INTRODUCTION

1. I was instructed on 3 October, 2012 by Rotherham Metropolitan Borough Council (MBC) to prepare advice in support of the Council's submission of its Core Strategy. My advice is set out in this document.

2. Rotherham MBC is preparing its Local Plan which will eventually replace the Borough’s Unitary Development Plan (UDP) which was adopted in June 1999. The Council consulted on its Publication Core Strategy between 25 June and 6 July, 2012. A range of representations were received, including a number relating to the Council’s retail and town centre policy.

3. The Core Strategy will be submitted to Government. The Council is currently considering the representations received on retail issues and whether these should lead to changes to its retail policy.

4. The primary evidence base for the Core Strategy in relation to retail and town centre policy are two recently produced retail and leisure studies. These are as follows:
   - Town Centre Retail and Leisure Study, Colliers International and The Retail Group, January 2010; and

5. In addition, the Publication Core Strategy was accompanied by a short retail and economy background paper. This was prepared by the Council.
PURPOSE OF THE ADVICE

6. Rotherham MBC require advice in respect of retail and town centre issues raised following consultation on the Publication Core Strategy. There are four specific issues as follows:

(i) The overall amount of retail floorspace to be planned for;
(ii) The thresholds adopted for requirement of impact tests;
(iii) The use of drive time thresholds for impact tests; and
(iv) Minor policy wording amendments.

7. Each is considered in turn below.

THE OVERALL AMOUNT OF RETAIL FLOORSPACE

8. Policy CS12 (Managing Change in Rotherham’s Retail and Service Centres) states that to:-

"maintain and enhance the vitality and viability of the borough’s retail and service centres new retail, leisure, service facilities and other main town centre uses will be directed to the most appropriate centre in line with the hierarchy ……… having regard to the type and scale of development proposed. Proposals will be expected to demonstrate how they contribute towards the strategy for each centre………"

9. It goes on to say that:

“to achieve this and meet forecast need, we will plan to accommodate 9,000 sq m gross of convenience goods floorspace, and 11,000 sq m gross of comparison goods floorspace (comprising 3,000 sq m of non-bulky goods floorspace and 8,000 sq m of bulky goods floorspace)".

10. This gives a total planned retail floorspace need in Policy CS12 of 20,000 sq m gross. The issue is that this overall quantum of need is much less than the c.45,000 sq m gross of quantitative and qualitative need estimated in the 2011 Colliers Retail and Leisure Study(1). In practice, the difference is solely due to the Council adopting for bulky comparison goods a floorspace need of just 8,000 sq m gross, close to the quantitative need only total of 9,600 sq m gross (central population projection) estimated in the 2011 Retail Study. The Council has therefore excluded the ‘qualitative' need for bulky comparison goods floorspace estimated in the Retail Study, which is derived from over trading. The case for doing so is set out below. The Council has accepted the study’s quantitative and qualitative floorspace need estimates for Rotherham MB for convenience goods and non-bulky comparison goods.

(1) Assuming the ‘central’ population growth scenario, this total comprises of c.9,000 sq m gross of convenience goods floorspace need, c.3,000 sq m gross of non-bulky comparison goods floorspace need and c.33,000 sq m gross of bulky comparison goods floorspace need.
Key Conclusions of the 2011 Rotherham MB Retail and Leisure Study

11. Paragraph 7.51 of the study sets out the distinction between quantitative and qualitative need. It states that:-

"PPS 4 (Policy EC1.4, d 9 (iii) (1) refers to over trading as being a component of qualitative need rather than quantitative need. In Section 9, we therefore present our retail floorspace need estimates inclusive and exclusive of the contribution of over-trading estimated at the base year (2010), in order that qualitative factors (in PPS 4 terms) may be correctly interpreted".

12. The study estimated a bulky comparison goods floorspace need (under the preferred central population scenario) at the latest design year of 2027 of:-

<table>
<thead>
<tr>
<th>Quantitative Need (1)</th>
<th>Quantitative and Qualitative Need (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9,610 sq m gross</td>
<td>33,090 sq m gross</td>
</tr>
</tbody>
</table>

(1) Takes into account rising store productivities and commitments.
(2) Takes into account rising store productivities, commitments and over-trading at the base year.

13. Because virtually all of the base year over-trading in bulky comparison goods is due to over-trading at the successful out of centre Parkgate Shopping, the study concluded as follows (paragraph 9.46):

"The Council must take a view on the extent to which this qualitative need should be planned for in terms of providing new retail floorspace, when there is already a good choice of bulky comparison goods stores within and (close by) outside the borough".

14. In preparing its Publication Core Strategy, the Council chose to exclude the contribution of base year over-trading to the need for additional bulky comparison goods floorspace. (2). However, a number of representations to the Publication Core Strategy state that the Council’s policy does not conform to the National Planning Policy Framework (NPPF), which was published in March 2012, well after the completion of the 2011 Colliers Rotherham MB Retail and Leisure Study.

(1) The NPPF was not published until March 2012 well after the completion of the study.
(2) The Council included the contribution of over-trading in its floorspace need totals for convenience goods and non-bulky comparison goods. However, the additional floorspace that this ‘qualitative’ need generates is relatively small for these goods categories relative to that for bulky comparison goods.
15. The NPPF (at paragraph 14) states that:

“Local Plans should meet objectively assessed needs…… unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole or specific policies in this Framework indicate development should be restricted”.

16. At paragraph 23, the NPPF requires local planning authorities in drawing up Local Plans to:

“recognise town centres as the heart of their communities and pursue policies to support their viability and vitality”.

17. The Council has had to regard to the requirement to maintain town centre viability and vitality when determining the quantum of retail floorspace need in the Publication Core Strategy, in particular the need for bulky comparison goods.

18. In considering retail need further, it is necessary to examine the Practice Guidance, which is designed “to help those involved in preparing or reviewing need…… assessments”. (Preface)


19. The Practice Guidance confirms that an up to date assessment of the need for additional or replacement floorspace to accommodate town centre uses (eg retail) is a fundamental component of the evidence base to underpin policy making at the local level (Paragraph 3.1).

20. The Guidance states that the need for town centre uses is considered in terms of ‘quantitative need’ and ‘qualitative need’ and

“both have a role to play in reaching an overall judgement about the scale and form of development which should be planned for”. (Paragraph 3.2).

21. It goes on to say that quantitative need is conventionally measured as expenditure capacity and tends to be expressed as ‘additional’ floorspace, whilst qualitative need includes more subjective measures. The Guidance states that:-

“in the case of retail needs……. the approach to assessing each element of need is considered separately”.

(1) Whilst the Government has announced a review of planning guidance, at the time of writing Planning for Town Centres remains a material consideration.
22. In relation to bulky comparison goods, the Council has accepted in its Core Strategy the quantum of quantitative floorspace need estimated in the 2011 Rotherham MB Retail and Leisure Study, but chosen to exclude the qualitative floorspace need (i.e. that derived from over-trading) (1).

23. To understand the basis of the Council’s approach, it is useful to consider the components of qualitative need and the extent, if any, to which it exists in Rotherham MB in relation to bulky comparison goods.

24. The Practice Guidance (Paragraph 3.10) states that qualitative need “is a more subjective concept” and comprises of five factors:
   - deficiencies or gaps in existing provision;
   - consumer choice and competition;
   - over-trading, congestion and over-crowding of existing stores;
   - location specific needs such as deprived areas and underserved markets; and
   - the quality of existing provision.

25. Each is considered in turn.

Deficiencies or ‘Gaps’ in Existing Provision

26. The 2011 Rotherham MB Retail and Leisure Study confirmed that the existing number and or location of retail parks and retail warehouses selling bulky comparison goods within the borough is adequate and there are no material gaps or deficiencies in provision. Moreover, Rotherham MB is geographically relatively small and substantial further provision is located close by outside the borough (e.g. in Sheffield District) and is easily accessible to consumers living within the borough.

Consumer Choice and Competition

27. Rotherham MB is already well supplied with bulky comparison goods retailers. Parkgate Shopping in particular offers a very wide choice of retailers and product categories and competition is healthy. The 2011 Retail Study estimated that Rotherham MB is a net importer of bulky comparison goods expenditure and its base year turnover in this goods category exceeds the quantum of expenditure generated within the borough. (2).

(1) Policy CS12 allows for a need of 8,000 sq m gross of additional bulky comparison goods floorspace. This is slightly less than the 9,600 sq m gross of quantitative need estimated in the 2011 Retail Study, because the Council took into account the material amount of vacant bulky goods floorspace in the borough that was excluded from the need totals produced in the study.

(2) Source: Figure 5.5 in the 2011 Retail Study.
28. The Practice Guidance (paragraph 3.16) states that:

"the extent to which the turnover of existing stores significantly exceeds benchmark turnover may be a qualitative indicator of need and can in some cases inform quantitative need considerations". (My underlining).

29. It goes on to say that over-trading:

"may be an expression of the poor range of existing facilities or limited choice of stores and a lack of new floorspace within a locality" (Paragraph 3.16).

30. Clearly this is not the case within Rotherham MB as it already contains a good range of bulky comparison goods stores, especially out of centre at Parkgate Shopping, which is one of the largest retail parks in the country. In fact, the 2011 Retail Study estimates that Parkgate Shopping accounts for 95% of the bulky comparison goods over-trading within Rotherham MB(1). Accordingly, there is no qualitative need for additional provision of this type at this location due to the availability of modern, well configured units, its extensive free parking, central and accessible location within the borough and wide choice of retail operators and goods categories.

31. Moreover, the Practice Guidance also states (paragraph 3.17) that over-trading can be demonstrated by over-crowding and congestion. However, there is no evidence that this is a material problem at any bulky comparison goods location within the borough.

Location Specific Needs – Deprived Area Considerations

32. Although Rotherham MB has areas of deprivation, these are well served by a network of centres and are also located in close proximity to out of centre retail parks, the largest of which are accessible by private and public transport.

The Quality of Existing Provision

33. The 2011 Retail Study estimated that 95% of bulky comparison goods turnover within the borough is accounted for by out of centre retail warehouses / stores(2). These units are primarily located in purpose built retail parks, such as Parkgate Shopping and Cortonwood, and are predominantly modern, well configured and sizeable. The quality of accommodation across the borough is therefore more than adequate.

34. The above assessment – drawing extensively on the 2011 Retail Study – has demonstrated that in relation to existing bulky comparison goods floorspace within Rotherham MB there is:

(2) Source: 2011 Retail Study, Figure 5.6.
- no deficiencies or ‘gaps’ in provision;
- good consumer choice and healthy competition;
- over-trading (estimated actual against benchmark), but no material signs of store over-crowding or congestion;
- no obvious location specific needs – deprived area considerations; and
- good quality retail accommodation.

35. Therefore, following the Practice Guidance, it is concluded that there is no evidence of a material qualitative need for additional bulky comparison goods floorspace within Rotherham MB, although the 2011 Retail Study did estimate a significant level of over-trading in that goods sector.

**Retail Vacancy**

36. The retail floorspace need estimates set out in the 2011 Retail Study and those within the Council’s Core Strategy do not take into account vacant retail floorspace throughout Rotherham MB. This is particularly relevant for bulky comparison goods, where vacancy often takes the form of large retail warehouse units. The 2011 Retail Study highlighted in relation to bulky comparison goods that;

“some of the vacant floorspace is in modern, good quality units (eg a number of vacant out of centre retail warehouses) and this stock is eminently suitable for retailers and should be fully utilised prior to granting consent to new schemes” (Paragraph 9.47).

37. Due to the economic recession, and weak retailer demand for space, retail vacancy has, in fact, risen within Rotherham MB in recent years. Table 1 overleaf confirms that vacancy amongst retail warehouse units has increased by around 275% since 2007 and now exceeds 8,100 sq m gross. This void space is predominantly in modern units at three of the principal retail parks in the borough and is therefore suitable and available to meet any future operator requirements in the bulky comparison goods sector.

38. In practice, this vacant and available floorspace could be added to the 8,000 sq m gross of bulky comparison goods floorspace that the Council will plan for in its Core Strategy. This gives a total supply of more than 16,100 sq m gross of floorspace in the borough. This equates to 34% of the total occupied bulky comparison goods floorspace stock of c. 47,300 sq m gross as estimated in the 2011 Retail Study (').

(', Table 6.2 in the 2011 Retail Study gives an estimate of 42,605 sq m net of bulky comparison goods floorspace in the borough. Applying a net to gross ratio of 90:100, this equates to c. 47,300 sq m gross.)
<table>
<thead>
<tr>
<th>LOCATION</th>
<th>UNITS</th>
<th>FLOORSPACE (Sq m Gross)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parkgate Business Park</td>
<td>Beale Way, Unit 11</td>
<td>605</td>
</tr>
<tr>
<td></td>
<td>Rail Mill Way, Unit 16</td>
<td>140</td>
</tr>
<tr>
<td></td>
<td>Rail Mill Way, Unit A01</td>
<td>405</td>
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<tr>
<td></td>
<td>Stadium Way, Unit 2</td>
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</tr>
<tr>
<td></td>
<td>Stadium Way, Unit 2B</td>
<td>775</td>
</tr>
<tr>
<td>Canklow</td>
<td>West Bawtry Road, Plot 6</td>
<td>570</td>
</tr>
<tr>
<td></td>
<td>West Bawtry Road, Plot 7 Unit A1</td>
<td>900</td>
</tr>
<tr>
<td></td>
<td>Stadium Way, Unit 7</td>
<td>930</td>
</tr>
<tr>
<td></td>
<td>Stadium Way, Unit 9</td>
<td>465</td>
</tr>
<tr>
<td></td>
<td>West Bawtry Road, Unit 1 (Plot 17)</td>
<td>234</td>
</tr>
<tr>
<td></td>
<td>West Bawtry Road, Unit 1 (Plot 5)</td>
<td>945</td>
</tr>
<tr>
<td></td>
<td>Vacant former B &amp; Q</td>
<td>2,880</td>
</tr>
</tbody>
</table>

**Source:** Business and Industrial Surveys 2007 and 2012, Rotherham MBC.

* As at September, 2012. All vacant units/plots listed in this table are additional to those defined as bulky comparison goods commitments in the 2011 Retail Study.
39. Adopting a conventional approach, the bulky comparison goods floorspace need totals in the 2011 Retail Study were derived after allowing for c. 12,000 sq m gross of commitments (1). However, not all of these commitments have (to date) been built and occupied. The Council estimate that c. 8,300 sq m gross of this ‘committed’ bulky comparison goods floorspace remains either unbuilt or vacant (2). Therefore, this 8,300 sq m gross of available floorspace can be added to the 16,100 sq m gross figure above to give a total of 24,400 sq m gross of bulky comparison goods floorspace ‘supply’ at the present time within the borough. This is equivalent to more than half of the borough’s occupied floorspace stock as estimated in the 2011 Retail Study, and also equates to almost 75% of the quantitative and qualitative need for additional bulky comparison goods floorspace derived in that study (under the ‘central’ population projection).

Town Centre Viability and Vitality

40. In planning for 8,000 sq m gross of additional bulky comparison goods floorspace, the Council also had regard to the requirement of the NPPF to recognise the importance of town centres and to pursue policies that support their viability and vitality.

41. The 2011 Retail Study concluded that Rotherham Town Centre was in decline and in poor retail and economic health. This was borne out by high shop vacancy rates, a loss of multiple retailers, low and falling prime rents, a drop in its national retail ranking and an over-representation of value retailers (3). In fact, such has been the scale and length of retail decline that Rotherham town centre now accounts for only 13% of the borough’s occupied retail floorspace stock (paragraph 6.24). This proportion has fallen, whilst that for out of centre shopping has increased significantly. The study concluded that:

“given the sheer scale of out of centre retailing that is located within the sub-region – Meadowhall, Parkgate Shopping and a number of other retail parks – combined with the size and strength of Sheffield City Centre ……… it is not altogether surprising that the level of competition for Rotherham town centre is severe” (Paragraph 9.9).

(1) Source: 2011 Retail Study, Appendix 4E.

(2) This total consists of:-
- Cortonwood Retail Park: 697 sq m gross (built and vacant)
- Rotherham Road, Parkgate: 4,477 sq m gross (unbuilt)
- Meadowbank Road: 3,097 sq m gross (unbuilt)

(3) The 2011 Retail Study confirms that Rotherham town centre has fallen 27 places down the national centre retail ranking since 2001 (paragraph 6.14), has lost 60 stores (6.31), has a retail vacancy rate more than double the national average (Table 6.4) and has a prime retail rent less than half the GB average (6.17).
42. In fact, the independent analyst PMA (1) ranks Rotherham town centre as experiencing the greatest level of competition amongst the 200 UK centres within its Competition Indicator Model.

43. The retail economy has also been in decline in many of the borough’s other Town, District and Local Centres; the number of shops has fallen sharply, whilst voids and the number of service and food and beverage outlets has risen. The 2011 Retail Study concluded that only two out of 11 such centres were in ‘good’ health.

44. Given the continuing fragility of Rotherham town centre and many of the borough’s smaller defined centres, the Council has understandably taken a cautious approach in planning for future bulky comparison goods floorspace need, particularly as it is typically located out of centre. The Council, therefore, consider that to plan for bulky comparison goods floorspace provision in excess of 8,000 sq m gross would be excessive, unjustified, and likely to further undermine the viability and vitality of town centres.

THE THRESHOLDS ADOPTED FOR REQUIREMENT OF IMPACT TESTS

The Publication Core Strategy

45. Policy CS12 of the Publication Core Strategy states that:

“Proposals for town centre uses of 500 sq m gross or above, on the edge of or outside of designated centres, must be accompanied by an assessment of:

- the impact of the proposal on existing, committed and planned public and private investment in centres in the catchment area of the proposal; and

- the impact of the proposal on the vitality and viability of centres, including local consumer choice and trade; and

- whether the proposal is of an appropriate scale (in terms of gross floorspace) in relation to its surroundings and, where proposals are in edge-of-centre locations, the size of the centre and its role in the hierarchy of centres”.

46. This policy has been informed by the 2011 Retail Study which recommended requiring impact tests for edge of and out of centre proposals of 1,000 sq m gross where the nearest centre is a designated Town Centre, and 500 sq m gross where the nearest centre is a designated District or Local Centre (paragraphs 9.92 to 9.94).

(1) Property Market Analysis, Rotherham PROMS Retail Report, August 2010.
The Council, in drafting its policy, chose to have full regard to the current fragility of Rotherham and its other designated Town Centres and opted to require impact tests for all edge of and out of centre proposals of 500 sq m gross or more throughout the borough. This represents a hardening of the policy in relation to Town Centres over that recommended in the 2011 Retail Study.

**The National Planning Policy Framework, CLG, March 2012**

47. The NPPF (paragraph 27) states that:

“when assessing applications for retail, leisure and office development outside of town centres, which are not in accordance with an up-to-date Local Plan, local planning authorities should require an impact assessment if the development is over a proportionate, locally set floorspace threshold (if there is no locally set threshold, the default threshold is 2,500 sq m). This should include assessment of:

- the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal, and

- the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area, up to five years from the time the application is made. For major schemes where the full impact will not be realised in five years, the impact should also be assessed up to ten years from the time the application is made”.


49. The Practice Guidance (paragraph 7.4):

“allows local planning authorities to set out specific floorspace thresholds in LDF’s for edge of centre and out of centre development above which impact assessments will be required”.

50. The Guidance goes on to state that:

“in setting such thresholds, important considerations are likely to include the scale of known proposals relative to town centres, the existing vitality and viability of town centres, the cumulative effects of recent developments, the likely effects on a town centre strategy and the impact on any other planned investment”. (paragraph 7.4).
Policy CS12 establishes the criteria that will be used to determine whether the impact of new retail and other town centre uses is acceptable or not. It also sets out when impact assessments will be required for such new development. This is designed to ensure that the scale of development on the edge of and outside Rotherham MB’s designated centres is carefully considered and controlled so that new facilities do not undermine the borough’s network of centres as defined in Policy CS12.

Policy CS12 is consistent with the NPPF by recognising town centres as being at the heart of communities and in need of policies to support their viability and vitality. It is in support of this principle that the retail impact thresholds in Policy CS12 have been derived. It is considered that it is the responsibility of any potential developer to satisfy the local planning authority that their proposals will not have a significantly adverse impact on designed centres.

In order to establish what is considered to be an appropriate threshold for retail impact studies the Council has taken into consideration the following factors:

(i) The scale of the borough’s designated centres

Outside of Rotherham Town Centre all the borough’s designated Town, District and Local Centres are small and therefore vulnerable to impact from edge of and out of centre development. For example, the 2011 Retail Study (Figure 6.9) indicates that all of them have a retail floorspace of below 4,500 sq m net, with seven being less than 2,000 sq m net. The Council’s threshold of 500 sq m gross for retail impact studies in support of new development must be viewed in this context.

(ii) The size of units within the borough’s designated centres

Outside of Rotherham Town Centre the vast majority of units within designated centres are small and therefore vulnerable to impact from edge of centre and out of centre proposals, which typically are much larger in size. The 2011 Retail Study indicates, for example, that the average size of a shop unit in the borough’s centres, excluding Rotherham Town Centre, is only 107 sq m net (c. 165 sq m gross (1)). This compares to the much larger threshold of 500 sq m gross.

(iii) The health of the borough’s designated centres

The 2011 Retail Study objectively assessed the health of all the designated centres in the borough. Excluding Rotherham Town Centre, it concluded that only two out of 11 centres could be described as being in ‘good’ health, with the remainder being in ‘average’ or ‘poor’ health. The health checks also confirmed that of these 11 centres, eight had experienced declining shop numbers over the past decade, whilst seven had seen rising vacancy levels.

Source: 2011 Retail Study. Total retail floorspace of 29,000 sq m net (paragraph 6.33), divided by 271 shop units (Table 6.5). Net floorspace converted to gross by applying a net to gross ratio of 65:100.
(iv) The cumulative effect of recent development

57. The 2011 Retail Study estimated that after many years of out of centre development, 72% of the borough’s total retail floorspace stock is now located out of centre (paragraph 6.45), including 68% of non-bulky comparison goods shopping provision and 91% of bulky comparison goods (paragraph 6.48). These are exceptionally high proportions by any standard. Clearly this has already had a detrimental effect on the health of many centres (see above) and it is therefore the Council’s policy to maintain and enhance the vitality and viability of these centres by directing new town centres uses to the most appropriate centre in line with the proposed hierarchy and to the type and scale of development proposed.

Rotherham Town Centre

58. Although bigger than the other designated Town, District and Local Centres in the borough, it is still relatively small with a total retail sales area of just c.19,000 sq m net. The Council therefore considers that Rotherham Town Centre requires a similar level of protection from new edge of and out of centre development and has set out a floorspace threshold for requiring retail impact assessments of 500 sq m gross. Its reasoning is as follows.

59. Previous retail and town centre policy has not resulted in the level of protection and enhancement of Rotherham Town Centre envisaged by the Council. This is because the major out of centre retail schemes at Meadowhall and Parkgate Shopping were originally developed during the late 1980’s and were already trading before policy in the previous Unitary Development Plan could be applied. Moreover, the impact of these schemes continues to be felt, perhaps even more so, as a result of increasing car ownership (producing increasing levels of shopper mobility), the national trend towards a greater concentration of shopping trips at the more attractive centres, and the recent economic downturn, which has depressed overall levels of consumer retail expenditure. As noted earlier, PMA has identified Rotherham Town Centre as suffering from the highest level of retail competition out of 200 centres in the UK.

60. As a consequence, Rotherham Town Centre now exhibits very poor levels of viability and vitality. Evidence in the 2011 Retail Study demonstrates that the town centre suffers from a very high level of retail vacancy and has seen a major reduction in representation from retail multiples. This has led to a fall in prime rents and a slip in its national retail ranking. Moreover, the average size of shop unit in the town centre is low at just 135 sq m net (208 sq m gross) (1), less than half of the size threshold for retail impact studies.

(1) Source: 2011 Retail Study. 19,700 sq m net total sales area divided by 145 occupied shop units. Gross unit size estimated by applying a net to gross ratio of 65:100.
61. In order to stem this ‘spiral of decline’ the Council is intent on transforming Rotherham Town Centre and its approach and means of delivery is set out in its Policy CS13. The ‘Rotherham Renaissance’ programme was launched in 2001 and identifies a broad 25 year vision and 10 goals for Rotherham Town Centre. Progress has been made, but much more remains to be done. The urgent need to regenerate the town centre is highlighted by the fact that it is one of a relatively small number of town centres to be awarded ‘Portas Pilot’ status and is now in receipt of monies to implement improvements.

**Summary**

62. Given the vulnerability and small average size of shop units in Rotherham MB’s designated centres, including Rotherham Town Centre, it is clear that the default floorspace threshold for retail impact assessments of 2,500 sq m gross is far too high.

63. However, there is no exact science to define a methodology for establishing the scale of a local threshold. Informed by the recommendations of the 2011 Retail Study and taking into account the precarious state of Rotherham Town Centre and the cumulative impact of previous developments, along with the number of retail planning applications being submitted in recent years, points towards the necessity for a much lower threshold than the 2,500 sq m gross. The Council’s policy is to substantially reduce the threshold to 500 sq m gross throughout the borough to ensure that all larger edge of and out of centre retail development planning applications are assessed according to a full range of impact tests to determine impact on existing designated centres, including Rotherham Town Centre. It is felt that the 500 sq m gross threshold strikes the ‘right balance’ between control over inappropriate development and not becoming overly restrictive in terms of ‘red tape’.

64. It is recommended that the 500 sq m gross threshold should apply to new stand-alone retail floorspace, proposed extensions to existing stores and applications to vary the range of goods to be sold from existing floorspace.

65. The threshold does not imply that a proposal exceeding 500 sq m gross is of an inappropriate scale and should not receive planning consent, but that any proposal at or above this size would need to demonstrate that there would be no significant adverse impact on existing designated centres in the borough.

**THE USE OF DRIVE TIME THRESHOLDS FOR IMPACT TESTS**

**The Publication Core Strategy**

66. Policy CS12 of the Publication Core Strategy states that:
"Proposals of up to 5,000 sq m gross should consider the impacts within a 10 minute drive time of the proposal site. Proposals of 5,000 sq m gross or above should consider the impacts within a 15 minute drive time of the proposal site. Applicants should agree with the Local Planning Authority the scope of the evidence and analysis to be submitted to ensure that this is proportionate to the scale and nature of the proposal".

67. A number of the representations have noted that this aspect of policy is 'too prescriptive' and that the size of the catchment area of a proposal is likely to depend on a range of factors in addition to the size of the development.

**The National Planning Policy Framework**

68. There is nothing in the NPPF to support the Council’s policy of specifying 10 and 15 minute drive times to define the catchment area for proposed development of differing sizes. The Practice Guidance is also silent on this matter.

69. In practice, smaller proposals may have only localised catchments of less than 10 minutes drive time, whilst very large proposals could have catchments bigger than 15 minutes drive time. Therefore the current wording of Policy CS12 may actually prevent the adoption of the most appropriate catchment area definition for retail impact assessments in some instances.

70. It is recommended that reference to drive times in Policy CS12 is deleted. Instead, a realistic catchment area for a specific proposal should be defined by the applicant on a case by case basis and agreed with the Council prior to the preparation of a retail impact assessment. Such an approach should allow appropriate flexibility based on local circumstances.

**MINOR POLICY WORKING AMENDMENTS**

71. Representations to the Council on its Publication Core Strategy raised a number of other concerns regarding the wording of Policy CS12. These are now considered.

72. In relation to the Sequential Approach, Policy CS12 states that:

“Proposals for town centre uses on the edge of or outside of designated centres will only be permitted where it can be demonstrated that:

a) there is a need for the development, and

b) sites within and then on the edge of town, district or local centres have been assessed and it can be demonstrated that they are not available, suitable or viable and

c) the availability, suitability and viability of vacant premises to accommodate the proposed development has been assessed".
73. The first concern is that criterion a) requires demonstration of a need for development, but the NPPF does not require applicants to meet this test.

74. The NPPF (published March 2012) requires applications for certain types of development that are not in an existing centre and not in accordance with an up to date Local Plan to meet two separate tests:

i) The sequential test – this requires “applications for main town centre uses(1) to be located in town centres, then in edge of centre locations and only if suitable are not available should out of centre sites be considered. When considering edge of centre and out of centre proposals, preference should be given to accessible sites that are well connected to the town centre”. (Paragraph 24). (My underlining).

ii) The impact test – this requires applications for “retail, leisure and office development” to prepare an impact assessment “if the development is over a proportionate, locally set threshold”(2) (Paragraph 26).

75. Neither test has any reference to demonstrating the ‘need’ for a development. Therefore, criterion a) in Policy CS12 should be deleted.

76. The second concern relates to clarification as to which types of development in Policy CS12 must satisfy the impact test.

77. Policy CS12 currently states that proposals for “town centre uses of 500 sq m gross or above, on the edge of or outside of designated centres” must be accompanied by an impact assessment.

78. The NPPF (paragraph 26) states that the impact test relates only to “retail, leisure and office development outside of town centres, which are not in accordance with an up-to-date Local Plan”. Therefore, Policy CS12 should make it clear that the impact test relates to only “retail, leisure and office development”, whilst the sequential test applies to “main town centre uses”.

79. A third concern relates to the wording of criteria b) of Policy CS12 (see paragraph 72 above). At present, criterion b) suggests an applicant must demonstrate that sites within and on the edge of town centres are ‘not available, suitable or viable’ before out of centre can be considered. This wording should be changed so that it is clear that the sites are ‘not available, suitable or viable’ in relation to the proposed development.

(1) Annex 2 of the NPPF defines ‘main town centre uses’ as follows:

“Retail development (including warehouse clubs and factory outlet centres) leisure, entertainment facilities, the more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres, and bingo halls), offices, and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities”). It is recommended that the NPPF definition of what constitutes ‘main town centre uses’ is included in the Core Strategy either in the accompanying text or a glossary.

(2) The Council has set the threshold at 500 sq m gross.
80. The **final concern** relates to criterion f) in Policy CS12. This states that applications in support of new town centre uses should include an assessment of:

> “whether the proposal is of an appropriate scale (in terms of gross floorspace) in relation to its surroundings and, where proposals are in edge-of-centre locations, the size of the centre and its role in the hierarchy of centres”.

81. There is considerable overlap with Policy CS28 in the Core Strategy (Sustainable Design). Criterion c) of this policy states that future development proposals will be assessed against:

> “heritage, townscape and landscape character including the height, scale, massing, density, layout, building styles and materials of the built form particularly (but not exclusively) in and around:

  i) Rotherham Town Centre  
  ii) within and adjacent to Conservation Areas”.

82. There is also no explicit reference in the NPPF to proposed town centre uses having to be of an ‘appropriate scale’.

83. For these reasons, criterion f) in Policy CS12 should be deleted.

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Dr Richard Doidge  
Independent Retail Consultant  
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