



Topic Paper – Retail

Cambridge City Council and

South Cambridgeshire District Council

March 2014

RD/Top/040

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Key Evidence:

- National Planning Policy Framework (RD/NP/010)
- Cambridge Sub-Region Retail Study (GVA Grimley for Cambridge City Council and South Cambridgeshire District Council 2008) (RD/E/080)
- Retail and Leisure Study Update (GVA for Cambridge City Council 2013) (RD/E/130)
- City Centre Capacity Study (ARUP for Cambridge City Council 2013) (RD/E/120)
- Cambridge Shopping surveys 2012 (RD/E/110)
- South Cambridgeshire Annual Monitoring Report 2014 (RD/AD/270)
- Cambridge Annual Monitoring Report 2013 (RD/AD/350)

1. National Planning Policy Framework

- 1.1 The National Planning Policy Framework (NPPF) (RD/NP/010) requires local planning authorities to be positive, promote competitive town centre environments and set out policies for the management and growth of centres over the plan period.
- 1.2 Paragraph 23 of the NPPF states that in drawing up local plans, local planning authorities should:
 - Recognise town centres as the heart of their communities and pursue policies to support their viability and vitality;
 - Define a network and hierarchy of centres that is resilient to anticipated future economic changes;
 - Allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, office, tourism, cultural, community and residential development needs in town centres. It is important that needs for retail, leisure, office and other main town centre uses are met in full and are not compromised by limited site availability. Local planning authorities should therefore undertake an assessment of the need to expand town centres to ensure a sufficient supply of suitable sites.
- 1.3 Local plans should promote the retention and development of local services and community facilities in villages, such as local shops.

2. Identifying objectively assessed needs for retail floorspace

- 2.1 The NPPF says that local planning authorities should assess the qualitative and quantitative needs for land or floorspace for retail development within their area and allocate suitable sites to meet that need. Cambridge City Centre performs a sub-regional role in meeting the retail needs of a wide hinterland surrounding Cambridge.
- 2.2 In 2008, Cambridge City Council and South Cambridgeshire District Council commissioned the Cambridge Sub-Region Retail Study 2008 (RD/E/080). With regard to need for new retail floorspace, this study identified capacity for 1,272 sqm net capacity for additional convenience floorspace to 2021 across Cambridge and South Cambridgeshire. For comparison floorspace, it identified capacity for 45,928 sqm net to 2021 across both districts.
- 2.3 At Issues and Options consultation, Cambridge City Council consulted on different approaches to how proposals for new retail development should be dealt with. Options 136 to 142 in the Cambridge City Council Issues and Options report (RD/LP/240) addressed retail development in Cambridge.
- 2.4 In 2013, Cambridge City Council commissioned the Cambridge Retail and Leisure Study Update 2013 (RD/E/130) in order to:
- Establish the extent to which the current retail and leisure provision in the city satisfies the level and nature of consumer demand within its catchment;
 - Estimate the scale and nature of changes in this position that may arise in the light of potential increases in population, and forecast changes in retail and leisure expenditure;
 - Identify the scale and nature of additional retail provision that may be appropriate in the city to the period 2031 and intervening five year periods;
 - Assess the scope for new retail development and the potential to accommodate this within the city; and
 - Advise on the appropriateness of the existing hierarchy of centres, shopping frontages and the need for specific development management policies.
- 2.5 The study identified no capacity to support additional convenience floorspace in Cambridge to 2031 as existing commitments absorb all forecast capacity. The City Centre performs a top up role, and almost all the district and local centres provide at least one convenience store to meet day to day needs. Outside the network of centres, large foodstores provide a key role in meeting the shopping needs of residents.
- 2.6 The study found that Cambridge City Centre continues to be the most dominant comparison shopping destination in the area. The opening of

the Grand Arcade in 2008 attracted a number of high end operators and has proved a success, while the Grafton/Fitzroy/Burleigh Street area continues to perform a complementary role alongside the Historic Core, providing a more mainstream offer. The study did find that while the City Centre continues to perform well, there had been a slight decline in performance and market share since 2008. In terms of forecasting, the study identifies baseline capacity to support approximately 3,820 sqm net additional comparison floorspace at 2017. By the virtue of growth in the baseline population and available expenditure, this will increase to 14,141 sqm net by 2022, to 31,226 by 2027 and to 39,976 sqm net by 2031. The study recommends that these forecasts are treated as an upper limit reflecting uncertainties over the effect of wider developments on capacity (e.g. new centres at new settlements) and the level of growth in special forms of trading, particularly online spending. Scenario testing showed that with even a slightly larger increase in online spending, the comparison floorspace is only likely to grow by 4,579 sqm net by 2027 and 12,444 sqm net by 2031. Given the physical constraints in the City Centre, there is also potential for retailers to maximise efficiencies which will also have the effect of reducing overall capacity. The study goes on to recommend that the council should focus on meeting the identified need in comparison floorspace to 2022 (i.e. 14,141 sqm net) and continue to closely monitor the situation with regard comparison floorspace.

3. Identifying capacity for new retail floorspace

- 3.1 Given the limited capacity of the City Centre, Cambridge City Council commissioned the City Centre Capacity Study (RD/E/120) to examine the capacity of Cambridge City Centre to meet the needs of the district and the wider sub-region in the period to 2031. This study identified the Grafton/Fitzroy/Burleigh Street area as having capacity to almost entirely meet the identified need for comparison floorspace to 2022.
- 3.2 The Cambridge Local Plan 2014 Proposed Submission (RD/Sub/C/010) identifies the Grafton/Fitzroy/Burleigh Street area and other appropriate redevelopment/infill opportunities as the means to meet the comparison floorspace needs to 2022.

4. Reviewing District and Local Centres

- 4.1 The Cambridge Retail and Leisure Study Update 2013 (RD/E/130) and the council's shopping surveys (RD/E/110) have reviewed the network of centres to ensure that all centres had the most appropriate designation and that any new centres that had developed since the adoption of the last plan were recognised and correctly designated. These reviews have resulted in a robust network of centres that can continue to meet people's day to day needs in the future.

- 4.2 Further detail on the background to the policy approach including the issues and options considered is set out in the Cambridge Statement of Consultation (RD/Sub/C/080).

5. Developing retail policies for Cambridge

- 5.1 Policies 9 & 10 in the Cambridge Local Plan 2014: Proposed Submission deal with proposals for development in the City Centre. They seek to ensure that proposals add to the vitality and viability of the City Centre, are a suitable mix of uses and are of high quality and preserve or enhance the historic core of Cambridge. They also identify a number of key areas where there are redevelopment opportunities or potential for change. These policies also seek to ensure that an appropriate level of A1 uses are retained in the City Centre to ensure that it maintains its vitality and viability. These policies respond to evidence that the City Centre is generally functioning well, and representations received at Issues and Options consultation that were concerned about the state of the public realm in parts of the City Centre and wanted the City Centre to be protected and enhanced.
- 5.2 Policy 11 in the Cambridge Local Plan 2014: Proposed Submission identifies the Grafton/Fitzroy/Burleigh Street area as having capacity to accommodate additional comparison floorspace, to meet the need identified in the evidence base. This policy also sets the parameters for any redevelopment in this area.
- 5.3 Policy 72 sets out how development in the network of district, local and neighbourhood centres should be dealt with.
- 5.4 Further detail on the background to the policy approach is outlined in the Statement of Consultation (RD/Sub/C/080).

6. Developing retail policies for South Cambridgeshire

- 6.1 South Cambridgeshire is unusual in that it currently has no town centres. Cambridge provides the primary retail centre for the district, supported by the ring of market towns on the outer edges of the district. This is reflected in the retail hierarchy identified in Policy E/21 of the Submission South Cambridgeshire Local Plan (RD/Sub/SC/010).
- 6.2 South Cambridgeshire's first town centre will be at the new town of Northstowe, The Northstowe Area Action Plan Policy NS/5 (RD/AD/130) requires a town centre that will make provision for such a range of shops, services, cultural, leisure, entertainment and community facilities that will serve the needs of Northstowe and the immediately surrounding area without undermining the vitality and viability of nearby village centres and market towns or compete with Cambridge, having regard to the sequential test.

- 6.3 The new strategic sites identified in the Submission South Cambridgeshire Local Plan will require retail facilities commensurate with their scale and function, and this is addressed in the relevant policies. Proposed Area Action Plans for the Waterbeach and Bourn Airfield new settlements will explore the issue further.
- 6.4 South Cambridgeshire's Rural Centres and Minor Rural Centres serve a small rural hinterland with local facilities. Many smaller villages also are supported by local shops providing an important local service. Policy E/22 supports the development of village shops and services of an appropriate size related to the scale and function of the village. It also includes local thresholds for when retail impact assessment would be appropriate. Reflecting the rural nature of most of the district these are lower than the default threshold provided by the National Planning Policy Framework.
- 6.5 Village shops and services provide an important function in South Cambridgeshire; ensuring facilities are accessible, particularly to those who are less mobile. Policy SC/4 seeks to protect village services where the loss would have an unacceptable impact on local service provision, and provides criteria to aid the consideration of proposals.
- 6.6 Policy E/23 seeks to control retail development in the countryside, restricting development to uses that need a countryside location, and in particular supporting rural businesses.