

# Comments by John Hayter on Sainsbury, Bishops Waltham “Review of Planning & Retail Statement” of Sept 2010 by NLP on behalf of WCC.

10/01650/FUL

## SUMMARY

The NLP Review of the WYG EDS has failed to note and determine the effect of numerous departures from the CLG PPS4 “Planning for Town Centres” Practice Guide of Dec. 2009 (The “Guide”), and hence PPS4, in determining the existing trading pattern of the BW stores and the new store’s and surgery relocation impact. This failure is flagrant because WCC had forwarded to NLP my criticisms of the same points in the WYG EDS (but mainly not quoting the Guide in support as now) and they have been completely ignored.

The NLP calculation of the £1m off-setting comparison shopping benefit from linked trips (not included in the WYG EDS) is logically and arithmetically fundamentally flawed, contrary to the Guide and the benefit is negligible.

Little if any weight can therefore be attached to the NLP document in determining the Sainsbury planning application and for the same reasons the WYG EDS does not meet the requirements set by PPS4.

## DETAIL

- NLP has used “surveys that use simple questions about where people shop” and “provide answers that relate to trips and not spending flows.” [B34] The NEMS household surveys (convenience and comparison) only relate to trips. The analysis assumes the spend/trip (both main and top-up) is the same for every one of the population and the same at eg ASDA and Sainsbury superstores as it is at BW Budgens, Co-op and Londis. The Co-op and Londis do not even have trolleys that would hold such a volume of goods. This results in the conclusion that the BW stores are significantly over trading and thus well able to withstand the impact of the new store. [NLP 4.10]
- Not carried out detailed household surveys to give “more reliable information” [B34] on “The estimated turnover of existing centres” and “key stores derived from household survey-based data”. [B37] NLP 4.10 notes “the Budgens store is trading at nearly three times the benchmark turnover (at £11,496 per sq m net), which suggests the store may be congested at peak times and over-trading.” NLP thus accept that the “over-trading” is unproved conjecture. No survey has been carried out to assess “the extent of congestion in store, and queuing at checkouts.” [B43] The household survey is also needed to assess the retail impact of relocating the surgery.
- Not carried out a full “healthcheck” to “ascertain information on the quality of the retail offer, the physical condition of the floorspace provision (e.g. size and configuration of units) and the trading performance of the shops.” [B30 & B43] The only healthcheck related information is a listing of the stores, vacancy and car parking provision (but not usage and cost) and trading performance that is deeply flawed (see above).

- Used [NLP App. 2 Table 4] “company averages as benchmarks (that) should be treated with caution unless they are corroborated by other independent evidence of under-performance, or strong trading. Examples might include the results of in-centre health checks which can provide evidence of rents, yields, vacancy rates and retailer demand, or the extent of congestion in store, and queuing at checkouts.” [B43] Except for vacancy rate no such independent evidence has been provided.
- Disregarded B44 “Where company averages are used, it is recommended that these are weighted up or down as appropriate to reflect local circumstances. For example, the affluence of the area, the type and size of stores and the costs of the location to retailers are all relevant considerations. The BW town centre stores are all in the Conservation Area that restricts structural alterations, shop front appearance and advertising and thus increases the cost of doing business.
- The negative retail impact of linked trips previously associated with the surgery has been totally ignored.

### All of the above equally apply to the WYG EDS.

- Comparison turnover has to be determined the same way as convenience [B38] and, as for convenience, has not been determined in accordance with the Guide. In particular, the NEMS 2007 survey [NLP App 3 Table 1], as for convenience goods, uses questions that “provide answers that relate to trips and not spending flows.” [B34] It assumes that the spend/trip on comparison goods is the same in Winchester Town and Whiteley Outlet as in BW Budgens, Co-op and independents. This is contradicted by NLP 4.37 that gives it as £10/trip in BW centre. WYG failed to determine the impact of comparison sales.
- NLP 3.10, in considering alternative town centre sites as part of the sequential approach, concludes that instead of the 3,225 sqm net proposed a store of 2,000 sqm net would meet the need to attract main and bulk food shopping trips and that such a store need only require a 0.5Ha site. The Abbey Mill site is 1.9Ha and the proposal is therefore using 3.8 times as much land than needed to fulfill its intended purpose. WYG have only claimed that the proposed facility’s carbon footprint is good for its size and use. Not only could it be much more efficient in absolute terms but the excess 1.4Ha could still provide substantial employment/housing more in line with the Plan Policy, reduce the need to use greenfield land for alternative provision and with greater flexibility on site selection because of the smaller size.
- NLP 4.28 considers the offsetting comparison turnover arising from trips linked to the new store and NLP 4.37 concludes it will add £1m. This conflicts with Guide 6.8 “‘Out of centre’ locations are not in or on the edge of the centre but not necessarily outside the urban area. They are not within easy walking distance of the centre and are therefore unlikely to contribute to linked trips or to share the level of public transport accessibility as the town centre.” In BW there is a main road in between and bus stops are in the town centre.
- To determine the offsetting comparison turnover arising from trips linked to the new store NLP 4.28 – 4.37 uses deeply flawed data collection methods and analysis that are contrary to the Guide, non-comparable data, misrepresents the data and uses arithmetic that is fundamentally flawed. Although the % of linked trips has not been properly determined it is clear that in BW it is much less than claimed. This is in line with the Guide’s conclusion [6.8] that the BW store is “unlikely to contribute to linked trips”.
  - NLP 4.28 refers to the 41% who combined their last main food shopping trip with other non-food shopping. [Source WYG/NEMS Survey Q06]. However, the way Q06 is framed

the 41% also includes those who do this at the same store as the main food shopping [Q01]. It is not possible to separate those who do this at separate stores at eg Hedge End such as Marks & Spencer, DiY, furniture, white goods etc and because none of these large stores are present in BW, even if the 41% were true, it is not a comparable base.

- In any event this is trips and not spending flows [Guide B34 and B37] and ignores that “more reliable data” should be obtained from household surveys.
- NLP 4.32 uses a report [in Town & Country Planning Oct 2009 and sponsored by Tesco [www.nrpf.org/PDF/Wrigley\\_Lambiri\\_Cudworth\\_2009.pdf](http://www.nrpf.org/PDF/Wrigley_Lambiri_Cudworth_2009.pdf)] comparing linked trips to Shepton Mallet (SM) town centre for a Tesco store 1.6 miles out of centre with results at a larger edge-of-centre store that replaced it. The Report and NLP [4.34 to 4.36] use the change in linked trips between the two locations together with assumptions about the pre-existing linked trips in BW to deduce the number of linked trips bringing additional comparison revenue to BW.
  - The “after” surveys were taken 6 and 12 months after the new store opened and the latter gave 32.3% “Always or frequently combine the town centre and store” plus 28.6% “Occasionally combine town centre and store”. To convert these to overall linked trips NLP 4.34 assumes “Frequently” means 3 in 4 and “Occasionally” 1 in 4 to conclude that overall “about 31.4%” were combined with trips to the town centre. NLP has not recognized that they have also assumed that those who “occasionally” visit the town centre may also only “occasionally” visit the store and there is thus an over estimate. This would explain why the behavior of the 2 groups appears markedly different whereas it would be expected that they would be fairly similar. The “occasionally” group made no change in the % linked trips compared to the prior out-of-town pattern (prior 28.8%, after 28.6%) whereas the “frequently” group increased from 19.2% to 32.3% [Report Table 1].
  - The Report [Note to Table 1 and text] notes that the survey is of main food shoppers only but does not explain how a main food shop is distinguished from a top-up shop in the same store despite being fundamental to the conclusions. Clearly when top-up visits that are usually more frequent than main shopping are included (particularly because of the 25.3% who walk to the new store) the overall % will be significantly lower. NLP mislead by not even mentioning that results are for main food shoppers only.
  - Standard practice would be to use a snapshot survey of all shoppers when both the above problems would be avoided. Because of this we have no credible figure for the % of linked trips. The Report and NLP give the impression that the linked trip benefit to SM is substantial but Report Table 2 shows that the number of vacant units had risen from 15 in 2006 to 17 after 12 months from the store opening. In any event this is trips and not spending flows [Guide B34 and B37] and ignores that “more reliable data” should be obtained from household surveys.
- The linked trips at SM would be substantially higher than at BW. It has 134 retail premises [Report Table 2] supporting a population of 9,700 compared to BW 56 supporting 6,500 and SM daily population is boosted by being home to 3 international alcoholic drink producers and Mendip District Council. The new Tesco is the anchor to the new Townsend Shopping Park that by the time of the “after” survey also included a petrol station and 9 retail units occupied by national outlets including Boots, New Look, Laura Ashley, Costa Coffee as well as independents.
  - The Report and NLP attribute all of the new linked trips to the presence of Tesco and ignores the pulling power of the 9 units and petrol station (not Tesco) and particularly the 4 occupied by national chains all potentially with linked trips to Tesco and the town centre. [Source Report] The BW store is not part of such a wider development.

- NLP 4.34 shows that 21.6% of trips made to the out-of-centre Tesco store were combined with trips to the town centre and [NLP 4.36] this rose to 31.4% when the store was moved to edge-of centre. The “45% increase” is attributed to the effect of relocation and is then used as the basis for calculating the linked trip benefit in BW. However the arithmetic is fundamentally flawed and the conclusion thus invalid.
  - Before the store was moved there was an unknown number who already visited the town centre but not as part of a linked trip. When the store was moved many of these same trips are now linked to the new store but bring no additional benefit. It only requires more than  $(31.4 - 21.6) = 9.8\%$  of those visiting the out-of-town store to also visit the town centre on a separate trip for the benefit of moving the store to be negative! Since that is unlikely the benefit must be negligible.
  - If instead of rising from 21.6% to 31.4% linked trips it had risen to 44% the increase would have been not 45% but 104% ie The NLP method can give more linked trips than trips to the relocated store and thus impossible!

Little if any weight can therefore be attached to the NLP document in determining the Sainsbury planning application.

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