and those which have developed a distinct and unique character which contributes to their vitality and viability.

There is no dispute that Hebden Bridge is a historic market town, and that it also has a distinct and unique character. It is branded as the 'Town of Great Little Shops' and is well known for its independent shops and providing a unique shopping experience. Tourism is key to its success, and this is demonstrated by the high proportion of art and crafts and gift shops and cafes and

restaurants in the town. This fact is of great importance in the consideration of this application, as such individuality and character is rare within small market towns, and should be protected wherever possible.

There is, however, no evidence to show that the proposed development will significantly affect this aspect of the towns function. The provision of a hotel in conjunction with this retail proposal will, if anything, help to support and increase the tourist trade in the town by encouraging overnight stays, and increasing overall expenditure in the town and wider area.

Further to the four main issues detailed above, I have identified three further points (raised by NJL Consulting in their briefing note to you) that I feel require clarification.

5. Catchment area used

NJL consulting has concluded that WYG have used a catchment area of the whole of the Borough of Calderdale within their retail assessment. They state that this ultimately creates an unrealistic pattern of trade diversion and has an effect upon the impact assessment; however no further details are provided as to what effect this might be. Although the primary catchment area (PCA) is not explicitly stated within the retail assessment, it can be seen from the WYG Appendix tables that Zone 12 is used as the PCA, with the assessment drawing upon data from other zones to give a full picture of the expenditure flows in and out of the PCA. Although I agree clarity on the PCA adopted would have helped, I believe that the approach used in the impact assessment is perfectly reasonable.

6. Co-op trading levels

It is useful to note that, in paragraph 3.2 of the NJL briefing note, the actual turnover of the Co-op store in the last financial year is confirmed to have been around £5.9m. Contrary to what is stated in paragraph 3.5 of NJL's briefing note (that the Co-op turnover applied as a starting point is incorrect), WYG have applied a 'survey estimated' turnover of £5.7m in 2013 in their retail assessment. This therefore appears to have been a very good basis upon which to have based the retail assessment and trading impact work.

7. Assessment of what constitutes 'significantly adverse'

Paragraph 3.9 lists similar cases where appeal decisions have determined convenience goods impacts have been 'significantly adverse'. The information provided does not however give the context of the relevant centre in each decision, in terms of how it is performing pre-development, in accordance with benchmark. A decision on whether a predicted impact will be 'significantly adverse' or not, can only be made with this information. The absence of this information does not, in my mind, allow any effective comparison to be made with this proposal for Hebden Bridge.

I hope that the above clarifies for you my reasoning and position on areas of concern. If you however wish to discuss any of the above in more detail then please do not hesitate to contact me.

Yours sincerely

Darren Tweed
Planning Policy Officer

Our Ref: 2012-164
Your Ref: 12/01003/FUL



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Daniel Child
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12th September 2013

Dear Daniel,

Re: Proposed foodstore, Mytholm Works, Hebden Bridge

I write on behalf of my client, The Co-Operative Group (TCG), as a response to the letter dated 4th September from Darren Tweed addressed to Chris Beebe from TCG. I write because my client remains very concerned about the impact of the proposed development on their store and the wider town centre, including the level of analysis undertaken.

I welcome the clarification of some point raised by our earlier correspondence, such as the data sets used to establish the health, or otherwise, of the town centre. However, we remain firmly of the view that the proposed development would have a significant adverse impact upon the town centre. This is because, as stated by Darren, there is an acknowledged short fall of convenience goods provision within Hebden Bridge town centre, therefore, allowing a development which will further reduce the quantum of convenience floorspace cannot be sustainable. Further reducing the amount of convenience floorspace in the centre would serve to polarise its function as a tourist destination rather than a centre to serve local day to day needs.

Furthermore, there has been no analysis carried out concerning the level of linked trips that currently take place between the convenience goods provision and the rest of the town centre and the potential impact that the loss of those trips would have.

With that in mind we undertook a survey in front of the existing Co-op store to try and gain an understanding of the scale of linked trips between the store and the town centre. The survey was carried out by an NJL employee during 9am-5.30pm on Monday 9th September 2013 and included interviewing 267 respondents. It should be noted that the survey was not carried out by a Co-op employee, included a substantial number of respondents and included the lunch time rush so that people in regular employment were also included within the survey base.

The questions asked during the survey were:

1. Are you visiting –
 - Co-op only
 - Town Centre only
 - Both Co-op and Town Centre

2. If visiting both, is the purpose to principally – Shop in Co-op
 Shop in Town Centre
 Shop in both equally

In addition people were asked whether they would mind providing their postcode so that we could establish whether they were local residents and therefore likely to be using the Co-op and/ or town centre on a regular basis. For information purposes I have included attached to this letter a copy of the full survey results but the can be summarised as demonstrating the following:

- 48.7% of respondents using the Co-op (as opposed to using the Co-op car park but not the store) linked trips with the town centre.
- Of the linked trips 20.8% of respondents said their main purpose was to visit the Co-op, meaning if the Co-op were to close then their visit to the town centre would not take place.
- Of people surveyed 17.6% of respondents were using the Co-op car park to visit the town centre but not the Co-op. Therefore, if the car park were not available their trip to the town centre would be at risk.
- The total percentage of trips that are at risk due to loss of the Co-op store and/or the car park is 66.3%

The above highlights two key facts. First, although the Co-op's car park is not large it is used as a general car park to serve the town centre, therefore, its loss would impact upon trade within the town centre. Secondly, there is clearly a very high percentage of linked trips that take place between the Co-op store and the town centre whereby the principle purpose of the visit to the town centre is to use Co-op. This demonstrates that the Co-op store successfully operates as an anchor for the town centre and its loss would have an impact that extends beyond purely the loss of convenience goods floorspace. Both of these facts need to be taken into consideration when assessing the impact of the proposed development on the vitality and viability of the town centre.

In relation to our earlier comments about the catchment area used by the applicants and Darren's subsequent response I would like to clarify my meaning. I understand that the applicants have identified Zone 12 as being the primary catchment area for the proposed development, however, if you examine the available expenditure for Zone 12 alongside the existing turnover of retail floorspace in the Zone, it is clear that there is insufficient capacity to support the proposed development.

- Zone 12 available convenience goods expenditure (Table 3A)– 2013 £16.3m, 2018 £17m and 2023 £18m
- Convenience Goods Floorspace in Zone 12 turnover (Table 7) – 2018 £15.5m
- Convenience Goods Capacity in Zone 12 – £1.5m
- Total convenience goods turnover of proposed development (Table 1) – 2018 £10.6m
- **Shortfall in convenience goods expenditure in Zone 12 – £9.1m**

It is clear that to be viable the proposed development is dependent upon either diverting £9.1m from existing convenience goods floorspace in Zone 12 (which is 58.7% of the total turnover) or inflow from other zones of £9.1m, or a combination of the two. Either way, it is evident that there is not an identified need for the proposed development and potential for a significant impact upon existing floorspace over and above that demonstrated by the applicants.

The above issue had not been taken into consideration by Darren Tweed or commented upon by the applicants. Unless an explanation can be made about the above and it be demonstrated that the applicant is not reliant upon an unrealistic level of trade retention it can only be assumed that there would be a significant adverse impact on Hebden Bridge Town Centre.

In relation to the appeal cases presented in Chris's letter of 15th August 2013 I understand Darren's position, that he does not know the context to the cases so he feels unable to make an effective comparison. However, what is missing from this analysis of the appeal decisions is the precedent that they set in terms of how the issues were assessed and the weight attached. To my mind the key lessons which flow from the appeal decisions and are relevant to this case are:

- The impact upon an anchor foodstore (i.e. Co-op) does not have to threaten that store's closure for the impact to be deemed significantly adverse.
- Small independent retailers operate on smaller profit margins and are therefore more sensitive to impact.
- Loss of linked trips as the result of impact upon an anchor foodstore can, in conjunction with the impact upon the foodstore, result in a significant adverse impact.
- Even if store closures do not happen future convenience goods investment is unlikely to take place.
- Although a proposed store is designed to cater for main food shopping it still has the ability to accommodate top-up shopping and therefore impact local small scale retailers.
- Closure of in centre stores can create a harmful physical impact through the loss of active street frontage.

The above are all factors which to my mind contribute to the proposed development having a significant adverse impact upon Hebden Bridge Town Centre

I trust that the above is clear and provides further explanation to the evidence presented previously as well as highlighting the issue of the loss of linked trips. Within Chris' letter we requested a meeting to discuss all the issues in full and are disappointed that a date has not been forthcoming. We would still welcome the opportunity to meet with yourself and Darren and look forward to hearing from you in due course.

Yours Sincerely,

Nicole Johnson

Associate Partner

For and on behalf of NJL Consulting LLP



Ref: A082165 DChild 130918

Date: 20th September 2013

Mr Daniel Child
Planning Officer
Development Management
Calderdale Council
Northgate House
Halifax
HX1 1UN

Dear Daniel

PROPOSED FOODSTORE – MYTHOLM WORKS, HEBDEN BRIDGE
(LPA Ref. 12/01003/FUL)

I write regarding the above proposed development, in particular to respond to matters raised in the objection letter (and accompaniments) made by the Co-operative Group (the Co-op Group) dated 15th August 2013. Of course, this letter follows the release of comments by your Planning Policy Officer in which he confirms his agreement that the proposal is acceptable in retail policy terms.

I deal firstly with the issues covered in the letter prepared by the Co-op Group and then turn to the supporting report prepared by their planning consultants, NJL Consulting (NJL).

1. WYG refutes the suggestion made by the Co-op Group that the existing Co-op store in Hebden Bridge acts as an anchor to the town centre. Whilst it is acknowledged that the store is presently the largest convenience goods facility in Hebden Bridge, labelling it as an anchor is very clearly overstating its role and influence given its limited size and offer, coupled with the fact that the town centre has many strengths and attributes and that, conversely, its health is underpinned by its supply of independent/specialist traders, particularly in the comparison goods and leisure services sectors (as accepted by your Planning Policy colleague).
2. It is notable that the Co-op Group, despite the potency of its objection, does not definitively state that store closure will result as a consequence of a new foodstore at Mytholm Works. Rather it refers to 'possible closure'; which can be given little or no weight as well as the unproven remark regarding the risk of judicial review. On the contrary, WYG's evidence illustrates that the Co-op store will still trade strongly upon the opening of the application scheme (having regard to the amount of trade diverted, which is not inconsequential but certainly not significant) and will still be a viable operation.
3. WYG wishes to point out that the Co-op Group has itself misinterpreted paragraph 26 of the National Planning Policy Framework since it is clear that the second part of the retail impact test includes consideration of **'the impact...on local consumer choice and trade in the town centre and wider area'**

creative minds safe hands



(emphasis added). As was accepted by Calderdale's Planning Committee when it first considered the proposal in December 2012, there can be no doubt that a new foodstore of the type proposed will improve choice, competition and the quality of the convenience retail offer throughout Hebden Bridge (including beyond the town centre).

4. In correcting a further misinterpretation made by the Co-op Group, both the Planning Policy Officer and WYG agree that Hebden Bridge is resilient to the effects of the application scheme as a consequence of it accommodating a good supply of independent convenience goods retailers which perform a different function in catering for a specialised, niche market. Moreover, there is no direct competition even with the remaining convenience goods provision (including the Co-op as well as the Spar and Nisa) which is of a smaller scale relative to the proposal and also performs a significant top-up shopping role. Coupled with this is the excellent health of the centre and its unique and distinct character, which will not change.
5. Another issued referred to by the Planning Policy Officer, subsequently misconstrued by the Co-op Group and which WYG wishes to correct relates to the composition of the town centre. The point, quite simply, is that Hebden Bridge town centre contains a high number of smaller units, which are commonly occupied by independent retailers (encompassing the convenience and comparison goods sectors, as well as the leisure services sector). However, the number of larger units, favoured by national multiple retailers (for example), is low. Therefore, the effect is that the *number of units* in A1 convenience/comparison use is above the national average whilst the *amount of floorspace* is below the UK average. WYG is convinced that the Planning Policy Officer, in concluding that that the town centre can withstand the effects of the application scheme, understands this distinction.
6. In turning to the response prepared by NJL, the comments made in relation to the adopted catchment area also appear to be somewhat misguided and misunderstood. To be clear, WYG used the Study Area contained within the CRNA as the principal evidence base available for shopping patterns and updated the population and expenditure data to provide a more up to date and robust position. NJL appear to be suggesting that we are creating an enlarged catchment area to support the proposed development. The reason why WYG used the Study Area was to allow a thorough retail impact assessment to be presented which shows where existing residents currently undertake their main food and top up food shopping. This has allowed WYG to robustly assess whether our trade diversion estimates are realistic, whereby we have sought to establish the actual level of expenditure outflow from Zone 12 to destinations located outside of Zone 12. The results clearly show that residents within Zone 12 are travelling further afield to satisfy their main food (and top food) shopping needs. Therefore we can confirm that our assumptions are not over stated but are realistic and based recorded shopping patterns and therefore the claw back of expenditure are robust.
7. In an attempt to discredit WYG's evidence and claim that the existing Co-op is trading performance is not as positive, NJL claims that the store is presently trading at company average levels only (rather than above benchmark turnover, as WYG's survey evidence and store observations suggest). Whilst a turnover figure is provided by NJL, in the absence of actual accounts or clear evidence the figure can be given no weight.



8. NJL cites several examples of recent appeals for foodstore development, which have been dismissed on the grounds of significant adverse impact and which it claims bear many similarities to the situation in Hebden Bridge. As to be expected, only certain examples have been selected which are considered to support the Co-op's position. It is very clear that to rely so heavily upon percentage impact figures as NJL does as a supposed demonstration of an accepted position, when the cases cited are so fundamentally different to the application proposal, is a wholly primitive and unconvincing approach. Clearly, as each individual appeal case demonstrates (particularly if a more balanced sample were to be selected), it is necessary to place any percentage impact which is estimated to be experienced by individual stores or the centre as a whole in the context of the overall vitality and viability of the centre and the extent to which the future health of a centre is dependent upon the success of a particular, affected store. It is for these reasons that the Inspector in the Basingstoke appeal case referred to by NJL (and which it seems to rely on most strongly on the basis of claiming a comparable percentage impact) held that a significant adverse impact would indeed arise since the Asda superstore that was set to experience an impact of up to 31% clearly plays a crucial anchor role in an otherwise small, and somewhat fragile, district centre. To reiterate, in this instance, as accepted by the Planning Policy Officer, even if the worst case scenario in impact terms for the Co-op store is assumed (a position which WYG does not in any case accept), then it is maintained that the impact on Hebden Bridge town centre will not amount to one which can be categorised as 'significantly adverse' having regard to the overall strength of the centre and that it is certainly not underpinned by the Co-op store.

Yours sincerely

Bethany Brown
Associate



Ref: A082165 DChild 131008

Date: 8th October 2013

Mr Daniel Child

Planning Officer
Development Management
Calderdale Council
Northgate House
Halifax
HX1 1UN

Dear Daniel

**PROPOSED FOODSTORE – MYTHOLM WORKS, HEBDEN BRIDGE
(LPA Ref. 12/01003/FUL)**

I write regarding the above proposed development, in particular to respond to certain matters raised in the objection letter (and accompaniments) dated 12th September 2013 prepared by NJL Consulting (NJL) on behalf of the Co-operative Group.

Of course, this latest WYG letter follows the provision of comprehensive evidence by WYG over the past five months which demonstrates that the proposal is wholly acceptable in retail impact terms (even if a worst case scenario regarding the development's turnover and trading characteristics is assumed). Moreover, notably, your planning policy officer, in supplying a formal response regarding retail policy to yourself as case officer, has also confirmed his acceptance. In view of this, and despite repeated contrary claims made by NJL, it is simply considered unnecessary to reiterate previous, accepted arguments. As a consequence, this WYG letter solely focusses on, and responds to, NJL's recent survey of linked trips, which WYG regards as actually corroborating its position.

Firstly, the fact remains that there is no evidence that the existing Hebden Bridge Co-op store will close as a consequence of the proposed development. WYG maintains - drawing upon its survey evidence and knowledge of comparable examples - that it will continue to trade. The Co-op itself has only been prepared to cite 'possible store closure' and the latest NJL letter is again (quite accurately and honestly) not in a position to be more definitive. Therefore, the effect is that there will continue to be linked trips made between the Co-op store and the remainder of Hebden Bridge town centre.

Secondly, whilst the number of trips between the Co-op store and other town centre facilities may reduce as some Co-op trade is diverted to the new foodstore (which is likely, in itself, to give rise to a degree of new linked trip expenditure given its ability to retain shoppers within Hebden Bridge, its relationship with the town centre and its provision of additional car parking), it does not follow that these other town centre visits will not occur. For example, a regular trip to the hairdressers, or bank or cafe to meet friends in the



town centre, ordinarily preceded by a visit to the Co-op, is still likely to take place. In other words, the loss of a visit to the Co-op does not amount to an absolute loss in linked or 'secondary' town centre trips.

Finally, NJL's survey actually, and rather helpfully, confirms that the Co-op store does not anchor the town centre (a point repeatedly made by WYG). In explanation, only one-fifth of those respondents making linked trips, when interviewed at the store entrance, answered that their main purpose for being in the town centre was to use the Co-op store. By contrast, the vast majority of 'linked trip shoppers' were visiting the town centre for another purpose, and with a trip to the Co-op being incidental to that wider visit. Clearly, this evidence runs counter to NJL's claim that the town centre is underpinned by the Co-op and that the trade it serves to generate upholds its wider vitality and viability. On the contrary, the survey demonstrates that an inverse relationship exists whereby the Co-op is in fact supported by wider town centre trade. Of course, this conclusion is unsurprising to WYG given the Co-op's role as a small, town centre supermarket catering principally for top-up shopping needs and which cannot adequately function as a main food shopping destination.

It is expected that this latest response from WYG regarding linked trips will serve to reinforce the planning policy officer's conclusion that the proposal is wholly acceptable in retail policy terms and that the Co-op's objection (expressed by NJL) is unjustified. We trust that this will enable you as case officer to proceed with a positive recommendation at the Planning Committee meeting on 22nd October 2013.

Yours sincerely

Beth Brown

Associate - Planning

For and on behalf of WYG Environment Planning Transport Ltd

Briefing Note



Planning
Sustainability
Development

Client: The Co-Operative Group
Document No:
Job Name: Hebden Bridge
Date: 28th October 2013

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Linked Trip Monetary Calculation – Hebden Bridge

1.0 Introduction

- 1.1 This briefing note forms an update to the on-street survey information sent to Calderdale Council on 12th September 2013. The purpose of this work is to determine the potential loss of footfall and trade to the town centre through existing linked trips with the Co-op store as a result of the proposed development.
- 1.2 There is a scarcity of studies analysing the relationship between foodstores whether they be in, edge or out of centre with town centres and the value of spin off trade that they generate. The most prominent study being the *Somerfield Linked Shopping Trips Survey – Roger Tym & Partners (1997)*. This study analysed the results of 33 foodstores in a range of locations, finding that on average the following spending took place:
 - 46p in every £1 spent at 'in centre stores'
 - 21p in every £1 spent at 'edge of centre stores'
 - 10p in every £1 spent at 'out of centre stores'
- 1.3 That research can help in providing confirmation of the more limited relationships (on average) between stores and centres but the results must obviously be treated with caution.
- 1.4 In considering shopping patterns and how they may be influenced in Hedben Bridge as a result of the proposed development, we would consider that the store would be unlikely to meet or exceed a 10p in every £1 contribution. Indeed, WYG acknowledge themselves that far from the proposed store potentially improving footfall and trade within the town centre, they forecast there will be a further loss of trade they term as a '*small indirect diversion*' from the centre (see para 5.63 of WYG Retail Statement).

* based upon a mid point of results to Q9 (food goods spend) and Q14 (non food shopping)

- 1.5 In respect of the current value of linked trip expenditure from the Co-op store we estimate that if every trip to another shop/service in the centre yielded a £10 per person spend, that would result in approximately £2.98m of trade generated as a result of a direct linked trip with the Co-op store. (see analysis in Section 2 of this note)
- 1.6 On the basis of the calculation above and the Co-op store being an 'in centre store', it could be expected to generate approximately £2.66m (based upon WYG store turnover estimate of £5.7m at 2013).
- 1.7 There is therefore a direct and beneficial relationship between the store and the centre.
- 1.8 To deduce potential linked trips in Hebden Bridge and their value we have cross referred the on street survey (carried out by the Co-op outside the existing Co-op store) with the results of the WYG on street survey which was completed as part of the Council's 2009 Retail Study Update it provides a monetary figure against the linked trip data provided.
- 1.9 Question 9 of that survey showed that 19.6% of people in the town centre were there for food or grocery shopping. The Co-op store is the only national multiple food retailer in the town centre and will be the primary destination for the majority of those trips (basket/trolley shopping). On that basis it has been assumed that 13% of the linked trip expenditure would have been spent on food and groceries (roughly 2/3 of 19.6%).

2.0 Calculation

- 2.1 Total number of transactions in existing Co-op store = 607,776 per annum (Source – Coop data)
- 2.2 49% of people using the Co-op link trips with the town centre – (Source Coop In Centre Survey - 130 out of 267 respondents)
- 2.3 49% of 607,776 = 297,810 trips to the town centre which are currently expressed as a linked trip from the Coop store
- 2.4 Average spend per person within the town centre resulting from linked trip with the Coop store = £6 - £10 (Source – WYG On Street Survey*).

** based upon a mid point of results to Q9 (food goods spend) and Q14 (non food shopping)*

Diversionsary Estimates – Three Scenarios

1. 20% impact to Coop turnover could lead to reduction in overall trips to town centre by 121,555 per annum (now 486,221 trips)
 2. 35% impact to Coop turnover could lead to reduction in overall trips to town centre by 212,722 (now 395,054 trips)
 3. If the Coop were to cease trading and not replaced by equivalent footfall generator there would be no linked trips generated.
- 2.5 It is assumed that each of those lost trips leads to a transaction or multiple transactions at other shops and services within the centre. On the basis that 49% of this total number of trips (i.e the percentage of current linked trips stemming from the Coop store) we estimate the following:

No. of trips	£6 per trip	£10 per trip
60,778	£364,668	£607,780
106,361	£638,166	£1.06m
297,810	£1.79m	£2.98m

3.0 Conclusion

- 3.1 As a best case scenario, between £0.35m and £0.6m of expenditure in the town centre would be lost if the applicant's assumption of a 20% diversion from Co-op is assumed. This level of trade loss is what the applicant has termed '*small indirect diversion*'.
- 3.2 Previously, we have stated that the Co-op's own analysts predict that 35% of their trade will be diverted. This would result in between £0.64m and £1.06m loss of expenditure to the rest of the town centre.
- 3.3 As a worst case scenario, if the Co-op were to close then all linked trips would be lost, resulting in between £1.79m and £2.98m of lost expenditure for the rest of the town centre.
- 3.4 As we have outlined in previous representations, analysts within the Co-op consider that the 35% diversion of current store trade, represents a likely minimum outcome. It can therefore be viewed as a best case scenario.

* based upon a mid point of results to Q9 (food goods spend) and Q14 (non food shopping)

- 3.5 Q10 of the WYG survey ask the question 'what else do you intend to do whilst in (Study Centre) today?'. For Hebden Bridge the results highlight a broad range of other uses which reflects the varied nature including retail, service and leisure uses. Of those suggesting that they were to visit somewhere else, 17.6% identified 'café/restaurant/pub', 9.8% 'food and grocery shopping', 7.8% bank /building society/post office, 7.8% stationers/newsagents, 7.8% market.
- 3.6 Undeniably, there is a significant prospect that the resultant loss in footfall resultant from the proposed development could harm specific businesses. It is difficult to determine the specific businesses which would be most affected, however the centre is largely composed of individual businesses which may be highly susceptible to small changes in their profit margins.
- 3.7 This is very different to the applicant's chosen method of posing an arbitrary benchmark turnover figure for the town centre (which is unfounded on evidence) and then to deduct a chosen figure to reach a town centre percentage impact.
- 3.8 All that the applicant says on the matter is the following from paragraph 5.63 of their retail statement:
- "More accurately, it is evident that the centre is underpinned by comparison retail and leisure services uses, and on the contrary it is these sectors which play an important role in maintaining the good health of the centre and attracting a wide catchment population. Whilst it is acknowledged that trade diverted from the Co-op may also be accompanied by a small indirect diversion from other shops in the town centre, that the Co-op does not play an anchor role, and that other town centre shops are not in any way reliant upon linked trip expenditure (which in any case will still continue at not incomparable levels given the small level of trade diversion apportioned), confirms that the overall health of the town centre will not be materially affected."*
- 3.9 The Co-op store is a key asset of the town centre as can be seen from the survey results in respect of the level of trip and expenditure drawn to the centre. The site (inclusive of the use as a foodstore and the car parking) are clearly a mechanism for shoppers to frequent elsewhere within the town centre.
- 3.10 Overall, WYG contradict themselves in their assessment by suggesting that the proposed foodstore could lead to an increase in trips to other facilities within the centre whilst also (as above) forwarding that 'whilst it is acknowledged that trade

* based upon a mid point of results to Q9 (food goods spend) and Q14 (non food shopping)

diverted from the Co-op may also be accompanied by a small indirect diversion from other shops in the town centre.....'

- 3.11 To the contrary, we have been able to use existing survey information to evidence a realistic outcome post development resulting from a change in shopping patterns and usage of the town centre.

* based upon a mid point of results to Q9 (food goods spend) and Q14 (non food shopping)

Case Study - Callington, Cornwall

Background

- 1.1 Callington is a modestly sized town with some 6,000 located some 10 miles north west of Plymouth.
- 1.2 On 24th March 2009, planning permission (app ref: E2/08/01923/FUL) was granted by Cornwall Council for the erection of a 4,021sq.m (GIA) foodstore incorporating a total sales area of 2,787sq.m (net). The foodstore to be operated by Tesco was to be located on land on Tavistock Road approximately 400m to the east of Callington town centre.
- 1.3 Callington town centre includes a variety of convenience retail provision which is chiefly anchored by a modern format Coop store. The Coop store measures approximately 950sq.m and is located in the main shopping area.

Predicted Impacts

- 1.4 The existing Coop was considered to be overtrading and therefore could withstand the projected impact upon turnover which was anticipated to be in the region of 12%. Whilst the Council acknowledged that it was 'nervous' regarding the potential impact following advice of Nathaniel Lichfield and Partners, it was concluded that the impact could be considered acceptable in that instance.
- 1.5 Furthermore, in relation to the consequential benefits of the proposals, it was forecast that the proposals whilst leading to direct trade loss from competing convenience retailers, would increase trip generation to the centre as the Tesco store would retain greater levels of expenditure within Callington.
- 1.6 The applicant concluded that this could lead to an increase of 185,680 trips per annum.
- 1.7 At the time the Coop objected to the scheme as they expected a turnover impact in the region of 61% of their turnover which would cause them to reconsider their presence in Callington.

Actual Impacts

- 1.8 In August 2010, the Tesco store opened and began trading. The turnover impact upon the Coop was immediate. In the 10 weeks before the Tesco opening, the Coop average turnover per week was £152,525, in the 10 weeks post opening, the turnover had reduced to an average of £70,158 per week. This constitutes a **54% impact** to the annual turnover of the store.
- 1.9 Now that the store has been trading for over two years, shopping patterns have matured and Coop are able to confirm the following in relation to pre and post impact upon turnover:

2009	2010	2011	2012	2013
£7.4m	£6.3m	£3.4m	£3.2m	£3.1m

- 1.10 This evidences a significant level of trade diversion which far exceeds any forecasted impact at the application stage by the applicants.
- 1.11 The business has looked at options to mitigate against the impact such as downsizing to a convenience store offer however the resultant reduction in turnover and the impact of reducing the range and offer of goods in the store (combined with the fact that the rent and overheads would not reduce commensurately) would only exacerbate the situation.
- 1.12 Conversely, the turnover is showing signs of further reductions per annum owing to the competition of the Tesco and reductions (or lack of growth) in spending.
- 1.13 The Coop store has therefore been turned from a successful store trading above the company's average turnover levels to one which is a significant loss maker. The circumstances make it impossible for the Coop to invest further into the store given the lack of any return from investment.
- 1.14 The store is therefore being monitored for disposal by TCG to determine possible next steps i.e potential for disposal or possible closure.
- 1.15 The town centre is served by two car parks within the town centre on New Road (New Road South and New Road North). New Road South is part of the car park serving the existing Coop store and also serves the rest of the primary shopping area of the town centre.
- 1.16 It is clear from data obtained from Cornwall Council that the car parks are not being used as they were prior to the opening of the Tesco with significant reductions in the utilisation which can be seen from the revenue generation of the two car parks.
- 1.17 The new Tesco store opened for trading in August 2010. Monthly comparisons between the 6 months prior to the Tesco opening in 2010 and the corresponding month in 2013 shows significant reductions in usage and hence trip generation in this period.
- Feb 2010 – Feb 2013 = - **24%**
 - Mar 2010 – Mar 2013 = - **17%**
 - Apr 2010 – Apr 2013 = - **13%**
 - May 2012 – May 2013 = - **23%**
 - June 2010 – June 2013 = - **32%**
 - July 2010 – July 2013 = - **28%**
- 1.18 As would be expected the usage of the car parks fluctuates on a monthly and seasonal basis and so the above comparison is a fair benchmark to establish the post development impacts on town centre usage in recognising these fluctuations.
- 1.19 On an annual basis the revenue from the car parks (and hence usage) was down 20% in 2012 from 2009-2010 levels and figures for the first 4 months of the 2013 financial year show a 6% reduction from the same period of 2012.

- 1.20 This therefore shows the further negative impacts as a result of the Tesco development regarding usage of the town centre even though the applicant has asserted there would be a net increase in usage.
- 1.21 The Callington Traders Association (CTA) has recently surveyed local businesses to monitor the performance of retailers in Callington.
- 1.22 Chiefly, the CTA report that there has been a c.20% loss of footfall in the town centre resulting in significant sales drops for shops. There has been a closure of the local fishmonger and the pet shops reported an immediate loss of trade following the Tesco opening.
- 1.23 It must be acknowledged that High Street retailing is under significant pressure in any event, however what I consider clear is that the Tesco has not brought any benefits to the centre and has directly affected the onward vitality and viability of the centre.
- 1.24 In conclusion, there are a number of relevant points to be made in respect of this case study in the context of the appellants proposal;
- The impact on the Co-op was far greater than predicted by the applicants and LPA and was actually much closer to the levels predicted by the Co-op, giving credibility to the evidence being put forward to this Inquiry on trade diversion levels
 - The Co-op store, despite being judged to withstand any impacts has gone from a successful store supporting town centre footfall to a significant loss maker with its future being monitored closely
 - The evidence relating to town centre car park usage and from the Callington Traders Associations suggests other retailers in the town have suffered adverse impacts as a result of an out of centre food store proposal
 - There is no evidence of any linked trips or spin-off benefits arising from the out of centre food store proposal as proposed by the applicants as part of the planning application. This is likely as a result of its poor location in relation to the centre and the fact it is used as a single shopping destination.

Retail Impact

As requested, following planning committee in December 2012, the Applicant has submitted a full Retail Impact Assessment (RIA) in support of the proposal. This was first received in May 2013, and undertaken by White Young Green (WYG). A number of queries were raised with regards to the submission, which resulted in a revised RIA being submitted in July 2013.

After reviewing the revised RIA I still remained unsatisfied with certain elements of it, particularly assumptions made around the sales density benchmark employed, inflow expenditure and the overall trade draw estimates. As a result the Applicant agreed to sensitivity test my own assumptions within their model, and submitted a further letter dated 18th July 2013 detailing the impact assessment outputs, using my own assumptions. The Applicant and I now agree on all aspects of the RIA other than the final trade draw estimates applied. The extant Planning Policy Statement 4 Practice Guidance (PPS4 PG) states that these should be based upon transparent judgements (paragraph D.27).

Trade Draw

Disagreement between the Applicant and I revolves around the judgements made on the proportions of the proposed store's turnover that will be diverted from existing facilities in Calderdale.

Applicants' case

The Applicant argues that the majority of trade draw will come from both the Asda and Tesco superstores in Halifax (20% of the proposed store's turnover from each), with a lesser draw of 15% each from the Co-op in Hebden Bridge and Morrison's Todmorden. The remaining 30% would arise from: expenditure generated from outside the catchment area ('inflow' of 8%); the Local Shops in Hebden Bridge (5%); other supermarkets in Todmorden, Sowerby Bridge and Halifax (5% each); and local shops in Mytholmroyd (2%). The resulting impact on Hebden Bridge town centre facilities based on these trade draw judgements are as follows:

- Co-op, Hebden – A -27.4% impact on turnover of the store, resulting in the store trading at 81% of benchmark trading levels
- Local Shops, Hebden – A -10.2% impact on turnover of these facilities, resulting in the shops trading at 172% of benchmark trading levels

Table 2 attached to the Applicants' letter dated 18th July sets out these impacts in detail. The basis of these anticipated impacts, and the judgement employed by WYG, are that shopping practices will change as a result of a new foodstore opening in Hebden Bridge, and that those who currently travel out of the primary catchment area to do their main food shopping at larger facilities are more likely to change their shopping habits.

I agree with this assumption in principle, indeed the PPS4 PG states that 'like-for-like' is one of the key principles to apply in determining likely impact. However I disagree with how it has been implemented and the weight attached to it. The Applicant has judged this to be the primary principle to consider in the case of Hebden Bridge, giving this greater weight than the other aspects of 'popularity' and 'proximity' that are also considered, and quoted, in paragraph 5.36 of their July RIA.

As evidence against the Applicants' anticipated 20% trade diversion from both the Asda and Tesco stores in Halifax, Table 1 sets out some key figures. In monetary terms, the predicted trade diversion from the Applicant, from both the Asda and Tesco stores in Halifax is greater than the total money currently spent in those facilities, a scenario that is clearly not credible.

Table 1: Applicants' principal trade draw estimates on facilities outside of Hebden Bridge

Destination	Convenience expenditure from Zone 12 (£m)	Applicants' estimated trade diversion [% turnover of proposed facility]	Trade diversion (£m)
Asda, Thrumhall, Halifax	2.0	20%	2.2
Tesco, King Cross, Halifax	1.8	20%	2.2
Morrisons, Todmorden	2.0	15%	1.6

Even if the full amount of expenditure currently going to these facilities were to be spent in the future at the proposed new foodstore (highly unlikely as an element of shopper loyalty will no doubt remain), then it could only be in the region of 18% and 17% maximum of the new food store's trade drawn from these facilities respectively. On this basis I am still unable to agree with the Applicants' assessment of trade draw.

Officer case

In response therefore I have provided my own assessment of likely trading impacts, and evidenced this against the key principles of 'like-for-like', 'popularity' and 'proximity' used in RIA work. This is set out in Table 2 below. Bold text indicates where a destination fulfils one of the impact principles; with the number of impact principles satisfied being totalled in the 4th column. This is then used as a guide in judging the likely retail impact, i.e. where 2 facilities satisfy the same number of principles a similar diversion is likely, taking into account other qualitative considerations.

On the basis of the evidence in Table 2, I am still unable to agree with the Applicants' assessment of trade draw. No similar evidence to support the Applicants' judgements has been presented. In the absence of any further evidence from the Applicant, Table 2 establishes that there is no clear reason for attributing a higher percentage of trade draw from the Asda and Tesco stores in Halifax than the Co-op in Hebden Bridge. Although the proportion of spend in the Co-op store on main food shopping isn't as high as these larger stores, with a 59/41% split between main food and top-up shopping being undertaken there (compared to 89/11% Asda and 81/19% Tesco), it is the most popular choice of shopping destination for residents within the primary catchment area, and is the closest located to the proposed development site. I would therefore conclude that the Co-op will experience a higher trade draw than either Asda or Tesco, on the basis that all 3 impact principles are met.

Similarly, I would also conclude that Hebden Bridge Local Shops should be attributed a higher proportion of the trade diversion than WYG estimate (5%). My conclusion is based on the proportion of money spent in these facilities being classed as 'main food' shopping (49%), the local shops being the joint second most popular destination for main food shopping for residents within the primary catchment area (12%) ,and again the proximity to the proposed development site.

In terms of other main facilities satisfying 2 of the impact principles, I see no clear reason for attributing a higher percentage of trade draw from Asda and Tesco in Halifax than Morrisons in Todmorden, as all available data for these facilities are very comparable. A 15% figure for Asda, Tesco and Morrisons appears more realistic based on actual turnover figures clawed back. As stated above, WYG estimates of 20% relate to over 100% of the current expenditure to Asda and Tesco store location. It is unrealistic to expect this proposal to claw back all current expenditure from these facilities as an element of shopper loyalty will no doubt remain, and clearly impossible that it may claw back more than is currently being spent at these locations.

With regards to inflow, I would judge that a rate of 8%, as per the original WYG RIA submitted in May, is appropriate. A figure of 10% seems high considering the very wide nature of the study area.

Table 2: Officers' impact assessment including comparison with Applicants'

Destination	Impact Principles			No. of impact principles satisfied	Officer % diversion	WYG % diversion
	Like-for-like ¹ (Main food: top-up %)	Popularity ²	Proximity ³			
Hebden Bridge						
Co-op	59 : 41	16%	0.4 miles	3	20	15
Local Shops	49 : 51	12%	0.5 miles	2	10	5
Mytholmroyd						
Co-op Late Shop	15 : 85	1%	1.9 miles	-	2	2
Local Shops	0 : 100	-	2.1 miles	-		
Sainsbury's Local	30 : 70	-	2.1 miles	-		
Halifax						
Asda	89 : 11	12%	7.3 miles	2	15	20
Sainsbury's	90 : 10	4%	8.6 miles	1	5	5
Tesco	81 : 19	10%	7.3 miles	2	15	20
Sowerby Bridge						
Tesco	82 : 18	3%	6.4 miles	1	5	3
Todmorden						
Morrisons	86 : 14	11%	4.1 miles	2	15	15
Lidl	91 : 09	2%	3.7 miles	1	5	5
Inflow					8	10

¹ Like-for-like: proportion of total store turnover generated by main food or top up shopping (Table 4 RNA) – a majority of spend being 'main food' spend equates to principle being satisfied

² Popularity: percentage of Zone 12 residents' selecting destination as their main food shopping destination (Q01 RNA household survey) – percentage of 10% or higher taken as threshold for principle being satisfied

³ Proximity: approximate distance from site by road – only Hebden Bridge facilities deemed to be within close proximity (reasonable walking distance) to proposed development

Implications of retail impact

Table 3 sets out the implications for the anticipated retail impacts in the assessment year of 2018. It summarises the opposing views of the Applicant and myself, the overall impact on turnover for existing facilities, and the likely trading levels of each facility, compared to its benchmark, by the assessment year of 2018. Full trading impact tables of each position are set out in Tables 1 and 2 attached to the Applicants' letter dated 18th July.

Table 3: Final comparison of Applicant and Officer impact assessment (2018)

Destination	Applicant (WYG) position			Officer position		
	Trade diversion %	Impact %	Trading compared to benchmark %	Trade diversion %	Impact %	Trading compared to benchmark %
Hebden Bridge						
Co-op	15	-27.4	81	20	-36.5	71
Local Shops	5	-10.2	172	10	-20.5	152
Sub Total (Zone 12)	20	-19.3	112	30	-28.9	98.6
Mytholmroyd						
Co-op Late Shop	2	-6.4		2	-6.4	
Local Shops						
Sainsbury's Local						
Sub Total (Zone 9)	2	-6.4		2	-6.4	
Halifax						
Asda	20	-3.6	176	15	-2.7	178
Sainsbury's	5	-2.0	96	5	-2.0	96
Tesco	20	-4.9	158	15	-3.7	160
Sowerby Bridge						
Tesco	5	-3.0	111	5	-3.0	111
Todmorden						
Morrisons	15	-8.4	215	15	-8.4	215
Lidl	5	-22.1	64	5	-22.1	64
Inflow	8			8		

Significance of impact

Having ascertained the predicted impacts of the proposed development in the assessment year of 2018, the key question then turns to whether the predicted impacts are deemed to be 'significantly adverse' in line with paragraph 27 of the NPPF.

The most up to date evidence available in the Retail Needs Assessment demonstrates that both the Co-op and Local Shops in Hebden Bridge are trading significantly above benchmark turnover values. In addition, the centre is considered to be in good overall health based on historically long-term low vacancy rates and a diverse mix of uses. The centre overall has a much higher proportion of comparison retailing goods than would be expected of a centre of this size, and a lower proportion of convenience goods, although this has been rising slightly in recent years (Calderdale Town Centre Land Use Surveys – Summary Report 2013). The resilience of the centre therefore to impacts on turnover in convenience floorspace is considered to be higher than more vulnerable centres in the district. Nevertheless a predicted combined impact of -28.9% on the town centre is a considerable figure.

In terms of the Co-op first, an impact of -36.5% of turnover is estimated to leave the store trading at 71% of its benchmark turnover figure by 2018. Trading of 30% below benchmark values could therefore bring the future viability of this town centre store into question and there would be a real risk that the store would close.

In terms of the town centre local shops, an impact of -20.5% is estimated to result in stores still trading at 152% of benchmark values by 2018.

Clearly therefore, based on the evidence available, there is reason for concern over the future viability of the Co-op, however the future viability of the local shops is not called into question. The Co-op does currently represent the key 'anchor' store of Hebden Bridge and is obviously located within the primary shopping area being an in-centre facility. If it were to close in the future there would undoubtedly be further cumulative impacts on turnover in the local shops, beyond those impacts predicted in this RIA, due to the loss of linked trips expenditure, however these are hard to quantify (discussed in more detail below). The majority of the overall modelled impact of -28.9% on the town centre, and the significant impacts associated with this, are therefore predicted to fall on the Co-op store only.

Despite the real risk that the Co-op store, an in-centre store, may close, the PPS4 PG states that *'in all cases it is important that the impacts are considered on the viability of the whole of a centre or centres, not simply on individual facilities which may be similar to the proposed development'*. The PPS4 PG also states that likely future impacts should be assessed against trade in the town centre and local consumer choice, both impacts of which should be considered on the town centre as a whole. Clearly this proposal would offer increased consumer choice to the residents of Hebden Bridge and the wider catchment area. Even if the Co-op store were to close, the overall impact on consumer choice in the town and the wider area would not likely be 'significantly adversely' affected based on the evidence available.

For many centres, a predicted overall impact of -28.9% on existing convenience goods retailing would prove to be a very significant figure. However, in the case of Hebden Bridge, due to the strength and diversity of the centre, I would conclude that the proposal would be unlikely to have a significant adverse impact on the vitality and viability of the centre as a whole. In the absence of any proposed existing, committed and planned public or private investment in the centre within the catchment area of the proposal, and likely to be impacted by this proposal, I can therefore conclude that the proposal satisfies both impact tests set out in paragraph 26 of the NPPF.

Alternative Scenario implications – Discount operator

The commentary above relates to the proposed development being occupied by one of the top 5 supermarket operators, set out as Scenario 1 within the Applicants' RIA. On request, the Applicant provided an alternative scenario of a discount operator occupying the proposed development (Scenario 2). I agree with the principles employed in the trade diversion assessment, in that a greater level of trade draw would be expected from the Co-op and local facilities if the proposed development were to be occupied by a discount operator. However as with Scenario 1, I am not convinced by the exact trade draw percentages that have been applied in Scenario 2. Despite this, I acknowledge that there will be no overall greater level of impact on the town centre due to the significantly lower turnover of a discount operator store. The commentary set out above is therefore deemed to represent the worst case scenario for impact to the vitality and viability of Hebden Bridge town centre and no further detailed figures are provided in relation to Scenario 2.

Co-operative Group position and concerns

On 12th November 2012, prior to the original planning committee for this scheme, NJL Consulting submitted a response on behalf of the Co-operative Group to the proposed scheme. Within the

letter it was stated that retail analysts at the Co-operative Group had undertaken their own assessment of turnover likely to be drawn from the proposed store, the predicted impact on overall turnover being 30%. No further details were supplied in relation to this impact assessment work.

Subsequent to the submission of the applicants' detailed RIA work, and the published Officer response, the Co-operative Group objects on two main fronts:

1. Interpretation of WYG and Officer impact assessment work

The Co-operative Group take the position that the Planning Policy Officer's predicted impact of over 36% on the Co-op store and town centre (even before the consideration of lost linked trips discussed below) is significantly adverse. They argue that the potential reduction of convenience floorspace provision within the town centre (from a lower than average starting point), including the potential loss of the anchor Co-op store, cannot be sustainable. The proposal will polarise the function of Hebden Bridge as a tourist destination, rather than as a centre to serve local day to day needs.

2. Potential loss of linked trips and additional impact on the town centre

The main point of outstanding concern relates to the lack of attempt to quantify the loss of linked trips. To this end the Co-op undertook a survey of shoppers on Monday 9th September which, they argue, highlighted 2 key facts which both need to be taken into account in assessing the impact of the proposed development on the vitality and viability of the town centre:

1. A high percentage of linked trips take place between the Co-op store and the town centre whereby the principle purpose of the visit to the town centre is to use the Co-op; and
2. The Co-op's car park, although not large, is used as a general car park to serve the town centre. Its loss would therefore impact upon trade in the town centre;

In order to quantify the potential additional impact of lost 'linked trips' from the proposed development, the Co-op Group provided a Linked Trip Monetary Calculation report dated 28th October 2013. This report concludes that, as a best case scenario, a further £0.35m - £0.6m of expenditure will be lost on town centre shops – this includes all spending not just that in convenience shops in the town centre. At a worst case scenario, if the Co-op were to close, then the Co-op group argue that a further £1.79m - £2.98m of expenditure will be lost from the town centre as a whole from the loss of linked trips, on top of that already discussed and covered by the retail impact assessment work.

Other concerns of the Co-operative Group

Further points raised by the Co-op Group in correspondence include:

- Linked trips analysis and impact work undertaken by the Co-op to assist Officer decisions should have been undertaken by the Applicant;
- The impact assessment work as it stands is overly focused on the percentage impact on turnover, however in terms of store operation, profitability is more important which varies greatly; this equally applies to the smaller town centre businesses, whether convenience or comparison retailers, or service provision such as cafe/restaurants. The Co-op group argue

that the town centre is largely composed of individual businesses which may be highly susceptible to small changes in profit margins;

- Following on from this point, the Co-op Group believe that the views of the wider business community in Hebden Bridge, not just the Co-op, should be taken more into account; and
- The Co-op Group also believe that the Callington Case Study represents a good comparator situation to Hebden Bridge.

Officer response to linked trips evidence

Whilst the further information supplied by the Co-op Group to help ascertain the likely impacts of the proposed development on linked trips is to some degree useful, there are a couple of key points that, despite clarification being requested, have not been resolved.

1. There is confusion within the calculation between 'transactions' and 'trips' leading to a potential double counting of the number of trips from the Co-op that are linked to the town centre;
2. It is not clear where the average spend per person figure of £6-£10 (used in the Co-op Linked Trip Monetary Calculation) originates, and it relates to spending in general within the town centre, not just spending on convenience goods which in terms of impact is the key concern;

Therefore, towards the aim of assessing the additional impact on town centre convenience shops of the potential loss of linked trips, specifically on turnover (as per established retail impact methodology), I have undertaken some further analysis of the survey's findings.

To clarify, of the total number of people surveyed in the Co-op survey (267), 90 stated that they were visiting the Co-op only, equating to around 34% of those surveyed. These can therefore be excluded from linked trips consideration. Of the remaining 66% of those surveyed who do undertake some form of linked trip, visitors can be broken down as follows:

- 10% undertake linked trips with the Co-op being the main purpose of their visit (27 of 267)
- 28% undertake linked trips with the Co-op and town centre being equal purposes of their visit (75 of 267)
- 10% undertake linked trips with the town centre being the main purpose of their visit (28 of 267)
- 18% use the car park only to visit the town centre, and do not use the Co-op store at all (47 of 267)

Therefore to take the worst possible outcome in terms of town centre impact, i.e. the Co-op store and associated car park were to close, I would agree that two-thirds of all trips identified through the Co-op survey would be 'at risk'. It is however important to consider that the survey findings do not reflect all trips made to the town centre, only those using the Co-op store and/or car park as an element of the visit. On the basis that the Co-op accounts for approximately half of the total expenditure on convenience shopping in the town centre, it would seem reasonable (in the absence

of any more definitive information) to conclude that the actual number of town centre trips 'at risk' is a half of the two-thirds of trips that the Co-op group identify, i.e. one-third of all town centre trips.

In order to relate the survey findings to the impact assessment work, and specifically to make a judgement on the likely impact on turnover of the town centre local convenience shops, some further analysis of expenditure is necessary. The impact of reduced linked trips on local shops is most likely to relate to those who use them for top-up shopping only. Those who currently do their 'main food' shopping in town centre local shops would presumably still do so whether the Co-op store remained open or not – indeed if they currently 'top-up' shop in the Co-op and it were to close, local shops may take an increased share of this element of expenditure.

According to the original household survey in the 2009 Retail Needs Assessment (Appendix 7, Table 4), around a half of total expenditure in local shops relates to top-up shopping. Therefore it seems reasonable to conclude in terms of impact that around a half of the one-third of all town centre trips identified as being 'at risk' of being lost, in the event that the Co-op store was to close, i.e. around a sixth of the current number of trips to local shops, would be impacted (in the worst case scenario).

In the absence of any specific information on expenditure levels for linked trips on convenience shopping, the best estimate in terms of impact on turnover therefore would simply be a sixth of the total existing turnover. This follows the same assumption that the Co-op Group do in their Linked Trip Monetary Calculation, that the impact on % of turnover matches the impact on the number of linked trips.

Table 1 of the WYG letter dated 18th July 2013 sets out that the predicted turnover in 2018 for Hebden Bridge convenience local shops, following a -20.5% modelled impact (as per my position), would remain at £4.2m. One sixth of this figure would relate to £0.7m, leaving £3.5m turnover of local shops for convenience shopping, still considerably higher than the benchmark figure of £2.8m (trading at 125% of benchmark value). This, in my view, represents the absolute worst case scenario for the impact on local convenience based shopping, based on the additional information available from the Co-op survey.

It is on these grounds that I remain unconvinced that, even when accounting for a worst case scenario of loss of linked trips through the closure of the Co-op store and associated car park, and assessing these on top of previously predicted impacts through trade draw, Hebden Bridge town centre as a whole is not expected to experience 'significant adverse' impacts. I acknowledge that the analysis above interrelates 'trips' and 'expenditure', however in the absence of any specific available data on differing expenditure levels to different destinations this is the most logical approach to use.

Summary of retail impact points

The debate around the potential retail impact arising from the proposed scheme is a detailed and complex one. Therefore the following summary should be of use:

- The Applicant predicts an overall trading impact of £1.6m (-27.4%) on the Co-op and £0.5m (-10.2%) on local convenience shops, a total of £2.2m (-19.3%) on the town centre as a whole;
- The Co-operative Group predicts an overall trading impact of 30% on the Co-op, with no information provided on likely direct impacts to local convenience shops. Linked trips

analysis indicates, as a worst case scenario, a potential further £1.79m - £2.98m loss of expenditure to all local town centre facilities, not just local convenience retailers;

- The Planning Policy Officer predicts, as a worst case scenario, an overall direct trading impact of £2.2m (-36.5%) on the Co-op, and £1.1m (-20.5%) on local convenience shops, a total of £3.2m (-28.9%) on the town centre as a whole; in addition, the impact on reduced linked trips, as a worst case scenario, may equate to a further £0.7m impact on local convenience shops.
- The impact assessment work has focused primarily on the impact to convenience retailers within Hebden Bridge town centre (the Co-op and local shops separately). In addition to these predicted impacts it is recognised that minor impacts may be experienced on comparison retailers and other town centre services, should the proposed development go ahead. However these are expected to be minimal due to the nature of the proposed scheme. Indeed some positive impacts in relation to the overall vitality and viability of the centre may be felt as a result of the hotel element of this scheme increasing overnight visitor stays; however this has not been quantified and remains separate to the issue of predicted trade draw arising from the retail element of the scheme.
- Both the Applicant and the Co-op have put forward case studies that, in their view, demonstrate why the proposed scheme should be approved or refused respectively:
 - WYG cite an appeal decision in Eccles as key (Tesco at West One Retail Park - PINS ref APP/U4230/V/10/2131671), whereby the Inspector concluded that an impact of up to 47% on Eccles town centre would not result in a significant adverse impact. This decision was made despite Eccles town centre exhibiting obvious signs of weakness in terms of its overall health and vitality and viability, a situation not in evidence in Hebden Bridge.
 - The Co-op Group cite numerous appeal decisions in their letter dated 15th August 2013. A further reference to a case study in Callington (nr Plymouth) is made in subsequent correspondence on 16th October, whereby a 4,000sqm out-of-centre Tesco store was constructed in 2010. The Co-op Group believe that the Callington case study most closely reflects the likely scenario post-development in Hebden Bridge. Examination of the post development outcome in Callington demonstrates that the existing Co-op store has incurred a turnover impact stabilising at c.60% since 2010, whilst at the application stage only a 12% impact was predicted.
- Whilst useful, the most important point in relation to case studies is that they should be seen within the context of the specific proposal and centre in question. Predicted impacts of any proposed scheme on a centre, or individual stores, should be placed within the specific context of the overall vitality and viability of that centre, and the extent to which the centre is reliant upon any specific stores under threat.
- In the case of Hebden Bridge, for the reasons set out above (which attempt to model the 'worst case scenario') the Officer's position is that the centre as a whole will not suffer significant adverse impacts on local consumer choice and trade. In the absence of any

proposed existing, committed and planned public or private investment in the centre within the catchment area of the proposal, and likely to be impacted by this proposal, I can therefore conclude that the proposal satisfies both impact tests set out in paragraph 26 of the NPPF.