

Proposed Mixed Use Scheme

Ashford ZED

Former Powergen Site, Ashford

RETAIL STATEMENT

August 2006

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1 INTRODUCTION

- 1.1 The purpose of this report is to examine the issues surrounding the development of a foodstore with a gross area of 3,716m² as part of the proposed mixed use development of the former Powergen site, Gasworks Lane, Ashford.
- 1.2 This Retail Statement should be read in conjunction with the Planning Assessment submitted with the revised outline application and the range of other documents, including the Transport Assessment and the Environmental Statement.
- 1.3 The application is for a mix of uses, including residential development community and commercial uses, leisure facilities and associated infrastructure. The community and commercial uses include a foodstore, both to serve the new residential neighbourhood, and the wider Ashford catchment area.
- 1.4 Section 2 of this report describes the development and its surrounding area, and the location of the proposed foodstore. Section 3 outlines the planning policy context in respect of retail development and Section 4 considers the existing facilities in Ashford and the surrounding area. The vitality and viability of Ashford is assessed in Section 5 based on criteria set out in Government guidance.
- 1.5 The remainder of the report considers the criteria set out in PPS6: Planning for Town Centres on how to assess proposed retail developments, including the need for the development and likely impact, the scale of the use, the sequential approach, and the accessibility of the site.

- 1.6 Finally an executive summary and our conclusions are set out in Section 9.

2 SITE DESCRIPTION

- 2.1 The application site lies on the southern side of the Ashford to London railway line, adjacent to the town centre currently accessed by a footbridge over the railway line, to the north.
- 2.2 As part of the wider proposals for Ashford a new Victoria Way link, and new bridge over the railway line, linking the southern part of Ashford with the town centre is to be developed.
- 2.3 The entire application site is some 4 hectares in size, but it is proposed that the foodstore will be located at the far eastern end of the site i.e. that part of the site closest to the footbridge and town centre. In terms of distance, the site lies some 200m to the south of the town centre boundary, it is therefore defined as an edge of centre site for retail purposes.
- 2.4 The building layout, and foodstore operator is yet to be established, although there is considerable interest from the market. The scale of development has however been set, with the gross area of the store at 3,716m², with a likely net sales area of 2,230m².
- 2.5 A detailed reserved matters application would follow upon approval of the outline application. This statement seeks however to establish the principle for foodstore development of the size proposed in this location.

3 PLANNING POLICY CONTEXT

3.1 The relevant Planning Policy Framework for consideration of the retail element of the mixed use proposal is contained within National Planning Policy Statements, Regional Guidance, The Kent and Medway Structure Plan and the Adopted Ashford Borough Local Plan.

3.2 The full range of policies are outlined in the Planning Statement submitted with the application, and this Section of the Retail Statement will deal with policies solely related to the retail element of the mixed use proposal.

A) National Planning Policy

PPS6: Planning for Town Centres (2005)

3.3 PPS6 sets out the Government's overriding objectives for town centres which are to;

- Plan for the growth and development of existing centres
- Promote and enhance centres focusing development in centres, encouraging a wide range of services, accessible to all. (Paragraph 1.3)

3.4 In addition the Government's wider policy objectives are set out, which include;

- Encouraging investment and improving the physical environment
- Promoting economic growth
- Delivering sustainable patterns of development through high density, mixed use development reducing the need to travel.

- 3.5 Local Authorities should actively plan for growth, making better use of existing land and buildings within centres, and where necessary extending centres. (Paragraph 2.3).
- 3.6 Where growth cannot be accommodated within existing centres, Local Authorities should plan for the extension of the town centre or primary shopping area, ensuring careful integration in terms of design and access.
- 3.7 In particular the benefits of large retail developments are set out, with Local Planning Authorities seeking to make provision in edge of centre locations (Paragraph 2.6).
- 3.8 In essence, PPS6 sets out the sequential approach to retail development, which is town centres first, followed by edge of centre locations, and then out of centre opportunities if there are no sequentially preferable sites available.
- 3.9 PPS6 sets out guidance for Local Authorities in promoting growth and managing change in town centres, but also includes guidance on development control.
- 3.10 Turning to the guidance on development control, set out in chapter 3 of PPS6 applicants must demonstrate;
- a) The need for development
 - b) That development is of an appropriate scale
 - c) That there are no more central sites
 - d) There are no unacceptable impacts
 - e) That the location is accessible (Paragraph 3.4)

- 3.11 In assessing need PPS6 sets out that both quantitative and qualitative considerations should be addressed.
- 3.12 In applying the sequential approach, sites that are more centrally located need to be available within a reasonable period of time, suitable and viable. (Paragraph 3.19).
- 3.13 Developments should be accessible by a choice of means of transport, and Local Planning Authorities should consider whether the proposal would have an impact on the overall distance travelled by car and the effect on local traffic levels and congestion. (Paragraph 3.27).
- 3.14 PPS6 also sets out guidance on how to assess the vitality and viability of town centres with a range of indicators. (Paragraph 4.4). Upon assessing the health of town centres it is possible to consider how the retail developments proposed will effect the health of the centre.

B) Regional Policy

RPG9: Regional Planning Guidance for the South East

- 3.15 RPG9 comprises the regional spatial strategy for south east, and is particularly relevant in terms of the retail proposal in terms of the allocation of Ashford as a growth area, and the need for substantial office and service floorspace needed close to the town centre and railway station (Paragraph 12.64).

C) Structure Plan Policy

- 3.16 The Kent and Medway Structure Plan has recently been adopted. For Ashford, Policy AS1 confirms the identification of Ashford as a regional centre for growth. The Structure Plan notes;

“ Early measures to improve the public realm and quality of life in Ashford should include major investment in educational, cultural, retail, leisure, convention and community facilities”

- 3.17 The economy chapter of the Structure Plan sets out the sequential approach for retail and leisure development (Policy EP15).
- 3.18 Policy EP17 deals with the development of large foodstores, requiring local development documents to identify and allocate sites for such development. Where convenience shopping cannot be accommodated in centres Local Authorities should identify sites where there are deficiencies, or in order to meet new requirements associated with major new residential development, particularly in strategic development locations, including Ashford.

D) Local Plan Policy

Ashford Borough Local Plan (2000)

- 3.19 The shopping policies in the Ashford Borough Local Plan are contained in chapter 8 and identify Ashford and Tenterden as the Borough’s two main shopping centres, with Ashford identified as an important centre, ranked fourth in Kent (paragraph 8.7).
- 3.20 The Local Plans aims to reinforce town centres, encourage a wide range of shopping facilities, providing a safe accessible and pleasant environment, and allowing for choice and variety in provision whilst achieving sustainable development (paragraph 8.6).

- 3.21 It is noted that there is likely to be no requirements for additional convenience floorspace in the Borough up to 2006, but no reference is made to provision after that date.
- 3.22 Policy SH1 deals with additional convenience or comparison shopping provision in or on the edge of town centres. These will be permitted providing the proposals meet four criteria:
- a) Sustain and enhance the quality and range of shopping provision and vitality and viability of town centres, with no significant impact on local and village centres
 - b) In keeping with the scale and character of the town
 - c) There are no sites within the town which are more suitable for such development
 - d) The site is accessible by a choice of means of transport.
- 3.23 In addition to the general policies on retail, chapter 4 of the Ashford Borough Local Plan sets out specific development sites for a variety of land uses, including retail development. These are shown on the proposals map extract (Appendix 1) and include site 1, Land south of Elwick Road and County Square, which will be considered in the sequential approach section of this statement.

Emerging Local Development Framework

- 3.24 Ashford Borough Council have begun work on various documents that will make up the Local Development Framework replacing the adopted Ashford Borough Local Plan in 2007/08.
- 3.25 The Core Strategy Preferred Options Report identifies around 94,000m² of retail and leisure floorspace for the town centre to 2021 (page 19).

- 3.26 The Ashford Town Centre Area Action Plan Preferred Options Report identifies a southern expansion quarter for the town and the vision for the quarter is to establish a dense, mixed use, dynamic neighbourhood overcoming the perception of the railway as a barrier to the growth of the town centre. (Paragraph 4.5.3).
- 3.27 Early redevelopment of the prominent vacant sites in this quarter is encouraged to help revitalise the town centre. (Paragraph 4.5.4).
- 3.28 In particular, the area west of Learning Link to Leacon Road and the Gasometer, which covers the application site, is identified as appropriate for predominantly residential uses with a range of facilities to create a mixed use community, including workspace, eating and drinking, retail and leisure. (Paragraph 4.5.15).
- 3.29 Preferred Option TC9 proposes the allocation of 1,200 residential units, 25,000m² of office floorspace and 12,000m² of retail/leisure floorspace for the southern expansion quarter. It is noted that the creation of an attractive route across the railway line is crucial to the overall success of plans for the quarter and its integration with the town centre.

E) Policy Summary

- 3.30 The National Policy Framework seeks to support town centres, and encourage their growth and expansion where necessary. PPS6 encourages Local Authorities to positively manage plan for growth and this is reflected in the emerging Local Development Framework documents which take account of the Strategic Policy Framework identifying Ashford as a growth centre.

- 3.31 The adopted Local Plan only predicts the level of convenience floorspace required to 2006, and the emerging Development Framework reflects the growth strategy for Ashford.
- 3.32 This specifically encourages the expansion of the town centre in a southerly direction to allow for the growth required to serve as the increase in residents.
- 3.33 Whilst therefore the policies set out in the adopted Structure and Local Plans provide the statutory framework for the determination of the application the Local Plan policies do not take account of the growth strategy for Ashford beyond 2006, weight should be therefore attached to the emerging LDF documents which respond to the Regional Spatial Strategy.
- 3.34 Retail proposals at the former Powergen Site should meet the criteria set out in PPS6 paragraph 3.4 and policy SH1 of the Local Plan.

4 EXISTING RETAIL PROVISION

- 4.1 In terms of convenience provision within Ashford Town Centre, and in out of centre locations, the existing floorspace is dominated by out of centre facilities with Asda at Kimberly, Sainsbury's at Warren Retail Park, Tesco at Park Farm and Tesco at Willesborough. (See Plan in Appendix 2).
- 4.2 The town centre provision is very limited, with no large format supermarket, the former Sainsbury's store now occupied by Wilkinson's. Foodstore provision within the town centre is therefore limited only to Marks and Spencer's foodhall, Iceland, and Lidl, together with a range of small convenience stores.
- 4.3 The provision within the town centre is substantially below national average. The latest Goad Centre Report for Ashford based on a survey in November 2005 shows the total convenience gross floorspace as 3,440m², 62% below the national average for a centre this size.
- 4.4 There is clearly a current shortfall in existing town centre or edge of centre convenience provision, and a need for this to be addressed through development opportunities. The need for additional convenience provision within or on the edge of Ashford Town Centre also becomes more pressing with the growth of Ashford.
- 4.5 The next section of this report looks at the general health of Ashford Town Centre, in light of the findings of the under provision of convenience floorspace within the town.

5 ASHFORD TOWN CENTRE HEALTH CHECK

- 5.1 In accordance with PPS6, and in order to assess the likely impact of the proposed development on Ashford Town Centre, we have undertaken a health check of the town to consider its strengths and weaknesses. The full results are shown in Appendix 3, and consider all PPS6 criteria used to measure the vitality and viability of town centres. A summary is provided below.
- 5.2 In terms of retailer representation, the centre lacks both large department store, and large foodstore provision. In particular the convenience sector is under represented in Ashford, with the Goad Summary Report identifying a significant shortfall.
- 5.3 A total of 52 companies are listed in the Focus Town Centre Report as seeking representation in Ashford, and this high level of demand alone could be regarded as showing need for further retail space within the centre. In addition, vacancy rates are particularly low, with only 9 vacant outlets identified during our latest visit to the town to update the Goad Plan. This represents a vacancy rate of 1%, compared to the national average of 10.3%. This lack of space available within Ashford will be harming the viability of the town, as key retailers who are seeking representation will be unable to find suitable premises.
- 5.4 The extension of County Square Shopping Centre, currently underway will help in this regard, but we understand that no convenience floorspace is proposed within the County Square extension.
- 5.5 Looking at pedestrian flows, County Square Shopping Centre attracts the highest counts. Overall between 1995 and 2005 the total footfalls have fallen, however a cautious approach should be taken to the

analysis of such figures as they only provide a snapshot, and are heavily affected by weather conditions.

- 5.6 Work undertaken by Space Syntax on behalf of the Council in 2005 shows that Bank Street, which runs north south through the town is the most accessible route for pedestrians.
- 5.7 Generally, the quality of the town centre environment is good, with a clean pedestrianised area, and limited signs of graffiti. The ring road does however detract from the quality of the overall environment offered to shoppers.
- 5.8 Given the constraints on units available within Ashford, and the level of demand for representation, it is considered essential that the town expands to meet the existing demand, and that generated by the projected population growth.

6 THE NEED FOR DEVELOPMENT AND IMPACT ON ASHFORD TOWN CENTRE

6.1 Planning Policy Statement 6: Planning for Town Centres provides up to date guidance on how to assess new retail development. The guidance requires the need for edge of centre developments which do not accord with an up to date Development Plan Strategy to be considered. In this instance, the emerging policy framework envisages a southern expansion of Ashford Town Centre, and it is arguable that this provides the justification, given consultation undertaken to date, for foodstore provision in this location. However, as the adopted plan, which is now rather dated, does not envisage town centre expansion, it is necessary to address the issue of need and impact.

6.2 This is a three stage process: Firstly, considering quantitative need based on the existing retail studies undertaken on behalf of the Council, and updated by Planning Potential; Secondly, looking at the qualitative arguments for a proposal; and thirdly, considering the likely impact on current convenience provision and Ashford Town Centre.

1. Quantitative Analysis

6.3 We have adopted a five year period to assess the potential need for the proposed floorspace as advocated by PPS6. However, it should be recognised, that given the current deficiency of convenience provision within Ashford Town Centre as identified in earlier sections of this report, an immediate quantitative need exists for the proposed floorspace.

- 6.4 Given the substantial growth of Ashford, it would also be appropriate to consider longer term capacity for additional floorspace. The Ashford Retail Study 2003 undertaken by CBRE looked at capacity to 2031. The CBRE report identified capacity for 3,850m² net floorspace in 2006 and 5,650m² in 2011. By 2031 CBRE identify a total of 14,450m² capacity i.e. sufficient for 3-4 large scale foodstores. Short term forecasts are however more robust and for the purposes of this assessment, need is assessed to 2011.

Catchment Area

- 6.5 The next stage of assessing quantitative need is to establish the principal catchment area for the proposals in order to consider population and expenditure trends. For the purposes of this assessment, the catchment area is based on a core, and secondary area, defined through postcode boundaries and taking account of competing facilities in Folkstone, Canterbury, Tonbridge and Maidstone.
- 6.6 The plan in Appendix 8 shows the extent of the defined catchment area. Tenterden has been excluded from the catchment area on the basis that there is an existing range of convenience provision offered within the village. A new foodstore on the edge of Ashford Town Centre is unlikely to effect shopping patterns for those residents of Tenterden. There are already a range of large out of centre stores available in Ashford for those who wish to have the full range of provision, and the size of the proposed foodstore means it is unlikely to compete with the larger stores for trade from Tenterden.
- 6.7 Whilst there will be a degree of inflow of expenditure and leakage of trade from the catchment area and it is considered that the identified catchment properly reflects the likely catchment area of the proposal.

Population Projections

- 6.8 For the purposes of our analysis we have obtained population data from Experian, based on the 2001 census information. This has been projected forward to 2011 and reflect the growth strategy for Ashford.
- 6.9 Ashford's population is set to grow substantially over the next 20 years, and this needs to be taken into account in the planning of convenience provision. The Population projections are shown in Table 1A in Appendix 9.

Expenditure Projections

- 6.10 The next stage in the assessment is to consider expenditure projections. Local consumer spending estimates have been obtained from Experian. These estimates are provided in 2004 prices. Estimates for convenience expenditure have been projected forward to 2011 using the short term trend rate of growth of 0.8%, which is the most statistically robust estimate of trend growth. This rate is higher than those calculated over longer time periods but is still a relatively conservative rate of expansion, remaining well below total spending growth. Table 1C in Appendix 9 shows the expenditure available within the catchment area in 2001, 2006 and 2011.
- 6.11 Table 2 then shows the growth in available expenditure from 2001 to 2006 and 2011. There is a substantial increase in expenditure available within the catchment area for additional floorspace, totalling some 15.7million in 2006 and 38.8million by 2011.

Floorspace Capacity

- 6.12 On the growth figures alone, there is substantial capacity for additional floorspace in the convenience goods sector. This is calculated by taking the total expenditure available and applying the density of convenience retailers. For the sake of a robust approach, the average sales density of the top ten retailers has been used (£8,170 per m²)
- 6.13 Based on average sales densities, based on growth alone there is capacity in 2006 for a gross store of 3,200m² and in 2011 for a gross store of 7,900m².

Summary

- 6.14 This straight forward approach to assessing retail capacity has demonstrated sufficient need for additional convenience floorspace, based on population, and hence expenditure, growth forecasts for Ashford, and more particularly the catchment area identified for the former Powergen site. By 2011 the total capacity available is 7,900m², compared to the proposed foodstore with a gross area of 3,716m².
- 6.15 A new foodstore at the former Powergen site would take up around half of the space identified as being available by 2011. This allows for other convenience provision to be brought forward elsewhere within the town, and convenience retail development which has occurred since 2001.
- 6.16 Should forecasting beyond 2011 be considered, as undertaken in the Ashford Retail Study 2003, it is clear that there will be further substantial need

2. Qualitative Analysis

- 6.17 As has been identified in previous sections of the report Ashford Town Centre has a current shortfall in existing town centre or edge of centre convenience provision, with the total convenience of floorspace in the centre being only a third of the floorspace expected for a centre of this size.
- 6.18 There is also a need to draw back trade to the town centre, encouraging linked trips where the existing pattern of convenience shopping is dominated by out of centre provision.
- 6.19 The proposed foodstore at the former Powergen site is fully in accordance with the emerging proposals for the southern expansion of the town centre, and will provide an anchor to the southern expansion area to assist in drawing trade back to Ashford.
- 6.20 The existing patterns of convenience trade are unsustainable, and do not encourage journeys by modes of transport other than the car, or linked trips. The provision of a medium to large single format foodstore on the edge of Ashford Town Centre will help readdress the balance.

3. Impact on Current Convenience Provision and Ashford Town Centre

- 6.21 Given the more than adequate capacity found for additional convenience floorspace, and the qualitative shortfall of provision within Ashford Town Centre, it is considered that the impact of the new foodstore will be largely positive.

- 6.22 Indeed, the proposals fully accord with the Council's envisaged Southern Expansion Quarter, both enabling development to come forward, and encouraging trade back to Ashford from the existing out of centre stores.
- 6.23 The Ashford Retail Study 2003 identified that the two town centre stores, Mark & Spencer's and Iceland were trading at about 50% above company average. Similarly, out of centre stores as a group were trading at around 24% above the level expected based on company averages.
- 6.24 This means that the provision of a medium to large format foodstore will be able to draw trade from existing convenience stores without harming their ability to trade at healthy levels.
- 6.25 When this level of overtrading is combined with the capacity identified for new floorspace, the argument becomes compelling, and the impact is on individual stores and the town centre as a whole will not be harmful, indeed the impact on the town centre is, as stated above, likely to be the reverse, with the health of the centre enhanced.
- 6.26 As we identified in our town centre health check whilst County Square Shopping Centre is being extended, the convenience provision in the town remains very limited. In addition, the level of vacancies demonstrate that key retailers are unable to find suitable space for new outlets, additional floorspace on the edge of the centre will assist in meeting demand.
- 6.27 Other proposals, which are likely to come forward as part of the Southern Expansion Quarter will also offer additional space to help with the growth of Ashford Town Centre, meeting the needs of the growing population.

7 SCALE AND THE SEQUENTIAL APPROACH

- 7.1 Both PPS6 and the Development Plan require that proposed retail development is in keeping with the scale and character of the town.
- 7.2 The proposed foodstore with a gross area of some 3,716m² is appropriate for the scale of retail development in Ashford. PPS6 recognises the benefits that can be achieved for consumers in large single format stores, and Ashford Town Centre is the appropriate location for such development to serve the wider Ashford catchment area.
- 7.3 In accordance with the sequential approach if no suitable town centre locations are available, then an edge of centre location is appropriate.
- 7.4 We have undertaken an analysis of development opportunities within Ashford, and, in accordance with the emerging Local Development Framework consider that the only opportunity for large scale development is through the southern expansion of the town.
- 7.5 As identified in previous sections of this report, Ashford Town Centre has very few vacancies, and there are no units, even adopting a flexible approach, which could accommodate the foodstore proposed. In addition, there are no sites within the town centre which are available, or suitable for redevelopment for a foodstore.
- 7.6 Turning to the Southern Expansion Area, there is land to the north of the existing railway line which will be available for retail development, and is identified in the Ashford Town Centre Development Framework as suitable for large retail with commercial and residential uses. This site is we believe however more suitable for comparison goods

retailing, linking in with the existing provision at County Square Shopping Centre.

- 7.7 In addition, as the intention is to extend the town southwards beyond the railway line, it is essential that an anchor retail unit is provided to overcome the railway barrier. The proposed foodstore, together with shared town centre car parking will also improve pedestrian flows to the southern part of the expanded town.
- 7.8 In essence, the location of the proposed development at the eastern end of the Powergen site meets the requirements of the sequential approach, it is the appropriate scale for Ashford, and will help meet the Ashford Town Centre Development Framework objectives.

8 ACCESSIBILITY

- 8.1 The overall accessibility of the application site is dealt with in the Transport Assessment, however it is worth highlighting elements directly relevant to the retail development.
- 8.2 Whilst the overall accessibility of the site is good, there is an acknowledged need to overcome the barrier created by the railway line. The existing pedestrian bridge enables movement between the town centre and the Victoria Road area. There does however need to be a reason for shoppers to cross the railway line, which requires a large anchor store. This, combined with the shared town centre car park facility should provide an incentive to link with existing shopping trips to the centre.
- 8.3 In addition, as identified by Space Syntax, Bank Street, which runs along the north south axis of the town runs on the same alignment as the existing pedestrian bridge over the railway line, thereby ensuring that the most accessible street can be easily reached by crossing the railway line.
- 8.4 The foodstore element of the scheme will lead to enhanced linkage between the town centre and the southern expansion area south of the railway line.

9 EXECUTIVE SUMMARY AND CONCLUSIONS

- 9.1 This report has been prepared to consider the issues surrounding the development of a 3,716m² foodstore as part of the proposed mixed use development for the former Powergen site, Gasworks Lane, Ashford. The report considers the criteria set out in PPS6; Planning for Town Centres, and relevant policies in the Development Plan, and the emerging Ashford Town Centre Area Action Plan.
- 9.2 The adopted Ashford Local Plan, does not consider the level of convenience required beyond 2006. However, the emerging Preferred Options propose the allocation of 12,000m² of retail/leisure floorspace in an identified Southern Expansion Quarter for the town.
- 9.3 Existing town centre foodstore provision is very limited, with no large format supermarket and the latest Goad Centre Report for Ashford showing total convenience floorspace as 62% below the national average for a centre of this size.
- 9.4 The Ashford Retail Study 2003 undertaken by CBRE on behalf of English Partnerships and the Council considered capacity to 2031 the report identified capacity for 5,650m² net floorspace in 2011.
- 9.5 We have updated the position based on population expenditure data from Experian and more robust growth rates. We identify that by 2011 the total capacity available, based on growth from 2001 is 7,900m².
- 9.6 Given the shortfall of existing convenience shopping provision within the town centre, and the capacity identified both by CBRE and ourselves, and the identified overtrading of existing convenience

retailers it is considered that the impact of the new foodstore will be positive.

- 9.7 Indeed, the proposals fully accord with the Council's envisaged Southern Expansion Quarter. There are no suitable available sites within the town centre, and the southern expansion area is therefore the most appropriate location, given its edge of centre status, for new convenience floorspace.
- 9.8 The proposed foodstore element will enable a mixed use development to come forward, incorporating shared town centre car parking, and will meet the aspirations of the emerging Town Centre Framework.