



MID DEVON LOCAL PLAN REVIEW 2013 – 2033

TAUNTON DEANE BOROUGH COUNCIL RESPONSE TO POLICY J27 (PRELIMINARY HEARING)

AUGUST 2017

Customer ID: 6728

- 1.1 This response to the Mid Devon Local Plan Review 2013 – 2033 should be read alongside Taunton Deane Borough Council's initial response made to the revised publication plan. The Council has not generally sought to repeat the comments made in the original submission, but where considered appropriate, in light of the Inspector's preliminary questions, provided further clarification and amplification to our comments.
- 1.2 Responses are not provided to all of the questions but are focused around the matters of greatest concern to the Council. Taunton Deane Borough Council has no comments to make on the proposed policy/allocation SP2 or TIV16.

Question 2:

- 1.3 The July 2015 NLP report is the only one to deal with the assessment of need for the proposed convenience goods floorspace. A proper assessment should have considered the commitments/allocations in the catchment area. Moreover, the available assessments ignore a number of planning permissions for foodstores such as the ALDI stores in Taunton and Exeter, the foodstore at Cranbrook and the replacement Lidl stores in Exeter and Taunton. In addition, they ignore the ability of development plan allocations to provide convenience goods floorspace such as Firepool in Taunton (which is subject of a planning application [Planning Application ref.: 38/17/0150] at the time of writing with an envisaged determination by the Council's planning committee in late Summer early Autumn) as well as allocations in Mid Devon itself. As such the amount of alleged 'surplus' expenditure has been significantly overstated by CBRE and NLP.
- 1.4 The promoter's assessment continues to predict 'surplus' convenience goods expenditure on a very simplistic basis: an assumption that demand equals supply (i.e. equilibrium) in the base year (2014). Most comprehensive local authority retail need evidence base studies for convenience goods (including those produced by NLP elsewhere, and GVA's assessment for MDDC) assess the benchmark turnover of existing floorspace using data on existing actual floorspace levels.
- 1.5 In relation to the proposed comparison goods floorspace, it would appear that NLP's position changed from its July 2015 advice (where there was uncertainty over whether there was a need/capacity for the outlet centre's floorspace) to its 2016 advice where they accepted that there was expenditure need/capacity.

- 1.6 We consider that the Inspector needs to examine two areas of the evidence base:
- the technical assumptions which have been made to assess expenditure capacity, and,
 - the general approach of NLP's advice regarding the assessment of cross-boundary needs in Devon and Somerset.
- 1.7 In terms of the technical assumptions/methodology, a particular concern voiced by GVA's original advice to MDDC in 2014 and repeated by NLP in its July 2015 advice is that the CBRE assessment has ignored development plan allocations. The July 2015 NLP advice went no further than making this comment (along with the conclusion that further work needed to be undertaken).
- 1.8 Following the July 2015 advice from NLP, the promoter of the allocation has not submitted any further work to answer the previous criticisms, concerns, queries and missing information. As such, the latest information and analysis from the promoter is the April 2015 TCUS document and, therefore, it would appear that any change in direction from NLP must be due to NLP's own work.
- 1.9 Section 2 of the March 2016 NLP advice report provides the first part of this assessment. It concludes that there is not a need for the outlet centre based upon MDDC expenditure alone and goes on to consider just three of the neighbouring local authority areas: Taunton, North Devon and Exeter. Clearly, they are not the only local authority areas in the core catchment. In a particularly significant error, NLP appear to choose only Exeter, North Devon and Taunton on the basis of claimed diversion of more than 1,000sq m comparison goods floorspace capacity.
- 1.10 The other local authority areas in the core catchment which should also be taken into account are North Somerset, Sedgemoor, Mendip, Torbay, Teignbridge, South Hams, East Devon, Plymouth, West Devon, South Somerset and West Dorset. All of these areas have adopted and emerging development plan strategies which will, where relevant, identify the allocation of sites to meet the needs arising from their catchments. These 11 authorities have not been considered in NLP's analysis and this is a significant failure of

the evidence base and a clear sign that the need for the comparison goods floorspace has not been justified/demonstrated.

- 1.11 There are also other retail proposals in the wider area which will also have an effect on retail capacity levels in the core catchment. These are, for example, the expansion of The Mall at Cribbs Causeway, proposals in Plymouth and retail commitments in Cornwall. Again, these have not been taken into account by NLP in their advice to MDDC.
- 1.12 Overall, and having regard to the foregoing analysis, we consider that neither CBRE, NLP or MDDC have been able to demonstrate that a need for the proposed retail floorspace exists. In particular:
- Failure to include the latest economic forecasts (NLP and CBRE have not used the latest economic forecasts from Experian).
 - Failure to include all salient commitments and development plan allocations in the regional catchment.
 - NLP's advice to MDDC considers the need for retail floorspace in Mid Devon and only three of the surrounding local authority areas and ignores retail capacity issues in a further 11 local authorities within the core catchment of the proposal.
- 1.13 Fundamentally, it is questionable whether NLP have actually advised MDDC that there is a need for the proposed comparison goods floorspace within the retail outlet centre. The July 2015 advice does not suggest that there is a need, whilst the March 2016 confirms that there is residual retail expenditure to support the outlet centre but stops short of confirming that it meets the need test. This position is replicated in the July 2016 advice which again does not confirm that there is a need for the retail outlet centre.

Questions 3 and 7:

- 1.14 Should a need for the proposal at Junction 27 be demonstrated, it is necessary for MDDC to properly apply the sequential approach to site selection. The issue of the sequential approach is dealt with in each of the three advice reports from NLP, although the advice is inconsistent and inaccurate.
- 1.15 The initial July 2015 report indicates that there is no specific requirement for disaggregation of the elements of the proposed development and therefore assess one alternative site (in Exeter city centre) on the basis of the development as proposed. Subsequently in March 2016, NLP suggest that

disaggregation can be considered but go on to note that there is synergy between the tourist, hotel, food/beverage and food hall elements and, whilst there is less synergy with the outlet centre, the co-location of these uses would be beneficial.

- 1.16 The July 2016 advice report quotes extensively from a court judgement and a secretary of state call-in decision letter, although the relevance of these are questionable as they relate to planning applications and not development plan making issues.
- 1.17 The key principle in the NPPF is that if a need has been demonstrated for a main town centre use, then sites should be identified to meet this need. In this case, the proposed development incorporates a range of several different land uses and it is being claimed by the promoter that they must all be located in the same place. It is being argued that they must be located in the same place due to the synergy between the uses and viability reasons.
- 1.18 The proposed development allocation now includes a visitor centre, hotel, The Ark tourism centre, restaurants and cafes, retail outlet centre, storage and distribution uses plus a roadside services area. NLP has accepted that the tourism and food/beverage uses have a “synergy” between them although the reasoning for this is not explained in any detail. Moreover, whilst there may be synergy between these uses, we consider that the requirement for co-location should be based upon a more in-depth analysis which seeks to provide that these use are needed and that the only way in which they can be provided is combined with other land uses. This has not been demonstrated by either CBRE or NLP.
- 1.19 NLP do acknowledge that there is less synergy between the tourism and outlet centre uses but do consider their co-location to be “beneficial”. This is clearly not a sufficiently robust reason to claim that all these uses must be located together and is a major flaw in the evidence base. The promoters of the allocation also claim that the wider development will only proceed if the retail outlet centre element is included as it makes the development viable. In relation to this issue, the following is salient:
- The only part of the NLP advice to MDDC which deals with viability is section 5 of the March 2016 advice report. However, they do not provide detailed advice on development viability. Instead, NLP acknowledge that *“only a broad review of the development and revenue costs has been put forward”*.

- NLP leave MDDC to reach a conclusion on development viability, although MDDC have not published any analysis on this issue.
 - The MDDC November 2016 Cabinet and Council committee reports acknowledge the NLP comments and also notes that *“the promoters have provided further detailed viability evidence which is considered to demonstrate the interdependency of the tourism, leisure and retail (DOV) proposals”*.
- 1.20 In order to inform TDBC’s most recent representations to the Local Plan, consultants acting for TDBC contacted MDDC’s Forward Planning Team Leader to ask about the viability information. They were told that MDDC was in receipt of this information but could not be released as it was *“confidential”* and had been submitted to MDDC as part of pre-application discussions.
- 1.21 Given that considerable reliance is placed upon viability issues to demonstrate that all the uses must be placed together, the lack of any information in the public domain on this issue is of significant concern to TDBC. It is strongly recommended that the Inspector ask for this information to be made available, in order that it can be subject to independent assessment.
- 1.22 There are also other significant gaps between the advice of NLP and the recent MDDC committee reports. In particular, NLP have advised that, on the basis of the whole of the proposal, a selection of sites in parts of the core catchment are not suitable and available. NLP has, however, left MDDC to consider whether it is appropriate to consider disaggregation of the elements of the proposed development and how the identified needs should be met.
- 1.23 However, MDDC do not undertake this assessment. There is only one paragraph in the main November 2016 committee reports which notes that *“there are no sequentially preferable alternative sites that could accommodate the development proposed”*. Appendix 1 to the November 2016 does repeat the advice of NLP but does not explain whether MDDC has considered disaggregation/separation of the various elements. This is a serious omission, as a robust case needs to be made as to why regional needs can only be met on one site and why this site has to be in Mid Devon.
- 1.24 As such, the MDDC officers report is not clear enough on MDDC’s approach to the sequential test. MDDC has not undertaken an assessment recommended by its own consultant and it would appear that the only reason given for considering the whole of the development as one package in the sequential test is due to viability reasons (the justification for which is not

available for public inspection). In any event, only three sites have been considered in detail by NLP.

Question 4:

1.25 On the issue of impact, it is worth noting the chronological order of the various NLP reports and their contents:

- The latest assessment of impact from the promoters of the allocation is dated April 2015. Despite criticisms from NLP, the promoters have not submitted (to our knowledge) any supplementary material on retail impact issues.
- The July 2015 NLP report, appeared able to conclude that the impact of the retail outlet centre was not significantly adverse despite also concluding that the promoter's assessment was "incomplete" as it did not provide a cumulative impact assessment of commitments and allocations. NLP did not provide advice on the impact of the other retail elements of the proposal or the leisure uses.
- The March 2016 advice from NLP did consider the impact of the retail outlet centre in more detail, but only in relation four centres. This is in direct conflict with the previous advice from NLP which indicated that 17 local authority areas should be considered. Similarly, despite their previous advice, no cumulative impact assessment was provided by NLP.
- The July 2016 NLP advice report did not consider retail impact issues.

1.26 The above confirms quite clearly that the NLP advice to MDDC is incomplete. despite requiring a cumulative impact assessment to be undertaken, NLP and MDDC have not done so, only the comparison goods floorspace in the retail outlet centre has been considered by NLP. Finally, the only impact assessment undertaken by NLP is a financial one, no consideration has been given to wider 'town centre' impacts.

1.27 The advice provided by NLP to MDDC also does not conform to national planning guidance. The guidance asks for an assessment of the impact on investment and the role of centres. Instead, the NLP analysis concentrates upon a financial impact analysis alone. Other factors requiring consideration include the range of goods and services which could be offered by the allocation, the propensity for local residents and visitors to prefer the allocation for certain trips over existing defined centres and whether it could act as a quasi-town centre environment. This was highlighted by GVA's original review of the proposal in 2014, although such considerations do not appear to feature in either NLP's advice or the MDDC November 2016 Cabinet committee papers.

1.28 Paragraph 3.30 of the November September 2016 committee papers makes the claim that there will no significant impact on the development strategy of

neighbouring authorities. It is difficult to see how such a claim can be robustly made when this has not been considered in the required level of detail within the NLP advice and MDDC do not appear to have undertaken their own analysis of the salient issues.

- 1.29 In the context of Taunton Deane itself, the proposal would have an impact on the two main centres of Taunton and Wellington, especially the latter. The scale of the proposal can be determined by comparing the amount of floor-space to be provided for retail, ancillary retail and, restaurant/café activities. The proposal identifies 14,000 square metres of floor-space will be provided for non-food (comparison) goods in what is described as an 'Outlet Shopping Village'. The nearest centre, in Taunton Deane, with a similar level of retail floor-space is Wellington which is located eight and a half miles to the north east of the proposed site. In 2016 the town had a total of 14,548 square meters in 154 separate trading units of retail and retail-related activities. This includes all A-Class uses and 17 units, comprising 1,525 square meters of floor-space that were unoccupied. If the Class A1 food retail and retail-related (Use Classes A2 – A5) activities are excluded, this reduces down to 5,195 square meters of floor-space in 71 units (including vacant units) or just over 37% of that proposed to be provided at the Junction 27 facility. Whilst Taunton has a significantly larger town centre, it has to be remembered that it has evolved over many years to attain the status and level of provision it currently has. The amount of new comparison floor-space to be created at Junction 27 would equate to almost 22% (including vacancies) of that in the town in 2016.
- 1.30 The provision of the proposed quantum of comparison floor-space included in the Junction 27 allocation will have a significant impact on the range and quality of goods that will be provided in Wellington in particular due to its close proximity to the site. The Retail and Leisure Study of 2010 noted that the three main threats to Wellington town centre's future vitality and viability were likely to be;
- *Extensive developments at Taunton further detracting from Wellington's comparison and leisure sector.*
 - *Increase in internet and out-of-centre retail, and*
 - *Prolonged poor economic trading conditions leading to further vacancies in the retail sector.*
- 1.31 In terms of the first two of these, by substituting the threat from the Junction 27 proposal for that of Taunton in the first and, the considering the proposed type of goods to be sold, these both constitute a serious threat to the health of the town centre. In respect of the third threat, in the period between the publication of the study and the latest monitoring data (2016), it could be said

that the, “*jury is still out*” on the future of the town. During the period 2010 – 2016, the town has seen a small decrease in retail activity as expressed through the amount of available floor-space and number of units but, this is not considered significant in the context of other changes that have occurred over that time. However, the combination of the quantum of new floor-space to be created at the Junction 27 site, the nature of the goods proposed to be sold and, the fact that it will be in modern retail units, will present a real challenge to the continued occupation of some of the units by current ‘High Street’ operators in Wellington. The scale of trade diversion from Wellington is difficult to apportion and the evidence provided in support of the proposal fails to recognise the town, along with a number of others.

- 1.32 Experience elsewhere in Somerset on the issue of ‘trade-diversion’, such as the evolution of the ‘Clarks Village’ development at Street since the mid-1990’s, has shown the impact this type of ‘outlet-shopping-centre’ can have on established neighbouring town-centres. Glastonbury town centre is still recovering from the impact through re-inventing itself as a tourism orientated location having lost many of its traditional ‘High Street’ named stores as a consequence of the Clarks Village development. There is concern that this experience would be replicated at Wellington should the Junction 27 proposal be implemented and result in a significant change in the dynamics of the town and how it relates to its hinterland.
- 1.33 Whilst Taunton is further away from the location of the proposal and benefits both from a wider range of comparison goods offer than Wellington plus a substantially greater amount of floor-space and units, the scale of the development and the type of goods to be offered for sale will still have an impact. The 2010 study identified that a threat to the continued vitality and viability of Taunton town centre could be;
- *Bridgwater and other competing centres may also seek to increase their market shares.*
- 1.34 The proposal at Junction 27 should be included as one of the ‘*other competing centres*’. Whilst the threat may not be as direct to Taunton compared with that faced by Wellington, it is not just the direct, but also, the indirect consequences of a development of this scale. The incremental additions to existing centres combined with free-standing proposals of this type, especially where they are close to the strategic road network, have a cumulative impact on places like Taunton. The LPA has recently expressed its concern about a proposal to significantly increase the retail floor-space available at the Cribbs Causeway regional shopping centre, north-west of Bristol. Whilst over 45 miles from Taunton, its proximity to the M.5 at Junction 17 makes it, notionally, is accessible from the town in under an hour. These

incremental changes by other rival retail centres and facilities taken together, and over time, can have a cumulative and detrimental impact. They can undermine the potential viability of redevelopment and regeneration initiatives on complex and difficult sites, inhibiting their early implementation. The proposed redevelopment of the Firepool site in Taunton could be affected in this way. The site has been identified in the Taunton Town Centre Area Action Plan (TTCAAP) as a location for regeneration and redevelopment. Although adopted in 2008, it has taken almost 10 years for a potential scheme to be worked up and an application submitted on a significant element of the land covered by the TTCAAP.

Question 5:

1.35 Please see response made in relation to question 3.

Question 8:

1.36 In TDBC's opinion, the scale of the proposed main town centre uses in the proposed allocation are so great that 'planning controls' are unable to stop the adverse impact upon the regional retail hierarchy, particularly those in Taunton and a number of areas of Devon. The combination of main town centre uses is such as that J27 will become a quasi-town centre and, therefore a destination-in-its-own-right. The promoters have sought to argue that the OSV is somehow different to existing town centres in the retail hierarchy. As explained by GVA's original advice to MDDC, this is not the case as J27 will be selling the same types of goods which are available in town centres. The extent of trading overlap is becoming more acute due to the increasing emphasis on value and discounted goods in the modern retail sector and the higher number of 'sale' period within the traditional high street.