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Date: 20th June 2023



Strategic Planning
Crawley Borough Council
Town Hall
The Boulevard
Crawley
RH10 1UZ

By email (strategic.planning@crawley.gov.uk)

Dear Sir / Madam,

Draft Crawley Borough Draft Local Plan 2024-2040 (Regulation 19) Comments prepared on behalf of DT Last Mile Retail (Crawley) Unit Trust

We are instructed by our client, DT Last Mile Retail (Crawley) Unit Trust to submit the enclosed representations to the consultation on the Regulation 19 version of the Crawley Borough Local Plan Review.

DT Last Mile Retail (Crawley) Unit Trust is a key stakeholder in the Borough, being the freehold owners of County Oak Retail Park ('CORP'), which is located on London Road, Crawley. CORP comprises a well-established purpose-built retail destination complementing the existing offer within Crawley town centre forming part of the local shopping hierarchy, reducing the need for residents to travel outside the Borough – as acknowledged by the Council's retail evidence base¹. CORP is also a key employer in the local area, providing c. 370 jobs.

DT Last Mile Retail continue to look on maintaining and improving the 'offer' of CORP and ensuring that it remains a key attractor for residents, providing consumer choice and an important source of employment in the local area.

It is in this context that the representations have been prepared.

1 Policy TC5 Town Centre First

This draft policy deals specifically with retail proposals in edge-of-centre and out-of-centre and reflects the National Planning Policy Framework ('NPPF') in promoting the 'town centre first approach' when assessing retail proposals.

Draft Policy TC5 requires retail proposals in edge of centre or out of centre location to satisfy the sequential approach to site selection and dependent upon scale the impact test. With regard to the impact test, the Policy states that:

¹ Crawley Borough Council Retail, Commercial Leisure & Town Centre Neighbourhood Needs Assessment (2020)





“In assessing the impact of edge-of-centre or out-of-centre retail development under part b), an impact assessment will be required for development of 500sqm gross floorspace or greater.”

This impact threshold compares to the default threshold set by the NPPF of 2,500 square metres. The NPPF threshold is also applied by adopted local planning policy – as set out at Policy EC7 of the adopted Crawley Borough Local Plan (2015).

Consequently, the emerging Local Plan Review is seeking a substantial reduction in the impact threshold from that within adopted planning policy, and therefore must be robustly justified.

In seeking to set this lower threshold, the reasoned justification to Policy TC5 (at paragraph 11.40) states that:

“Notwithstanding the relative strength of Crawley Borough as a whole, the Town Centre specifically has suffered a fall in market share of overall spending at physical stores in the last decade as shoppers have turned to online shopping and out-of-centre retailers. This trend has potential to ‘chip away’ at the vitality and viability of the Town Centre. Edge-of-centre and out-of-centre retail development, even where this is of a quantum that falls beneath the NPPF threshold of 2,500sqm, has the potential to impact negatively on the health of the Town Centre. Therefore, for retail development, a locally specific threshold of 500sqm gross floorspace is set as the point at which a proportionate retail impact assessment will be required. For leisure development, the NPPF threshold of 2,500sqm as the trigger for undertaking an impact assessment will apply.”

This position has been informed by Crawley Borough Council’s (CBC) latest retail evidence base – the ‘Retail, Commercial Leisure & Neighbourhood Town Centre Neighbourhood Needs Assessment’ (hereafter referred to as ‘the 2020 Retail Study’) published in January 2020.

The 2020 Retail Study² provides advice on setting a locally set threshold across the Borough and the principal justification for applying the 500 square metres figure can be summarised as follows:

- The average unit size within Crawley town centre is identified to be 294 square metres, with units ranging from 10 square metres to 8,430 square metres.
- The average convenience retail commitment measures 280 square metres and the average comparison retail commitment measures 694 square metres.
- Crawley town centre’s market share for residents in the Borough has decreased since 2010 – from 30.4% to 13.8% in the convenience (largely food and drink) goods sector and from 42.6% to 23.1% in the comparison (non-food) goods sector. The 2020 Retail Study suggests that this decline could continue and impact on the vitality and viability of the town centre.

² At paragraphs 5.32 to 5.43 inclusive



- Past appeal and Secretary of State decisions have dismissed applications for retail proposals of just 121 square metres and 261 square metres respectively.
- Due to the potential necessity for larger retail units within Crawley town centre (such as the former Morrisons) to be sub-divided to provide flexible retail units more suitable to modern retailing.

For these reasons the 2020 Retail Study concluded that centres across the Borough are potentially vulnerable to competing edge-of-centre and out-of-centre retail developments that would jeopardise the vitality and viability of the centres. As such, the 2020 Retail Study recommended a flat locally set threshold of 500 square metres across the Borough. This recommendation has subsequently been replicated in the under draft Policy TC5 of the emerging Local Plan.

In reviewing the justification put forward within CBC's retail evidence, this fails to provide robust evidence base to support setting a blanket 500 square metre impact threshold figure for the Borough, which represents a significant reduction from the current position (of 2,500 square metres).

A number of the perceived concerns raised by the 2020 Retail Study (and replicated in the emerging Local Plan) will be addressed by the need for retail proposals in edge-of-centre and out-of-centre locations having to satisfy the sequential approach to site selection rather than through the introducing a local impact threshold of 500 square metres. For example, in terms of the future reletting and / or sub-division of the former Morrisons unit, which is currently vacant and extends to more than 7,200 square metres. Importantly, the sequential approach applies for all retail proposals regardless of scale.

Significant weight is also made in seeking to justify the lower threshold to the suggestion that Crawley town centre's market share has declined substantially when compared to earlier retail evidence prepared on behalf of CBC. In particular, the 2020 Retail Study, which was underpinning by a household survey completed in 2019, has been compared to the findings of an earlier household survey completed in 2010, which informed the earlier 2010 Retail Study and subsequent 2013 Retail Update also prepared on behalf of CBC. Drawing upon this evidence, the 2020 Retail Study suggested that the food and non-food market share of Crawley town centre for residents in the Borough has declined substantially since 2010.

Direct comparisons between household surveys should be treated with a note of caution as they simply represent a snapshot in time on broad shopping patterns.

Furthermore, in comparing the two household surveys undertaken in Crawley the following should be noted:

- The Study Areas applied are not the same. Although the overall geographical area is the same, the 2010 household survey was based on 12 zones, whereas the 2019 household survey was based on 13 zones. This included subdividing the 'Crawley Zone' to include an additional zone



around the Town Centre Boundary only. The survey areas are therefore not directly comparable.

- The format of the questionnaire for both household surveys differs. This will also mean that direct comparisons should be treated with caution and are not directly comparable. For example, the 2019 household survey asked respondents where they 'last' went for food shopping for their main food and top-up shopping. In contrast the 2010 household survey asked where respondents do 'most' of their main food or top-up shopping. Similarly, for non-food goods, the 2010 household survey asked some different questions to the 2019 household survey. This includes the 2010 household survey splitting down electrical products to audio-visual goods and household appliances, whereas the 2019 household survey asking a single question for all electrical goods. Likewise, the 2020 household survey broke downs 'Books, DVDs, CDs' and 'Toys, Bicycles, Recreation al Goods' separately whereas the 2010 household survey grouped all these goods together.

Notwithstanding our concerns of directly comparing household surveys with different approaches, in identifying the convenience market share of Crawley town centre, the 2013 Retail Update (which is basis of the comparison of market shares identified by the 2020 Retail Study) included Asda on Peglar Way within Crawley town centre. In contrast, this store was not included within Crawley town centre in the 2020 Retail Study³ when comparing changes in market shares. By including the Asda store to, Crawley town centre's market share in 2020 increases from 13.8% to 26.5%.

By comparing on a like-for-like basis, the decline in the convenience market share of Crawley town centre is not as significant as suggested (instead declining from 30.4% to 26.5%). This will be partly explained by the differences in approach of the two household surveys, rather than suggesting a dramatic decline in the role and function of Crawley town centre. It is also worth noting that the vitality and viability of the Town Centre is not underpinned by if food retailing offer.

With regard to non-food shopping, again drawing upon the findings of the 2020 Retail Study, the draft Local Plan refers to the market share of Crawley town centre declining in seeking to justify setting the lower threshold. The 2020 Retail Study suggested that this decline has been significant – reducing from 42.6% in 2010 to 23.1% in 2020⁴.

However, this decline in market share is not as significant as being suggested by the 2020 Retail Study and does appear to be an error. Elsewhere within the 2020 Retail Study the market share of Crawley town centre for residents in the Borough is identified to be much higher at 40.5%⁵. Indeed, Paragraph 2.63 identified that:

³ As illustrated at Figure 2,12 of the 2020 Retail Study and Table 10 at Appendix B of the 2013 Retail Update

⁴ Paragraph 5.36

⁵ As identified at Paragraph 2.63, Figure 2.19 and Figure 2.20



“The results show that Crawley Town Centre attracts the greatest proportion of comparison spending from Crawley residents (40.5%).”

This market share for Crawley town centre (40.5%) is comparable to that identified by the findings of the 2010 household survey (42.6%) and does not identify a significant decline in market share – as suggested by the 2020 Retail Study. Again, this marginal difference can be explained by the differing approaches in the 2010 and 2019 household surveys.

Nevertheless, even based on this marginal reduction in market share, the 2020 Retail Study (para. 2.65) went on to conclude that:

“Non-bulky goods such as clothing and footwear, and recreation goods show a high level of retention to the Town Centre, which is indicative of its strength as a retail destination...”
(our emphasis)

The evidence identifies that Crawley town centre has largely retained its market share within the Borough (particularly for non-food shopping which is the focus of the town centre’s retail offer) and achieves a ‘high level’ of retention. We would question that the modest changes in market share justifies such a substantial reduction in the impact threshold being proposed within the Local Plan Review.

Likewise, the reference to historic past planning appeals in Luton and Tower Hamlets, as referred to in the 2020 Retail Study, has no relevance to setting a local impact threshold for Crawley and justifying a threshold of 500 square metres. There are numerous examples where Planning Inspectors / Secretary of State decisions have supported retail proposals well above the default threshold of 2,500 square metres set by the NPPF. Whether any impact is likely to be significant will be dependent on the local circumstances.

The NPPF does allow local planning authorities to set a lower threshold. However, the proposed threshold represents a significant reduction from the current position, appears arbitrary and for all the reasons outlined is not justified by robust evidence.

Instead, the Planning Practice Guidance (‘PPG’) that supports the NPPF outlines a number of considerations that should be considered in setting a threshold. In particular, the PPG⁶ states that it will be important to consider the following:

- scale of proposals relative to town centres
- the existing viability and vitality of town centres
- cumulative effects of recent developments

⁶ Paragraph: 015 Reference ID: 2b-015-20190722



- whether local town centres are vulnerable
- likely effects of development on any town centre strategy
- impact on any other planned investment

Based on these considerations and drawing upon the findings of CBC's retail evidence, there is no justification for setting such a low impact threshold.

For example, in terms of understand the existing viability and vitality of Crawley town centre the 2020 Retail Study concluded that it is *'performing well'*, with a *'healthy mix of retail and service uses'*, *'low vacancy rates'* and *'resilience in the comparison goods sector'*⁷. This does not suggest that Crawley town centre is particularly vulnerable to justify the need to set such a low threshold.

Linked to this, in terms of the cumulative effect of recent developments, these do not appear to have adversely impacted upon the vitality and viability of Crawley town centre – as reflected by the findings of the 2020 Retail Study and the fact that the Town Centre has largely retained its market share.

Against this background, there is no justification to support such a substantial reduction in the impact threshold as being proposed. This lack of evidence means that the approach of draft Policy TC5 is not justified, and the emerging Local Plan cannot be deemed to be sound, contrary to Paragraph 35 of the NPPF

2 Summary

These representations demonstrate that draft Policy TC5 of the emerging Local Plan Review is not justified, and therefore not sound.

The lower threshold being suggested of 500 square metres represents a substantial reduction to the existing position of adopted planning policy (at 2,500 square metres). Such a reduction in the impact threshold needs to be supported by robust justification. As has been demonstrated this justification is lacking and instead the suggested impact threshold is simply an arbitrary figure that is not supported by any robust evidence.

Within this context, draft Policy TC5 should be amended as follows (revised text in bold and underlined):

*"In assessing the impact of edge-of-centre or out-of-centre retail development under part b), an impact assessment will be required for development of **2,500sqm** gross floorspace or greater."*

Linked to this, Paragraph 11.40 within the supporting text to this policy should also be deleted.

⁷ Paragraph 4.87



We trust that representations will be given full considerations by the Council and are helpful in progressing the Local Plan. We would welcome the opportunity to attend any future hearing sessions to discuss this specific matter further. In the meantime, please do not hesitate to contact us if there are any queries.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Tim Rainbird', located below the closing text.

Tim Rainbird
Senior Director

enc.

cc. DT Last Mile Retail (Crawley) Unit Trust