GVA
St Catherine's Court
Berkeley Place
Bristol
BS8 1BQ

Assessment of Retail Planning Policy: Retail Development Proposals, Hayle, Cornwall

Cornwall Council

October 2015

CONTENTS

1. Introduction

Scope and Purpose

1.1 This report has been prepared by GVA for Cornwall Council ('CC') in relation to retail planning policy issues associated with two planning applications for retail development in Hayle. The two proposals comprise:

- An outline application by Hayle Community Rugby Facilities Ltd for the redevelopment of land at Hayle Rugby Club for up to 15,549sq m of Class A1 and A3 retail floorspace and associated development ('the Rugby Club application'); and
- A full planning application by Cranford (Hayle) LLP for the development of land at Marsh Lane for 15,539sq m of Class A1 and A3 retail floorspace and associated development ('the Cranford application').

1.2 Whilst the detail of each application is set out in the following sections of this report, it is salient to note from the outset that the rugby club application was submitted to CC in March 2014 and determination of the application was deferred at CC's Strategic Planning Committee ('SPC') in December 2014. The Cranford application is the second application for retail development at the Marsh Lane site since 2014, with the previous application refused by CC at the same SPC meeting in December 2014.

1.3 Bilfinger GVA has provided retail planning policy advice to CC on the rugby club application in December 2014 and advice on the previous Cranford proposal in November 2014.

1.4 The purpose of this advice report is to provide CC with an updated set of advice on the rugby club application and to provide advice on the latest Cranford application.

1.5 In accordance with our instructions from CC, we have carried out a review of the supporting documentation which has been submitted in support of these applications. The identity of this documentation is outlined in the next two sections of this advice report.

1.6 In line with our previous advice, these proposals have been considered in the context of the development plan for the area and other material planning policy considerations such as the National Planning Policy Framework ('NPPF'). A summary of the salient parts of the development plan and other material planning policy considerations is provided in Section 4 of this report.

1.7 In addition, and given that this advice report seeks to provide an update on retail planning policy matters since November/December 2014, the contents of this document will make reference to additional evidence base information which has been published in the interim, such as the Cornwall Retail Study Update 2015, which is an evidence base document supporting the new Local Plan Strategic Policies document. Similarly, we will also make reference to other recent retail proposals and commitments in the surrounding area (including Newquay, Penzance, Hayle, Truro and St Austell). Therefore, whilst this report provides additional information in relation to retail impact and policy issues, it doesn't necessarily supersede all of our previous advice which generally remains relevant. Therefore, we would recommend that officers and members continue to take into account the contents of our November and December advice reports alongside this latest advice.

1.8 From the outset of this report, it should be noted that our advice is intended to help officers and members of the SPC reach a conclusion in relation to the salient retail and town centre planning policy issues. In particular, it provides advice in relation to the sequential test and the impact upon defined town centres in the Council's retail hierarchy, although it is for the SPC to determine whether these proposals comply with prevailing policies and balance their judgement on these issues with all other salient material planning considerations for each application.

Contents of Report

1.9 The remainder of this report is structured in the following manner:

- Section 2 provides an update on the contents of the Rugby Club application and the controls that have been offered by the application.

- Section 3 provides a summary of the latest Cranford proposal, including the controls that have been offered by the applicant and a comparison between the latest application and the application that was refused by CC in December 2014.
- In Section 4 we provide a summary of salient planning policy complex facing the proposed developments, including the development plan and other material planning policy considerations. This section also provides an overview of the latest evidence base information in the Cornwall Retail Study Update 2015.
- Section 5 provides advice on the relationship of the latest Cranford application to the sequential and impact tests.
- Section 6 provides an update to our previous (December 2014) advice on the Rugby Club proposal in relation to the sequential and impact tests.
- We assess the cumulative impact of the Rugby Club and Cranford proposals (alongside existing commitments) in Section 7.
- A summary of the key issues and our conclusions are set out in Section 8 including the relationship of the proposed developments to the development plan for the area and other material considerations (including the NPPF).

1.10 All plans, statistical tables and other documents referred to in the text of this report can be found in appendices at the rear of this document.

2. The Rugby Club Application

2.1 Since its submission, the Rugby Club application has remained as an outline application, with some matters reserved, for development of up to 15,549sq m (gross) retail development (A1/A3), associated infrastructure, access arrangements, servicing, parking and landscaping.

2.2 At the time of our December 2014 advice, the application was supported by indicative layout plans showing the proposed retail floorspace although page 2 of that advice letter indicated that no controls had been offered in terms of: the range of goods to be sold from the development; the number of retail units; and, the minimum/maximum sizes of those units.

2.3 The lack of detail regarding the controls over the proposed retail floorspace was a point of discussion at the SPC meeting in December 2014 and led to one of the three reasons for deferring determination of the application.

2.4 Since that time, the applicant has written[1] to CC to propose a series of controls over the retail floorspace. These proposed controls are as follows:

- A maximum net sales area of 10,211sq m;
- Control of units 1, 2, 8 & 9 to Class A3 use only;
- Control of Unit 12 to Class A1 non-food use (including an ancillary restaurant), including no sub-division of that unit and a minimum unit net sales area of 3,500sq m;
- Control of units 4 and 5 to Class A1 non-food use.
- Control of units 3, 6, 7, 10 & 11 to Class A1 non-food use, including no less than 65% of the net sales area of each unit to be used for the sale of fashion goods; and
- A definition of fashion goods.

[1] See letter from Amethyst Planning to CC, dated 5th May 2015, accompanied by plan reference 1879.001 Rev D which should be treated as being indicative only

2.5 This set of controls is similar to the set of controls that was offered in relation to the previous Cranford proposal on Marsh Lane is 2014, particularly in terms of the total net sales area, control over the number of Class A3 units and the controls over the majority of Class A1 retail units in relation to the types of goods to be sold and the lack of control over future sub-division and amalgamation. As will be set out in the next section of this advice report, these previously offered controls are proposed to be carried forward into the latest Cranford application.

2.6 However, there are some subtle differences between the Rugby Club and Cranford schemes: whilst they are only initial controls (due to the lack of sub-division/amalgamation conditions), the layout and size of the Cranford retail units is fixed, whilst the Rugby Club units are not.

2.7 We will return to the issue of both the proposed controls and our recommended additional controls later in this advice report. However, the controls that have been offered by the applicant to date have been used to guide our assessment of the impact of the Rugby Club development and its compliance with the sequential test.

3. The Cranford Application

3.1 As set out in the introductory section of this advice report, the latest full planning application by Cranford for new retail floorspace at Marsh Lane is the second application for a similar form of development since the start of 2014. The previous application was refused by the Council in December 2014 for three reasons.

3.2 However, importantly, none of these three reasons given by CC related to retail and town centre planning policy matters. This will no doubt be a material consideration for CC in relation to the determination of this application. However, it should also be noted that the circumstances surrounding retail and town centre planning policy issues have evolved since December 2014 and therefore we consider that it is important that CC re-examines these salient issues in light of the body of evidence and analysis that exists at the time of determining this current application.

3.3 In relation to the proposed Class A1 and A3 retail floorspace, the current application is almost, but not completely identical to the previous proposal. In particular:

- The total gross Class A retail floorspace remains the same;
- The amount of floorspace devoted to Class A3 use[2] has reduced slightly and this reduction has been transferred into a slightly increased amount of Class A1 floorspace[3];
- Units 1-4 in the previous proposal have been replaced by Units A-C in the current proposal. In the previous application, the assessment of impact (by the applicant and Bilfinger GVA) assumed that these would be Class A3 use only. However, the officer's report departed from that principle (and allowed the units to be A3 or A1 use) and this has followed through into the set of proposed controls for the current application. This is not the basis for the Bilfinger GVA assessment and we would recommend that Units A-C are controlled to A3 use, otherwise an updated assessment will be required.

[2] As set out on the submitted application form

3.4 In addition, it should be noted that we based our previous assessment on the largest units in the development (Unit 9 in the previous scheme and Unit G in the current scheme) being occupied by a fashion-led retailer. Indeed, whilst we did not rely on a named retailer in our assessment of the previous application it should be noted that Debenhams were the likely first occupier for this unit. This did not translate into a proposed condition/control for this fashion-led type of retailer although we would recommend that such a control is imposed and, for the avoidance of doubt, it is on this basis that we provide out advice on the latest Cranford scheme.

3.5 We will return to the issue of whether there are any additional and/or alternative controls which should be imposed on the Cranford application later in this advice report.

[3] as set out on the submitted application form

4. Planning Policy Context

4.1 The salient parts of the development plan for the application sites have not changed since our November/December advice to CC. Therefore, the development plan comprises the saved policies in the Penwith Local Plan 2004 and the relevant retail and town centre policies are TV16 and TV17.

4.2 In addition, and in line with CC's previous consideration of retail development proposals in Hayle, an important material planning consideration for these applications will be the National Planning Policy Framework ('NPPF'). For the avoidance of doubt, there have been no salient changes to the NPPF (or the supporting National Planning Practice Guidance) since our previous advice in November/December 2014. As a consequence, the contents of Section 2 of the NPPF and the 'ensuring the vitality of town centres' section in the NPPG are salient.

4.3 However, one factor which has changed in circumstance since our previous advice (and the SPC meeting in December 2014) is the progress being made with the emerging Cornwall Local Plan Strategic Policies document. Therefore, the remainder of this section concentrates upon the emerging Local Plan document.

Cornwall Local Plan Strategic Policies

4.4 The Cornwall Local Plan Strategic Policies document is currently subject to an Examination. The initial stage of Examination hearings were completed earlier in 2015 and this process has been formally suspended whilst further evidence base work is undertaken.

4.5 The February 2015 version of the draft Local Plan (which incorporates the proposed submission version plus focused changes) contains a policy dealing with retail development (Policy 4) which notes that development will be permitted where it supports the vitality and viability of town centres. Policy 4 also outlines the need for proposals to accord with the sequential approach to site selection and to demonstrate that there will not be a significant adverse impact upon the health of town centres.

4.6 The Examination Inspector has now issued his preliminary findings and has indicated that the new retail capacity figures associated with the Retail Study Update (see below) should be presented in a table associated with Policy 4. In addition, the Inspector's preliminary findings also make reference to part of the Submission draft Local Plan where future retail capacity is identified in the text of the plan for various CNAs and it is stated as capacity available to the in-centre, edge of centre and out of centre locations (e.g. paragraph 4.18 and elsewhere). The Inspector has noted that:

> *"I have not seen any evidence to indicate that edge of centre/out of centre locations are required to accommodate retail growth in all the towns referred to, especially on the basis of the modest future capacity figures now applicable to most centres. Accordingly, such references undermine the centre first/sequential approach of national policy and should be deleted".*

4.7 This is a clear statement from the Inspector and reinforces the need for the Council to rigorously apply the sequential test in the identification of sites for new retail development. We would wish to highlight that there have been no objections from the Inspector to the contents of the Retail Study Update and it would appear that, subject to the changes being proposed by the Council, the retail strategy in the Local Plan is considered sound. However, the weight to be placed on the Local Plan, bearing in mind it is still currently being examined, is a matter for the Council and this should be clearly explained when determining both of these applications.

Evidence Base

4.8 Earlier in 2015, the Cornwall Retail Study Update ('the Retail Study Update') was published by the Council and is being used as an evidence base study for the Cornwall Local Plan Strategic Policies document. The main purpose of the study is to update the retail floorspace capacity forecasts contained within the 2010 Cornwall Retail Study ('the 2010 Retail Study'). In order to provide these updated forecasts, the Retail Study Update is supported by a new survey of household shopping survey patterns (conducted in 2014) and these results have been used to inform our advice to the Council on this planning application.

4.9 The Retail Study Update provides updated retail floorspace capacity predictions for convenience and comparison goods floorspace in the main settlements including, in West Cornwall, Hayle, Penzance, Helston, Falmouth and Camborne/Pool/Redruth.

4.10 The comparison goods retail floorspace capacity forecasts for these towns are as follows:

Table 4.1: comparison goods retail floorspace capacity forecasts for the main settlements in West Cornwall (floorspace capacity in square metres net sales area)

	2014	2021	2026	2031
Hayle	-7352	-5906	-3889	3348
Penzance	-4776	-3914	-1951	579
CPR	-7352	-5906	-3889	3348
Helston	0	-325	134	721
Falmouth	-9559	-4246	-2249	328

Source: Cornwall Retail Study Update 2015

4.11 Whilst the requirement to demonstrate that a need exists for out-of-centre retail development is no longer part of national planning policy, we consider that the availability of retail expenditure to support new retail floorspace is still a material factor as it can contribute to the overall examination of the sequential test and also help to assess the severity of the impact on the of health of, and investment within, defined town centres. On this basis, it is salient to note that the above capacity figures indicate that there is not sufficient surplus comparison goods floorspace capacity in either Hayle or all of the above settlements combined to accommodate either or both of the proposed developments. As a consequence, the only way of potentially finding sufficient capacity to accommodate the proposed developments is via clawback from settlements further afield although the ability to achieve a sufficient level of surplus expenditure appears unlikely in light of the amount of retail floorspace which the Council has resolved to grant planning permission for in these settlements.

4.12 In addition, it should be noted that the capacity figures in the Retail Study Update show that there has been a reduction in the level of capacity for additional convenience and comparison goods floorspace, across many parts of Cornwall. There are several reasons for the changes in floorspace capacity projections, including updated economic projections, the use of the results of the 2011 Census, changes to shopping patterns and also the decision by the Council to grant planning permission for a number of retail development projects.

4.13 Indeed, it should be noted that the capacity figures shown in the Retail Study Update will also now need to take into account further proposals in St Austell[4], Threemilestone[5] and Truro[6] for which the Council has resolved to grant planning permission. These proposals will reduce the capacity figures outlined in the study although their primary effect will be on capacity levels in these settlements rather than settlements in West Cornwall.

[4] Higher Trewhiddle Farm
[5] Maiden Green Farm, Willow Green Farm and West Langarth
[6] Truro City Football Club

5. The Retail Planning Policy Issues: Cranford

Introduction

5.1 Given the out of centre location of the application site and the lack of an allocation for the proposed retail use in an up-to-date development plan, there is a need to assess whether the latest Cranford proposal complies with the sequential test. There is also a need to assess the scale of impact on existing nearby town centres. For the avoidance of doubt, this same approach was adopted in relation to the previous Cranford proposal on this site.

Application of the Sequential Test and the Need to Demonstrate Flexibility

5.2 Given that the current Cranford proposal is of the same scale and format as the previous scheme, with the same controls over the sale of goods and use class, we consider it salient to repeat the contents of our previous (November 2014) advice:

> *"4.5 Given the location and planning policy status of the application site there is a need to assess the proposed development against the sequential approach to site selection. Having regard to national planning policy contained within the NPPF, along with guidance within the NPPG and Policy TV-16 of the adopted Local Plan, this requires not only an assessment of whether the proposed development can be accommodated on sequentially preferable in-centre, edge of centre or more accessible out of centre sites within the catchment area of the proposed development, but also an assessment of the flexibility employed by the applicant in relation to scale and format.*
>
> *4.6 Having undertaken a thorough review of the information supplied by the applicant, we have reached the conclusion that insufficient information has been presented to the Council to demonstrate that the applicant has been flexible in terms of the scale and format of the proposal. The analysis has largely concentrated upon one retailer and does not properly explain how, if any, flexibility has been employed in formulating this proposal. The need for a demonstration of flexibility is a requirement of the NPPF and NPPG, and is also a key issue raised in recent Court judgements. For this reason, we consider that the applicant has not satisfied this aspect of the sequential test as outlined in paragraph 24 of the NPPF and Policy TV-16 in the adopted Local Plan, although Council officers and members will need to consider whether they share this view regarding the applicant's flexibility.*

> *4.7 We have, however, on a without prejudice basis, considered alternative sites in Hayle and surrounding settlements. The majority of our assessment has considered whether, in the absence of flexibility, alternative sites can accommodate the precise form of development proposed by the applicant. For the avoidance of doubt, this is not an approach we support, but nevertheless, on this basis, there are not any suitable alternative sites in the catchment area of the proposed development. We have also considered the ability to accommodate a smaller scale of development on the South Quay and North Quay sites in Hayle. South Quay can be discounted, due to the scale of development which can be accommodated. North Quay can accommodate a significant amount of retail development, around two-thirds of the scale of the current application proposal, although the Council will need to consider whether larger format retail units fits in with the Council's and owner's aspirations for this site".*

5.3 In relation to the search for alternative sites, we are not aware of any changes to the sites that were assessed by the applicant, CC and Bilfinger GVA, nor are we aware of any additional sites that now require fresh consideration.

5.4 It is also salient to note that whilst we did not place particularly significant weight on the views of retailers solicited by the applicant in relation to the previous application, as the permission sought was for comparison goods floorspace which is not tied to a particular retailer, that same information (or similar alternative information) has not been submitted with the current proposal. As a consequence, with no certainty over the retailers who will occupy the proposed development, this simply reinforces our previous conclusions regarding the issue of 'flexibility'.

5.5 However, that said, it is important to note that members of the SPC, at their meeting in December 2014, did not raise any concern over the compliance of the previous Cranford proposal with the sequential test which, bearing in mind the similar form of development (and proposed controls) is a material factor for this current proposal. As a consequence, unless officers and members of the SPC consider that matters have changed in relation to the applicant's demonstration of flexibility and the consideration of alternative sites or the weight to be given to the draft Cornwall Local Plan, they would appear entitled to reach the same conclusion and, in the absence of any concerns over the sequential test, conclude that the current proposal complies with paragraph 24 of the NPPF, Policy 4 of the draft Cornwall Local Plan and Policy TV16 of the Penwith Local Plan.

Impact

5.6 Given the location and planning policy status of the application there is, in line with the previous proposal, a need to consider the impact of the latest Cranford proposal on existing, committed and proposed town centre investment and also the impact of the proposal on the health of nearby town centres.

5.7 As a starting point for the assessment, it is useful to bear in mind the following:

- Whilst the previous Cranford proposal was refused by CC, a reason relating to 'retail impact' was not given. As a consequence, it can reasonably be assumed that members of the SPC did not have a particular concern over the scale and severity of the impact of the proposal on the health of (and investment in) nearby town centres.
- The current Cranford proposal, in terms of the scale and format of retail floorspace (including the controls proposed by the applicant), is very similar to the previous application – although there may be a need to 'tighten-up' the controls over the proposed floorspace.

5.8 As a consequence of the above, the Council's conclusions in relation to the previous proposal are materially relevant to the current application (given the similarities between the two schemes from a retail perspective), although officers and members must consider whether (A) there have been any material changes in circumstance since December 2014; and (B) whether these changes in circumstance the Council to reach a different view on retail impact issues. This is the focus for the remainder of this section of our advice report.

5.9 When considering the separate issues of 'impact on town centre investment' and 'impact on town centre health', as required by paragraph 26 of the NPPF, we consider it important to consider the following changes in circumstance since December 2014.

5.10 First, further progress has been made on the Local Plan Strategic Policies document. In relation to the impact test element of Policy 4 of the draft Local Plan, this has not changed since the previous of the draft Local Plan (which was available toward the end of 2014). However, the retail and town centres strategy in the draft Local Plan has been examined and has not faced any significant criticism from the presiding Inspector.

5.11 However, the Inspector has recommended that the retail floorspace capacity forecasts from the 2015 Cornwall Retail Study Update are included in the Local Plan and it will be noted that the scale of the Cranford proposal is significantly in excess of the forecast capacity. The main reason for this difference is that floorspace capacity figures in the Retail Study are based upon the continuation of current market share levels for comparison goods shopping in Hayle and the current Cranford proposal, like the previous proposal before it, will have a significant effect upon shopping patterns in West Cornwall.

5.12 Whilst the underlying data for the retail study's capacity assessment is of particular relevance to the assessment of financial impact (which is discussed later in this section), the relationship of the Cranford proposal to the retail and town centres strategy in the emerging Local Plan is a separate 'policy compliance' issue. As a consequence, one salient factor for officers and members of the SPC to consider is the relationship of this proposal with the emerging Local Plan. In our view, the Cranford proposal departs from the strategy insofar as it does not generally conform with the retail floorspace capacity forecasts and there is not a current proposed strategy to (A) claw back expenditure which is being lost from West Cornwall to other centres further afield, and (B) no strategy to amalgamate and transfer the capacity of the defined town centres in West Cornwall to a single out-of-centre location in Hayle. However, this is our own view and officers and members of the SPC will need to reach their own views on the relationship of the proposals with the Local Plan strategy and the weight to be placed on the current version of the Local Plan Strategic Policies document.

5.13 In relation to other factors which have evolved since the SPC meeting in December 2014, we consider that the following are of relevance:

- Hayle. Since the consideration of the Cranford and Rugby Club proposals in December 2014, the Council refused planning permission (at the same SPC meeting) for an enlargement in the amount of comparison goods to be sold in the ASDA supermarket at South Quay. An appeal was lodged against that refusal and was subsequently allowed. In addition, the Council has recently granted planning permission for a change in the other previously approved retail units at Foundry

Yard in Hayle. This change involves the amalgamation of the approved units and the sale of convenience goods alongside the previously permitted sale of comparison goods.

- Penzance. The Council has now granted planning permission for a The Range store at Long Rock. This store, which will extend to 2,322sq m net sales, will sell a wide range of comparison goods. Whilst this store will also have an effect on stores and centres outside of Penzance, of particular importance will be the additional financial impact that this store will have on Penzance town centre (in addition to the Hayle proposals).
- Truro. Since the December 2014 SPC meeting, the Council has resolved to grant planning permissions for a significant amount of new retail floorspace in Truro and Threemilestone. These include: Willow Green Farm (ASDA supermarket), Maiden Green Farm (supermarket and non-food floorspace), West Langarth (unrestricted large-scale convenience and comparison goods floorspace) and Truro City FC (restricted large-scale comparison goods floorspace)[7]. In addition, another commitment, which was known at the time of making our previous assessment, is the Waitrose supermarket.
- St Austell. CC has resolved to grant planning permission for an unrestricted large-scale convenience and comparison goods retail development at Higher Trewhiddle Farm[8].
- Fraddon. The Council has resolved to grant planning permission for the redevelopment of part of the existing Kingsley Village complex to provide 10,000sq m of Class A1 retail floorspace.
- Newquay. Prior to the SPC meeting in December 2014, the Council had resolved to grant planning permission for retail development at Newquay Growth Area, Treloggan Road and Trevithick Manor. These remain as commitments and the Council, in October 2015, has resolved to grant permission for the expansion of the Treloggan Road permission.

[7] the TCFC and West Langarth proposals have been referred to the National Planning Casework Unit. A decision as to whether the Secretary of State will call them in for his own determination is awaited.
[8] This scheme has also been referred to the NPCU and a call-in decision is awaited.

5.14 The final area where there has been new evidence base material has been in relation to the publication of the 2015 Cornwall Retail Study Update. The 2015 study provides further up-to-date evidence of shopping patterns and store/town centre turnover levels across Cornwall. This evidence, which was not publicly available at the time of our advice and the SPC meeting in December 2014, provides a useful contribution to the assessment of financial impact and the wider overall effect on the health of defined town centres. Again, whilst we consider it a useful addition to the evidence base available to officers and members of the SPC, it will be for officers and members to determine the weight to the placed on the Retail Study Update when determining these applications.

5.15 In addition to the matters which have either changed, or for which new information and evidence is available, it is also useful to note the matters/evidence which has not changed:

- Town centre health information. Since December 2014, there has not been any additional information on town centre health, across the West Cornwall towns. Therefore, we continue to rely on the information provided by Cranford in their Planning and Retail Statement (May 2015) which repeats the town centre health information gathered in 2013 for the previous Cranford proposal and also the contents of our own November 2014 advice report to the Council which highlights the information which we consider salient on town centre health issues.
- The Cranford survey of non-food shopping patterns. Whilst the 2015 Cornwall Retail Study Update provides an up-to-date set of evidence for retail shopping patterns (based on a survey of households undertaken in Autumn 2014), the household survey commissioned by Cranford earlier in 2014 also remains relevant to the consideration of impact issues.

5.16 We have also decided to re-examine our previous trade diversion assessment in light of two factors. First, the evidence data gathered by the household survey for the Cornwall Retail Study Update 2015 indicates a relatively high proportion of internet shopping in some parts of Cornwall, including West Cornwall. As a consequence, we have considered whether a higher proportion of trade to the Cranford proposal will be transferred from internet shopping. Clearly, such a transfer may be limited as shoppers' decisions to use the internet for comparison goods shopping are unaffected by the quality and extent of 'physical' shops in a particular area. However, it would appear that internet shopping is potentially higher in areas without easy access to a wide range of stores and this could suggest that proposals in Hayle could draw part of their future trade from internet shopping.

5.17 Second, we have also revisited the turnover of the Cranford proposal. In the previous assessment, both the applicant (Cranford) and Bilfinger GVA assumed an average sales density for the proposed comparison goods floorspace apart from the largest store which the applicant relied on being occupied by Debenhams, which resulted in a lower sales density for this unit. In this latest application, Cranford do not rely on any retailers and therefore we consider it prudent to about their average sales density of £5,000/sq m across all of the proposed comparison goods floorspace.

5.18 With regards to our updated assessment of solus and cumulative impact, this is presented in Tables 8a and 8b at Appendix A. In the interests of comparison with the previous analysis, the contents of these tables can be compared with the contents of Table 8 in our November 2014 advice report for the Cranford application. Table 8a provides an assessment of the impact of the Cranford application based on the evidence base data provided by the survey of household shopping patterns commissioned by Cranford in 2014. Table 8b provides a similar assessment but based on the evidence provided by the survey commissioned to inform the 2015 Cornwall Retail Study Update. Both tables follow the same structure and, as will be outlined elsewhere in this advice report, are equally applicable to the Cranford and rugby club proposals[9].

5.19 With this information in mind, we now turn to our updated assessment of the impact of the Cranford proposal on town centre investment and town centre health.

[9] Assuming that the same controls are applied to both proposals

Impact on town centre vitality and viability

5.20 Within our previous assessment of the impact of the Cranford proposal, our advice to CC focused upon the following aspects:

- A critical review of the applicant's own impact assessment;
- Conducting our own assessment of financial impact based upon the results of the Cranford 2014 household survey;
- An assessment of the impact of the Cranford proposal on the health of each relevant town centre including analysis of: the scale of trade loss of the centre, the health and financial performance of the centre over time, and the extent of trading overlap between the proposal and the main retail sectors in the centre.

5.21 We remain with this approach for our updated assessment, and build into this assessment the additional impact of newer committed developments and the additional evidence provided by the 2015 Cornwall Retail Study Update.

Hayle

5.22 Hayle's two town centres, at Foundry and Copperhouse, are the two closest defined centres to the proposed development. Within our previous advice report, we found that the Cranford proposal, due to its size and location next to the existing West Cornwall Shopping Park had the potential to become a third quasi-town centre for Hayle and that the impact of an unrestricted Cranford development, alongside the cumulative impacts associated with the South Quay commitment, had the potential to exhibit a significant adverse impact upon the health of Hayle's town centres.

5.23 However, the advice went on to note that if the development was restricted to the sale of fashion goods and a smaller amount of other comparison goods, then the severity of the impact on the centres could be reduced to an adverse scale of impact. This advice was based upon the retail offer of the two defined town centres in Hayle and the acknowledgement that whilst the town as a whole has seen an increase in its market share for clothes and fashion shopping over recent years (and this trend is also now supported by the evidence in the 2015 Cornwall Retail Study Update), a large majority of this rise is likely to be due to the out-of-centre West Cornwall Shopping Park.

5.24 In our view, these conclusions remain valid, although it is worth highlighting that the Council is clearly sensitive to the impacts of some retail development in Hayle, as shown by the refusal of planning permission (subsequently over-turned at appeal) for the additional comparison goods sales in the ASDA supermarket.

5.25 In relation to the potential for an impact on town centre investment from the Cranford proposal, this was an original concern from the promoters of the South Quay and Foundry Yard developments (ING) although these objections were withdrawn during the course of considering the previous application. We are not aware of any further objections which relate to the issue of investment in the context of the latest application and note that whilst ING are continuing to promote new retail development at Foundry Yard, no further objections have been received from ING.

Truro

5.26 Turning to Truro, our previous (2014) advice highlighted the following issues:

- There is evidence that, in relation to shopping patterns for clothing and fashion goods, Truro city centre's market share had held up well over the past several years.
- There is evidence that the turnover of the city centre has fallen in recent years.
- Truro is currently a healthy centre which is able to attract a significant number of shopping trips from across a large part of Cornwall.
- Due to its current popularity, Truro is expected to experience a reduction in its turnover due to commitments in Truro, Newquay and other surrounding towns[10].
- On the basis that the Cranford proposal was controlled to primarily clothing and fashion goods, it was expected that a large part of the turnover of the proposal would be diverted from the city centre due to its prominent role in this type of shopping.
- On this basis, our previous advice predicted that the Cranford scheme would have a 3.4% solus impact upon the comparison goods sector in Truro city centre, which

would rise to 7.4% when the impact of commitments (at that time) were taken into account.

- Around one fifth of all retailers in the city centre and one third of all comparison goods retailers are clothing and fashion retailers, which is clearly an important characteristic when the impact of the fashion-led Cranford was being considered.
- That there was a growing cumulative impact upon Truro city centre as a consequence of the number of commitments for retail space in Truro and surrounding settlements such as Newquay, Fraddon and St Austell.

5.27 Much of this information and analysis remains valid although it is important that our updated analysis takes into account the growing cumulative impact (as a consequence of additional commitments) and also the market share and turnover information from the 2015 Cornwall Retail Study Update.

5.28 In our previous advice report, Table 3.7 provided a comparison of Truro's market share for clothing/fashion shopping across the area covered by Cranford's 2014 household survey and the 2008 survey informing the 2010 Cornwall Study. That table is reproduced below and expanded to include the data from the 2014 household survey informing the 2015 retail study update.

[10] For the avoidance of doubt, this refers to those commitments that were in place at the time of providing our previous advice on the Hayle proposals in November/December 2014.

Table 5.1 – comparison of Truro's market share in first and second choice clothing/fashion shopping trips

	Zone									
	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**11**
2008 survey										
1st choice	15.5%	43.4%	27.4%	57.4%	35.7%	50.4%	53.3%	69.0%	70.3%	86.5%
2nd choice	47.7%	29.6%	29.7%	25.3%	45.7%	21.6%	31.8%	25.5%	18.4%	11.8%
2014 survey (Cranford)										
1st choice	33.3%	42.7%	24.7%	37.2%	46.4%	50.5%	56.6%	51.8%	65.6%	84.4%
2nd choice	26.7%	31.2%	30.4%	26.2%	36.0%	22.7%	25.5%	34.0%	31.6%	18.8%
2014 survey (Cornwall Retail Study Update)										
1st choice	17.0%	34.2%	22.3%	43.5%	37.4%	47.5%	45.8%	51.6%	56.3%	76.2%
2nd choice	17.0%	34.2%	22.3%	43.5%	37.4%	47.5%	45.8%	51.6%	56.3%	16.3%

5.29 The above data confirms that whilst Truro continues to have a good market share across the whole of West Cornwall, there are signs of the erosion of this share of clothing and fashion goods shopping trips in some zones.

5.30 In relation to the financial impact of the Cranford proposal, Tables 8a and 8b set out our updated analysis. Table 8a uses the Cranford survey to calculate the proportionate impact on town centre trade and, in an update to our previous November 2014 advice, includes the new commitments that have been outlined earlier in this section. Table 8a indicates that, based on the Cranford survey, there will be a 3.4% impact on the comparison goods sector in Truro city centre. This is the same as previously assessed notwithstanding the need to take into account the possibility that the Cranford proposal could divert some of its trade some commitments in the Truro/Threemilestone area.

5.31 However, whilst the solus (i.e. individual) impact of the Cranford scheme may be the same, there is a growing cumulative impact on the comparison goods sector in Truro city centre due to the decisions of the Council during 2015 to grant planning permission for circa 40,000sq m of new floorspace in Truro/Threemilestone, 10,000sq m of floorspace in St Austell (Higher Trewhiddle Farm) and 10,000sq m of floorspace at

Fraddon (partial redevelopment of Kingsley Village). Table 8a indicates that the cumulative impact on Truro's comparison goods sector will be 19.2%.

5.32 Table 8b undertakes the same exercise but bases the proportionate impact on the turnover of the city centre as predicted by the Cornwall Retail Study Update 2015. This suggests that the solus impact of the Cranford proposal on the city centre's comparison goods sector will be 4.3% and the overall cumulative impact will be 23%. This method of assessing impact is in line with our advice to the Council for the recent schemes in Truro, Threemilestone, St Austell and Newquay.

5.33 The above analysis outlines a number of similarities with our previous analysis in terms of the individual financial impact associated the Cranford proposal and also the general level of trading overlap between the proposal and the retail offer in the city centre. However, our latest analysis has brought some clarity to the overall level of cumulative financial impact upon Truro city centre which was an issue raised in our previous advice which noted[11]:

> *"Given that it is unclear at present whether any of the retail proposals in Truro/Threemilestone will be approved, and given that the new Cornwall-wide household survey has yet to be analysed, it is impossible to predict with any certainty the severity of the solus and cumulative impacts on Truro city centre. It is clear that the impact of the Cranford proposal will be adverse, and there is the potential for a significant adverse impact, but this can only be fully understood alongside the impacts of the other proposals".*

5.34 Now that the evidence in the retail study update has been analysis and the Council has decided to support a number of large-scale retail schemes in Truro, Threemilestone, St Austell, Fraddon and Newquay, it has become clear to us that the combined impact of the Cranford proposal and these commitments will be significant adverse impact upon the health of Truro city centre. As has been previously documented, Truro has enjoyed a very good trading position over many years and has grown to become the preeminent comparison goods shopping location in Cornwall. However, we consider that the combined effect of these proposals and commitments will be to affect this role

[11] Paragraph 3.103

and as comparable out of centre facilities are provided elsewhere and which are designed to attract retailers who will compete with Truro and enable shorter shopping trips for different types of comparison goods.

5.35 These effects clearly also have some benefits, including the ability to shorten the length of shopping trips to, for example, Truro and also possibly farther afield such as Plymouth[12]. It will also enable, in the case of the Cranford proposal, a better range of comparison goods retail facilities to be provided in West Cornwall. However these benefits will be associated with an out of centre retail facility adjacent to the A30 rather than in a town centre, which the Council's adopted and emerging Local Plan documents seeks to maintain and enhance.

5.36 Indeed, a decision to support a proposal such as the one being promoted by Cranford could be seen as a clear departure from that strategy. This is, however, a strategic decision for the Council to make and the Council must consider how approval of this application will relate to its emerging Local Plan Strategic Policies retail and town centres strategy.

Penzance

5.37 In our previous advice report, we outlined our concern that the Cranford proposal had the potential to exhibit a significant adverse impact upon the health of Penzance town centre. Our reasons for reaching this conclusion were as follows:

- the strong likelihood that the proposal will provide direct competition with a key retail sector in Penzance's town centre;
- the falling turnover and market share of Penzance in recent years[13];
- the scale of the direct impact upon the comparison goods sector in the town centre (which is likely to remove a large proportion of the centre's comparison goods turnover – i.e. a 9% solus impact and a 10% cumulative impact); and

[12] we anticipate that up to £1.0m of comparison goods expenditure could be diverted from stores in Plymouth, partiucularly the city centre
[13] there are likely to be a number of reasons for this fall in market share/turnover, including: the increasing influence of internet shopping on comparison goods sales, the increasing attractiveness of West Cornwall Retail Park in Hayle and the continued strong performance of Truro over the past several years

- the contribution that the comparison goods sector makes to the overall vitality and viability of Penzance town centre, including the potential for spin-off benefits and linked trips.

5.38 We have re-visited these conclusions with particular reference to the new household survey information and the additional commitments in the local area.

5.39 With regards to the shopping patterns information from the 2015 retail study update, Table 5.2 below repeats the information in Table 3.9 in our previous advice and adds in the latest survey data.

Table 5.2 – comparison of Penzance's market share in first and second choice clothing/fashion shopping trips

	Zone									
	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**11**
2008 survey										
1st choice	67.4%	26.5%	33.1%	3.6%	0.5%	5.4%	0.8%	0.9%	1.4%	1.1%
2nd choice	18.6%	22.2%	23.0%	13.1%	0.0%	14.9%	9.1%	7.3%	2.6%	0.0%
2014 survey										
1st choice	39.6%	26.0%	23.7%	3.2%	0.0%	2.0%	2.0%	0.0%	0.0%	0.0%
2nd choice	22.7%	19.5%	23.2%	11.5%	1.3%	12.0%	5.5%	6.4%	3.5%	1.6%
2014 survey (Cornwall Retail Study Update)										
1st choice	47.3%	21.6%	20.3%	2.9%	0.0%	0.5%	1.0%	1.5%	0.0%	0.0%
2nd choice	47.3%	21.6%	20.3%	2.9%	0.0%	0.5%	1.0%	1.5%	0.0%	0.0%

5.40 The above table indicates that there is a general conformity between the two 2014 household surveys although the Council's survey suggests that Penzance town centre has not lost as much market share in first choice clothes/fashion shopping trips in its own zone (Zone 1) as the earlier 2014 Cranford survey would suggest and that it has also been able to increase its share of second choice clothes/fashion trips in the same zone.

5.41 In relation to the turnover of comparison good stores in Penzance, the three sets of data indicate that:

- As outlined in the previous advice report, there has been a fall in the town's overall comparison goods turnover (using the data in the 2010 Cornwall Retail Study and the 2014 Cranford household survey);
- Analysis of the data in the 2015 retail study update reveals that the predicted 2019 turnover for Penzance is similar to the forecasts using the applicant's survey (£111.6m, as opposed to £108.8m).
- In relation the turnover of the town centre, the retail study update survey indicates a similar turnover to the Cranford survey (£96.6m and £95.0m respectively). However, whilst both of these 2014 survey estimates are similar, there remains a large drop in the financial performance of the town centre, from the forecasts within the 2010 retail study.
- Within our previous advice we noted that, based on the applicant's survey evidence, 18% of all comparison goods expenditure in Penzance was attributable to clothing/fashion goods. An examination of the 2015 retail study reveals that that proportion had risen to 23% (£20.6m out of £90.8m) whilst the proportion in the town centre was higher at 26% (£20.5m out of £78.6m).

5.42 As a consequence of the above, and bearing in mind no change in the available evidence on other town centre factors, we consider that it is appropriate to remain with our previous conclusions given the evidence confirms: a falling turnover for the town centre and a significant overlap between the clothing and fashion goods that will be sold from the proposed development and the contribution that expenditure on these goods makes to the viability of Penzance town centre.

5.43 This conclusion is reinforced by the likelihood that the financial impact on Penzance town centre will grow as a consequence of the recent planning permission for The Range store at Long Rock which was not taken into account by either the applicant or Bilfinger GVA when undertaking our previous impact assessments.

5.44 In our view, The Range store could divert around £1.8m of comparison goods expenditure from Penzance town centre and this level of diversion is unlikely to be diluted by the additional cumulative impact associated with the Cranford proposal. Indeed, a further issue regarding the cumulative impact on Penzance to be taken into account is impacts associated with the Truro and Threemilestone commitments which will further add to the pressure on the town centre.

5.45 Our updated financial impact analysis is contained at Tables 8a and 8b. The analysis at Table 8a is based upon the town centre turnover levels forecast by the applicant's own household survey and indicates that the solus impact of the Cranford proposal on Penzance town centre will be 10.2%, rising to 13.8% when the cumulative effects of other commitments are taken into account. Table 8b provides an alternative analysis based upon the town centre turnover levels in the retail study update and indicates a very similar solus impact of 10.3% and a cumulative impact of 14%.

5.46 On this basis, we remain of the view that the Cranford proposal will have a significant impact upon the health of Penzance town centre. The basis for this conclusion is outlined above and, of course, it will be for officers and members to consider whether they agree with our advice in terms of (A) the factors that are relevant to the assessment of impact on Penzance town centre, and (B) the weight to be placed on those salient factors. However, notwithstanding the important acknowledgement that this is a decision for members of the SPC to make in due course, it is our view that the Cranford proposal will have a significant impact upon the role and function of Penzance town centre in serving the needs of West Cornwall.

Camborne

5.47 In our previous advice to the Council, we raised a concern over the impact on Camborne town centre. This concern was based upon a falling comparison goods turnover for town centre, a falling market share, a rise in vacant units, a fall in the number of comparison goods retailers and the relatively large contribution that spending on clothes and fashion goods makes to the overall viability of the centre.

5.48 In terms of the additional factors to consider, there are a number of small additional retail commitments in the Camborne/Pool/Redruth area although they are unlikely to materially affect the cumulative impact assessment. Therefore, the only change to the financial impact assessment is to take account of our re-examination of the diversion of internet shopping and the results of the retail study update. Table 8a, bases the assessment of impact on the Cranford household survey results, indicates a solus impact of 4.2% on Camborne town centre's comparison goods sector, which will rise to 5.1% when the cumulative impact of commitments is taken into account.

5.49 The analysis in Table 8b indicates a slightly higher solus impact on the town centre of 5.1%, and a cumulative impact of 6.1%, which is due to the retail study update predicting a lower current comparison goods turnover for Camborne town centre.

5.50 By way of comparison with the above updated figures, our previous advice indicated a 3.8% solus impact and a 4.1% cumulative impact on Camborne town centre's comparison goods sector. As a consequence, the latest financial impact data shows a small increase over the previous assessments by Bilfinger GVA placed before the Council.

5.51 In relation to the additional evidence on shopping patterns and turnover levels provided by the 2015 retail study update, Table 5.3 below provides market share information from the 2008 household survey and the applicant's own 2014 survey (previously provided in our November 2014 advice report), which is now supplemented by the survey information from the 2015 retail study update.

Table 5.3 – comparison of Camborne's market share in first and second choice clothing/fashion shopping trips

	Zone									
	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**11**
2008 survey										
1st choice	0.0%	0.0%	8.1%	2.4%	0.0%	21.7%	3.3%	5.2%	1.4%	1.1%
2nd choice	0.0%	3.7%	8.1%	1.0%	0.9%	10.8%	11.4%	3.6%	5.3%	2.9%
2014 survey										
1st choice	0.0%	0.0%	3.2%	0.0%	1.0%	20.2%	7.1%	0.0%	0.0%	0.0%
2nd choice	4.0%	3.9%	4.3%	0.0%	1.3%	20.0%	9.1%	14.9%	8.8%	3.1%
2014 survey (Cornwall Retail Study Update)										
1st choice	0.0%	1.2%	1.1%	0.3%	1.0%	12.4%	4.2%	1.5%	1.1%	0.0%
2nd choice	0.0%	1.2%	1.1%	0.3%	1.0%	12.4%	4.2%	1.5%	1.1%	2.3%

5.52 The above data shows that, leaving aside Zone 6 for one moment, the Council's 2014 household survey confirms the results of Cranford's survey in that there has been a general deterioration in Camborne's clothes/fashion goods market share. However, in contrast to the Cranford 2014 survey, the Council's survey shows a reduction in

Camborne's market share in first choice clothing/fashion shopping trips from Zone 6 residents (which is the zone in which Camborne sits).

5.53 Whilst there is no evidence to doubt either of the 2014 surveys, the available data indicates uncertainty over the strength in the comparison goods sector with Camborne is likely to compete with the Cranford proposal. In one scenario the town's local market share has remained static and in the other its penetration rate has dropped significantly. Therefore, on the above basis, it would appear than our previous conclusions remain valid and which noted that:

> *"we have a concern over the harmful impact of the proposed development on the vitality and viability of Camborne town centre. Whilst the direct financial impact upon the comparison goods sector is lower that other towns such as Penzance, the centre appears to be in a declining state of health. The proposed development has the potential to worsen this trend and the clear adverse impact upon the centre is close to becoming a significant adverse impact".*

Redruth

5.54 Within our previous advice, we advised the Council that the impact on Redruth town centre was likely to be adverse but, in light of the town's circumstances, is likely to be less severe than the impacts on Penzance and Camborne. We have revisited this conclusion with reference to our updated assessment of financial impact and also an examination of the household survey results from the Cornwall Retail Study Update 2015.

5.55 Table 3.13 on page 49 of our November 2014 advice set out the market share of Redruth town centre in relation to clothes/fashion shopping. That table is reproduced below and expanded to include the results of the retail study's household survey.

Table 5.4 – comparison of Redruth's market share in first and second choice clothing/fashion shopping trips

	Zone									
	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**11**
2008 survey										
1st choice	0.0%	0.0%	0.8%	0.0%	0.5%	0.0%	13.3%	9.5%	2.7%	0.0%
2nd choice	0.0%	0.0%	0.0%	2.0%	0.0%	0.0%	2.3%	16.4%	5.3%	8.8%
2014 survey										
1st choice	0.0%	2.1%	0.0%	0.0%	0.0%	0.0%	12.1%	25.9%	13.3%	1.0%
2nd choice	0.0%	1.3%	1.4%	1.6%	0.0%	5.3%	18.2%	21.3%	15.8%	6.3%
2014 survey (Cornwall Retail Study Update)										
1st choice	0.0%	0.0%	0.0%	0.5%	0.0%	0.7%	7.6%	14.1%	13.9%	0.0%
2nd choice	0.0%	0.0%	0.0%	0.5%	0.0%	0.7%	7.6%	14.1%	13.9%	2.7%

5.56 The above table shows that the Council's own household survey also indicates an improvement in Redruth's market penetration rate for clothes/fashion goods shopping in a small number of zones, including its own 'home zone' (Zone 8). In some cases, the increase is not as large as the Cranford survey, although there has nevertheless been an increase. The exception to this is Zone 7 (Pool) where there may have been a fall in the town centre's market share.

5.57 Tables 8a and 8b show the updated assessment of financial impact on Redruth town centre's comparison goods sector. In our previous (November 2014) assessment, we forecast a 4.3% solus and cumulative impact for the town centre. The solus and cumulative impact forecasts were the same at that time as there were not any committed retail developments that were likely to have an additional impact on Redruth.

5.58 However, as outlined in Table 8a at Appendix A to this report, whilst the solus impact of the Cranford scheme remains at about 5% (based on the Cranford survey turnover data), the cumulative impact on Redruth town centre rises to 8% due to the Truro and Threemilestone commitments. In our alternative analysis in Table 8b, these proportionate solus and cumulative impacts are slightly higher at 7.2% and 11.6% respectively, due to the lower existing town centre turnover forecast by the Cornwall Retail Study Update.

5.59 Therefore, it will be important for the Council to take into account this change in circumstances for Redruth town centre when re-examining the impact of the Cranford proposal and reaching a conclusion as to whether this scale of impact represents a significant adverse impact. Whilst the final decision on this matter rests with the Council, it is our view that this level of impact, coupled with the trading overlap between the proposal and the town centre does not represent a clear significant adverse impact although the gap between this 'adverse impact' conclusion and a 'significant adverse impact' level is now relatively small.

Helston

5.60 For Helston town centre, our previous advice indicated that, in our view, the impact of the Cranford proposal would not result in a significant adverse effect. This view was based upon a small 3% impact on the centre's comparison goods sector and a relatively small clothing/fashion offer in the centre.

5.61 In terms of an update to this position, we have examined the shopping patterns data from the retail study update and also re-visited our assessment of financial impact. Table 5.5 below re-provides the market share data from Table 3.15 of the November 2014 advice report and adds in the retail study update market share data. The table reveals that the Council's household survey is suggesting that the increase in the town's clothing/fashion goods market share has not risen by as much as the Cranford survey suggests. However, the Council's survey does still reveal an increase in market penetration in Zone 4, which is the zone in which Helston lies.

Table 5.5 – comparison of Helston's market share in first and second choice clothing/fashion shopping trips

	Zone									
	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**11**
2008 survey										
1st choice	0.0%	0.0%	0.8%	11.2%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%
2nd choice	1.2%	0.0%	1.4%	11.1%	0.9%	0.0%	0.0%	0.0%	0.0%	2.9%
2014 survey										
1st choice	0.0%	0.0%	3.2%	25.5%	0.0%	1.0%	0.0%	0.0%	0.0%	0.0%
2nd choice	0.0%	0.0%	0.0%	21.3%	2.7%	0.0%	0.0%	0.0%	0.0%	1.6%
2014 survey (Cornwall Retail Study Update)										
1st choice	0.0%	0.0%	0.0%	14.7%	0.4%	0.7%	0.0%	0.0%	0.8%	0.0%
2nd choice	0.0%	0.0%	0.0%	14.7%	0.4%	0.7%	0.0%	0.0%	0.8%	0.0%

5.62 For the updated assessment of financial impact, Tables 8a and 8b indicate that Helston town centre is unlikely to receive a higher cumulative impact as a consequence of other recent retail commitments. Therefore, based upon an assessment using the Cranford survey data, the impact of the Cranford scheme on the centre's comparison goods sector remains at 3%. Moreover, given that the retail study update is predicting a similar level of pre-impact turnover for the centre, the assessment at Table 8b also predicts a 3% solus and cumulative impact.

5.63 In light of the above, we see no reason to change our advice to the Council in relation to the impact on Helston town centre. In particular, whilst there will be a 3% impact on the centre's comparison goods retail sector, we do not consider that this is of scale to warrant particular concern over the future health of the centre, bearing in mind the retail offer of Helston town centre.

Falmouth

5.64 The final centre for examination is Falmouth. In our previous advice, we raised concern over the cumulative impact of the Cranford proposal alongside the impact of the committed replacement Sainsburys store (and conversion of the existing store to non-food use). Indeed, we considered that the scale of cumulative impact upon the town centre was sufficiently large to warrant a concern of the significant adverse nature of this impact. However, the advice report did raise the possibility that the Sainsburys permission would not be implemented due to the state of the grocery retail sector and Sainsburys intentions regarding its own store opening programme and this was a salient factor for the Council to be taken into account by the Council.

5.65 The situation with regards to the Sainsburys permission has not changed since our November 2014 advice and there remains little prospect that the replacement store will be provided. Therefore, whilst the Sainsburys permission should not be completely ignored (as it remains a permission for the time being), we would recommend that the Council places little weight on this commitment for the purposes of assessing cumulative impact.

5.66 Exclusion of the Sainsburys commitment would, based upon our previous advice, downgrade the scale of impact on Falmouth town centre from 'significant adverse' to just 'adverse'. However, in line with the other centres included within our assessment of impact, there is a need to re-examine the scale of this impact in light of the new market share and turnover information provided by the Cornwall Retail Study Update and also the advent of new retail commitments in Truro and Threemilestone.

5.67 In relation to the market share of Falmouth for clothing/fashion goods, Table 5.6 below includes the retail study update data alongside the 2008 shopping patterns survey and the results of the Cranford survey.

Table 5.6 – comparison of Falmouth's market share in first and second choice clothing/fashion shopping trips

	Zone									
	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**11**
2008 survey										
1st choice	0.0%	0.0%	0.0%	4.7%	50.8%	1.6%	0.0%	3.4%	9.5%	1.1%
2nd choice	1.2%	0.0%	1.4%	24.2%	30.2%	8.1%	9.1%	12.7%	21.1%	0.0%
2014 survey										
1st choice	0.0%	0.0%	1.1%	6.4%	33.0%	0.0%	0.0%	0.0%	3.3%	0.0%
2nd choice	1.3%	3.9%	1.4%	21.3%	34.7%	4.0%	10.9%	6.4%	10.5%	4.7%
2014 survey (Cornwall Retail Study Update)										
1st choice	1.1%	0.0%	0.5%	3.1%	28.3%	0.0%	2.8%	0.5%	1.5%	0.7%
2nd choice	2.3%	0.0%	2.4%	12.9%	34.5%	2.4%	5.8%	5.6%	10.5%	2.3%

5.68 Table 5.? above reveals that the Council's 2014 survey broadly confirms the results of the Cranford survey in that there has been a fall in Falmouth's market share of first choice clothing/fashion shopping trips in Zone 5 (the zone in which Falmouth lies). The latest survey also confirms the fall in Falmouth's market share across a number of other zones (in line with the Cranford survey).

5.69 In relation to the turnover of the town centre, the analysis within the retail study update suggests a pre-impact 2019 comparison goods turnover of £67.9m which is very similar to the applicant's survey which suggests a turnover of £67.4m. As a consequence, the proportionate impact calculation for Falmouth town centre is likely to be the same whichever evidence base is used.

5.70 In relation to the assessment of cumulative impact, we have already noted that the Council should consider giving reduced weight to the Sainsburys commitment although, in its place, there is a need to take into account the impact of commitments in Truro and Threemilestone[14]. This is shown in Tables 8a and 8b at Appendix A and shows that the solus impact of the Cranford proposal on Falmouth town centre's comparison goods sector is 5.6% and which will rise to 9.1% when the impact of salient commitments is taken into account.

5.71 It should be noted that this updated solus is slightly higher than previously advised in November 2014 (5.3%) but noticeably lower than the previously advised cumulative impact level of 13.4%. Therefore, given that our previous advice indicated that the solus impact of the Cranford proposal did not amount to a significant adverse impact on Falmouth and given that the cumulative impact on the town centre has been reduced, we are able to update our view that the cumulative impacts associated with the Cranford proposal and other salient commitments no longer, in our opinion, constitutes a significant adverse impact.

[14] TCFC and West Langarth

6. The Retail Planning Issues: the Rugby Club Proposal

Introduction

6.1 Given the same policy status as the Cranford application site, there is also a requirement to consider the compliance of the rugby club proposal with the sequential test and also consider the scale of the impact of the proposal on town centre investment and town centre health.

6.2 Within our previous advice, dated December 2014, we concluded that the applicant had not demonstrated compliance with the sequential test and that the proposal at that time had the potential to exhibit a significant adverse impact upon the health of Penzance and Hayle town centres along with the possibility of a significant adverse impact on Camborne town centre.

6.3 However, it should be noted from the outset that our previous (December 2014) advice to the Council was at a point in time when the applicant had not offered any controls over the proposed retail floorspace. Since that time, and the decision of the SPC to defer determination of the application, the applicant has offered a series of controls which have been summarised in Section 2 of this report. These controls have guided our re-assessment of the sequential and impact tests, which are outlined in turn below.

Sequential Test

6.4 As noted in Sections 2 and 3 of this report, the proposed controls over the Class A1 and A3 floorspace now allow the rugby club proposal to be similar in scale and function to the Cranford proposal. That said, because the rugby club proposal is submitted in outline, there is possibly some additional flexibility in how it could be developed and which may not exist in the Cranford scheme which is a full application. Whilst some flexibility will always remain, due to its outline nature, we consider that control over the number and size of units via suitable precise condition and reference to an approved plan are appropriate. Indeed, if such controls are imposed, then we consider that the rugby club application would then be broadly consistent in terms of scale and format with the Cranford scheme.

6.5 On this basis, we consider it appropriate that the conclusions reached in relation to the Cranford scheme, in Section 5 of this report, should also apply to the rugby club scheme also. Moreover, given that both sites occupy a similar location adjacent to the A30, with similar distances to surrounding town centres, we consider that they are sequentially equal and that the Council should not give preference to either site in the sequential test.

6.6 As a consequence, on the basis that the Council concludes that the Cranford proposal passes the sequential test, and assuming that further additional controls are placed on the number and size of units in the development, we consider that the rugby club application will also meet the provisions of the sequential test as set out in paragraph 24 of the NPPF, Policy TV16 of the Penwith Local Plan and Policy 4 of the draft Cornwall Local Plan Strategic Policies document.

Impact

6.7 Our previous advice raised concerns over the potential impact of the proposed development on the health of a number of town centres due to the lack of controls over the proposed retail floorspace and the potentially very wide range of retail goods which could be solved from the development. This was also a concern for the SPC in December 2014 and one of the reasons for deferral of the application.

6.8 However, the controls which have now been offered by the applicant bring the rugby club development into much closer line with the Cranford scheme in terms of the range of retail goods that could be sold from the proposed floorspace. Indeed, subject to a further tightening of controls over the number of retail units and the size of these units, then we consider that the overall trading effects of the proposed development will be similar to the Cranford scheme. **Therefore, the financial impacts shown in Tables 8a and 8b at Appendix A to this report are equally applicable to both the Cranford and Rugby Club proposals.**

6.9 Clearly, there is potential for some variances, particularly in the three retail units in each scheme which are unrestricted in type and range of comparison goods which they can sell, although we consider it would be unreasonable to suggest that a definitive distinction could be drawn between the two.

6.10 Therefore, based on the controls that have now been offered by the applicant for the rugby club scheme, we consider it reasonable to conclude that the trading impacts of the scheme will be similar to those observed in the previous section of the report for the Cranford proposal.

6.11 Therefore, in summary, whilst the rugby club proposal will have an adverse impact upon the health of a number of town centres in West Cornwall (including Camborne, Redruth, Helston and Falmouth), the two centres of particular concern, particularly when cumulative impact issues are considered, are Penzance and Truro. As noted in the previous section of this report and also with reference to our previous advice, the effect on the health of Penzance town centre is of particular concern due to the proximity of the centre to the proposal, its worsening trading performance and overlap in goods to be sold from the proposed development. Similar considerations apply for Truro city centre, although of additional importance is the scale of cumulative impact upon the financial performance of the city centre.

6.12 However, as noted in the previous section, the Council as decision-maker must decided whether it agrees with our assessment of impact and will need to take into account the following factors:

- The information presented in relation to the health of nearby town centres, including their performance over time;
- The extent of trading overlap between the proposed developments and the retail offer of town centres;
- The scale of financial impact from either proposal on the current turnover of town centres; and
- The range of controls that have been offered in relation to the proposed retail floorspace.

7. Cumulative Impact

7.1 One area of additional work which CC officers have asked Bilfinger GVA to undertake is an assessment of the cumulative impact of both the Cranford and rugby club proposals on the health of nearby town centres (also taking into account the cumulative impacts associated with other commitments).

7.2 In order to provide this assessment, we consider that the following two factors should be considered by the Council:

- The combined financial impact of the two proposals; and
- The overall attractiveness and scale of the existing and proposed retail floorspace adjacent to the A30 at Hayle.

7.3 We consider each factor in turn below.

Combined financial impact

7.4 Of the two applicants, only Cranford has submitted information on cumulative impact issues. This is contained in Section 5 of the May 2015 Planning and Retail Statement and the main points raised are as follows:

- An assessment of both schemes proceeding together in close succession is a worst-case scenario as, in reality, both schemes may not proceed or, if they do, they might be some years apart;
- An assessment of cumulative financial impact is provided based on the trade diversion estimates from both applicants and assumes that each scheme trades at 80% of their standalone level (due to the mutual impact between both schemes).
- On this basis, the Cranford assessment predicts the following cumulative impacts:

Centre	Cumulative Impact at 2019 (%)
Hayle	13.0
Falmouth	5.6
Helston	4.6
Camborne	5.1
Pool	4.7
Redruth	6.1
Truro	6.9
Penzance	10.8

- Based upon the above figures, the Cranford assessment does not consider that any of these impacts represents significant adverse harm to any of these town centres.

7.5 In response to the cumulative assessment offered by Cranford we would agree that the inclusion of the impact of both schemes at 2019 represents a robust position as the opening of the retail development on the rugby club site can only take place once the existing rugby club facility has been relocated. In response to the comment that both schemes may not come forward due to tenant demand, this issue is currently being investigated by Bilfinger GVA and an update will be provided in due course.

7.6 We would also agree that an allowance should be made for the mutual impact between the two proposals and agree that a reduction of 20% is a robust allowance.

7.7 We have therefore followed this same approach within our own assessment which is contained at Tables 9a and 9b at Appendix A. This assessment uses the same data as the individual assessment for each proposal, but models the combined impact of the Cranford and rugby club schemes assuming that each trades at 80% of the expected individual turnover level.

7.8 This indicates the following combined level of cumulative impact for each evidence base scenario:

Table 7.1: combined impact of Cranford and rugby club proposals, based on Cranford and Cornwall Council evidence base data

	Cranford household survey evidence base		**Cornwall Retail Study Update 2015 evidence base**	
	Cranford & Rugby Club	**Cranford & Rugby Club + commitments**	**Cranford & Rugby Club**	**Cranford & Rugby Club + commitments**
Hayle	-16%	-21%	-13%	-17%
Falmouth town centre	-9%	-12%	-9%	-12%
Helston	-5%	-5%	-5%	-5%
Camborne	-7%	-8%	-8%	-9%
Redruth	-8%	-11%	-12%	-16%
Truro city centre	-6%	-21%	-7%	-25%
Penzance town centre	-16%	-20%	-17%	-20%

Source: Tables 9a and 9b, Appendix A

7.9 The above data indicates that there is an 'across the board' increase in financial impacts on town centres. We have already concluded that the individual impact of either scheme (along with commitments) is likely to contribute to a significant adverse impact upon the health of Truro city centre and Penzance town centre. As a consequence, these increases in solus and cumulative impact will simply reinforce these earlier conclusions.

7.10 In relation to other centres, the increases in impact on Camborne and Redruth town centres and we consider that this scale of diversion will start to become close to a significant adverse impact, particularly for Camborne which is closer to the application sites and which accommodates a higher level of existing retail provision for clothing/fashion goods.

7.11 Of the other centres, Falmouth returns to become a concern in our opinion. The scale of cumulative impact on the town centre returns to a level which was highlighted in our previous advice as being a future to the town centre, with Hayle becoming a much stronger draw to shoppers within Falmouth's natural catchment.

7.12 In relation to Hayle, the impact also grows although the majority of this is likely to fall on out-of-centre stores such as West Cornwall Shopping Park. Nevertheless, the impact on the two town centres is likely to grow, particularly as the number of non-clothing/fashion units will double from two to four and these are the units which are more likely to compete directly with stores in Hayle's two town centres.

The overall attractiveness and scale of retail facilities adjacent to the A30 in Hayle

7.13 Alongside the likelihood that the financial impact on nearby town centres will grow should both schemes be approved, we consider that there is a need to consider the overall attractiveness of the retail facilities next to the A30 in Hayle.

7.14 At the present time, out-of-centre shopping in Hayle is dominated by West Cornwall Shopping Park. This facility extends to circa 5,000sq m. Both of the current proposals extend to circa 15,500sq m and therefore the amount of out of centre floorspace in this area would grow to 20,000sq m if one scheme is approved and 35,000sq m if both schemes are approved.

7.15 This level of floorspace should be compared with the size of the following town centres:

- Penzance: 45,000sq m of total Class A floorspace and 28,500sq m of Class A1 floorspace.
- Camborne: 34,000sq m of total Class A floorspace and 22,000sq m of Class A1 floorspace.
- Redruth: 22,500sq m of Class A floorspace and 12,700sq m of Class A1 floorspace.
- Truro: 77,100sq m of total Class A retail floorspace and 54,900sq m for Class A1 floorspace.
- Helston: 24,000sq m of total Class A floorspace and 16,100sq m of Class A1 floorspace.
- Falmouth: 35,500sq m of Class A floorspace and 23,000sq m of Class A1 floorspace.

7.16 The above data indicates that approval of both schemes would provide an out of centre shopping destination which is:

- Larger than the Class A1 retail sector in Penzance

- The same size as the whole of Camborne town centre
- One third larger than the whole of Redruth town centre
- Around half of the size of the whole of Truro city centre and two-thirds of the size of the Class A1 retail sector in the city centre
- The same size as the whole of the Falmouth town centre.

7.17 By way of further comparison, set out below is the scale of the Class A floorspace in the Cranford and rugby club proposals alongside the scale of Class A floorsoace in other recent retail proposals that have been considered by the Council's SPC recently:

- Cranford: 15,539sq m gross
- Rugby Club: 15,539sq m gross
- West Langarth, Threemilestone: circa 12,000sq m
- Truro City FC: 14,000sq m
- Hendra, Threemilestone: circa 8,700sq m
- Redevelopment of part of Kingsley Village Fraddon: circa 10,000sq m
- Higher Trewhiddle Farm: circa 10,000sq m

7.18 Whilst there is no longer a stand-alone test of 'scale', and we would advise against any refusal of permission on the basis of 'scale' alone, the amount of retail floorspace in a particular location will clearly be important in terms of how shoppers view that location and the combined impact of these two proposals. For example, whilst West Cornwall Shopping Park is already a well-used and successful shopping destination, and no doubt each of the current proposals will also be similarly attractive, the combined effect of these three schemes will be to rival the amount of space and the choice that exists in town centres in the Council's formal retail hierarchy. Indeed, the synergy and the effect of the whole will, in our opinion, be greater that the sum of the different parts, as the attractiveness of the A30 retail shopping area will provide more space than a number of town centres. It will create a quasi-town centre outside of the formal shopping hierarchy in Cornwall, providing modern large-scale flexible floorspace which some town centres, particularly the mid-sized towns of Penzance and Camborne, in western Cornwall will find it hard to compete with. Truro, due to its size and strength, may be able to offer more effective competition to the proposals in Hayle, although as outlined above Truro's health has the potential to be steadily eroded due to the large number of commitments in other towns such as Truro itself, Newquay, Fraddon and St Austell.

7.19 Not only is this important for the approach with the Council should take to the assessment of the individual and combined effects of these two proposals, but is it also important in terms of how the Council should assess these two proposals in terms of the adopted and emerging retail and town centres strategy for Cornwall. In particular, there is no place in either the adopted retail strategy for the size of retail floorspace currently proposed on these sites and/or the creation of a retail destination which will rival the size of existing centres.

7.20 Similarly, there is no place in the current version of the Local Plan Strategic Policies document, a document which officers have confirmed should be given weight. In particular, there is no suggestion that the future retail capacity which is available to settlements such as CPR, Truro, Penzance, Helston and Falmouth should be transferred and combined into one location in Hayle.

7.21 As a consequence of these factors, these proposals are contrary to that stated Council strategy but no doubt officers and members of the SPC will reach their own reasoned view on this aspect in due course and place weight on the emerging Local Plan Strategic Policies document accordingly.

Conclusions

7.22 Overall, we consider that cumulative impact of approving both of these schemes is likely to materially increase the pressure on the health of existing defined town centres across West Cornwall and Truro. Due to the combined scale of these two developments, which will start to rival existing traditional town centres in terms of size and choice of retail facilities, the existing concerns over Penzance and Truro are reinforced and the potential for a significant adverse impact on Camborne, Redruth and Falmouth becomes a real possibility.

8. Summary and Conclusions

Introduction

8.1 This advice report has been prepared by Bilfinger GVA in relation to two planning applications for retail development close to the A30 at Hayle. These applications are:

- An outline application by Hayle Community Rugby Facilities Ltd for the redevelopment of land at Hayle Rugby Club for up to 15,539sq m of Class A1 and A3 retail floorspace and associated development ('the rugby club application'); and
- A full planning application by Cranford (Hayle) LLP for the development of land at Marsh Lane for 15,539sq m of Class A1 and A3 retail floorspace and associated development ('the Cranford application').

8.2 Bilfinger GVA has previously provided advice to Cornwall Council on the rugby club application, which was deferred from Strategic Planning Committee ('SPC') in December 2014 and a previous application on the Cranford site which is very similar (in its retail content) to the current application.

8.3 This should be seen as an executive summary of our advice to Council officers and members of the SPC, in order to provide a useful overview of both our own findings and advice and also guidance to officers and members when seeking to reach their own conclusions regarding these applications.

Policy Context

8.4 Both of these sites lie in out of centre locations and this requires the Council to consider whether they meet the provisions of the sequential test and also consider whether they will have a significant adverse impact upon investment in, and the health of, defined town centres.

8.5 In addition to the compliance with these tests, it is also important to relate these proposals to the adopted and emerging development plan strategy for Cornwall, not least because the planning system is plan-led and encourages sustainable development.

8.6 In relation to the adopted Penwith Local Plan, the retail strategy does not include the provision of a large amount of retail floorspace adjacent to the A30 in Hayle and instead directs new retail development in the town to the harbour area. However, it is also salient to note that the adopted Local Plan is now relatively dated and was prepared before the NPPF.

8.7 In relation to the emerging Local Plan Strategic Policies document, there is also no provision for a significant amount of retail development in out of centre locations in Hayle and no strategy to amalgamate the retail capacity in West Cornwall into one location. As we understand it, the Local Plan Inspector has not raised any significant concerns over the plan's retail and town centre's strategy (although a number of specific areas need to be addressed via changes and addition to the document). Indeed, we understand that Council's officers are recommending that significant weight is given to the retail policies in the emerging Local Plan, although we would expect officers to confirm the weight that should be given to the emerging Local Plan within their report to committee.

8.8 As a consequence, and given that these two applications are likely to meet the needs of West Cornwall in one out of centre location rather than in town centres, it is our view that the proposed developments, individually or combined, are contrary to the emerging Local Plan strategy. However, this is our own view and, no doubt, Council officers and members of the SPC will reach their own reasoned view on this aspect in due course.

The Cranford Proposal

The Sequential Test

8.9 Given the out of centre location of the Cranford application site, there is a need for the Council to consider whether there are any sequentially-preferable in-centre, edge-of-centre or more accessible/better connected out-of-centre sites within the catchment of the proposal.

8.10 Within our advice on the previous Cranford application, we reached the view that whilst the applicant had not demonstrated flexibility in line with the requirements of the NPPF and NPPG, there were no alternative sequentially preferable sites in West Cornwall which could at present accommodate the Cranford development as proposed by the applicant. Indeed, at the SPC meeting in December 2014, members of the committee did not raise any concerns over the compliance of the Cranford proposal with the sequential test.

8.11 Given that there has not been any change in circumstances since this previous advice and the SPC meeting in December 2014, our advice to the Council remains the same in relation to the sequential test.

Impact

8.12 In relation to the impact of the Cranford proposal, it is important to note from the outset that members of the SPC in December 2014, whilst refusing the Cranford application, did not raise any specific concerns over the impact of the development on defined town centres in Cornwall's retail hierarchy. Our advice to the Council at that time was that the Cranford proposal was likely to have a significant adverse impact upon the health of Penzance town centre, along with the potential for a significant adverse cumulative impact on the defined centre's of Truro and Falmouth when the cumulative impact of commitments was taken into account. In relation to other town centres, we found that there would also be a negative impact upon some of these centres, including Hayle, Camborne, Redruth and Helston, but that impact was not so large as to be classified as significant.

8.13 We have re-visited our assessment of impact, taking into account new commitments for retail floorspace (supported by the Council) and the evidence base contained within the Cornwall Retail Study 2015. Taking these factors into account, we remain of the opinion that there will be a solus and cumulative significant adverse impact upon the health of Penzance town centre and a cumulative significant adverse impact upon the health of Truro city centre. Indeed, the Council has already concluded that without the Cranford proposal, there is already likely to be a significant adverse impact upon the health of Truro city centre although this acknowledgement does not appear to have stopped the Council from granting permission for additional retail floorspace in Newquay, Fraddon and St Austell. In relation to the other town centres, we consider that the impacts on Camborne, Hayle, Redruth and Helston will remain adverse (but not significantly adverse) and that the likely loss of the Sainsburys proposal in Falmouth will mean that the impact on Falmouth town centre will be adverse.

8.14 It should be acknowledged that the Council does not always agree with the advice of Bilfinger GVA in relation to the policy issue of 'impact'. Therefore, given that it must reach a conclusion in relation to the Cranford scheme, we would recommend that its conclusion takes into account and acknowledges the evidence which has been provided by both the applicant and Bilfinger GVA (including the Council's own Retail Study Update 2015 and its own Local Plan Strategic Policies retail strategy) and also the following factors (which are salient to both the Cranford and rugby club applications):

- The information presented in relation to the health of nearby town centres, including their performance over time. In this regard to show a falling performance of a number of centres in Cornwall which leaves them vulnerable to impacts from large developments such as these.
- The extend of trading overlap between the proposed developments and the retail offer of town centres. The available evidence shows that there is a variable level of trading overlap between these proposals and the comparison goods sectors in town centres in West Cornwall. The extent of this overlap is evidenced in this advice and we would ask the Council to give particular regard to the relatively large overlap with centres such as Truro, Penzance and Falmouth.
- The scale of financial impact from either proposal on the current turnover of town centres. The applicants and Bilfinger GVA have both presented information on the financial impact of these proposal on the trading performance of town centres across Cornwall. As noted by Cranford, the difference between many of these forecasts is minimal although it is the interpretation of these impacts which is important. This is the reason why the other factors in this list need to properly considered and we would recommend that the Council does so when reaching its final decision on these applications. That said, due to the size of these proposals, along with the decisions of the Council to grant permission for a large amount of retail floorspace in recent years, the scale of financial impact on Cornwall's town centres is now starting to become considerable. This is, in our opinion, a key area for concern and we would recommend that the Council gives particular weight to the scale of financial impact now likely to be present on Cornwall's retail hierarchy.
- Solus and cumulative impacts. When judging the effect of these proposals, the Council must consider the combined impact with retail commitments. This should take into account the effect of commitments in Fraddon, St Austell, Truro,

Threemilestone, Penzance and Newquay. This advice has done so and we recommend that the Council does the same.

- Precedent and consistency. As noted above, the Council has in some instances disagreed with the advice of Bilfinger GVA in relation to the scale of impact on defined town centres in Cornwall. With regard to these instances, the Council will need to take into account its own view of the impact of these proposals when reaching a view on the overall combined impact of the Hayle proposals with these other commitments. Indeed, in relation to Truro, the Council has already acknowledged that some retail commitments will have a significant adverse impact upon the health of the city centre (although permission has been granted due to the weight placed on other factors). Clearly, whilst the weight placed on those other factors was important in those decisions, there remains an acknowledged significant adverse impact from these committed schemes and this will to be considered carefully by the Council in the context of the additional financial impact that these schemes will have on the city centre.
- The range of controls that have been offered in relation to the proposed retail floorspace. When considering the impacts of these proposals, the range of controls which have been offered by the applicants should be taken into account, including whether any additional controls are considered necessary to control the operational impacts of the developments.
- Other material considerations. It is of course inevitable that retail proposals, whether they be in or outside of town centres will take existing trade away from existing retail businesses. This is because there is a finite level of retail expenditure to support retail floorspace across Cornwall and a driving factor behind the retail capacity forecasts in the Cornwall Retail Study 2010 and Cornwall Retail Study Update 2015. However, alongside this diversion from town centres there are a number of other material considerations to be taken into account by the Council. Those which relate to retailing and economic factors include:
    - Jobs. In order for the proposed retail stores to function, they will need employees. The ability of the proposals to generate employment opportunities should be seen as a positive factor associated with these developments, although we recommend that the net impact of the development on employment opportunities is given more weight than the gross jobs figure as

there is clear potential for significant displacement of job opportunities from other existing stores.

- Shortening shopping trips. A clear benefit of proposals such as these is the ability to shorten some comparison goods shopping trips from residents of West Cornwall which are currently 'leaking' to stores and centres further afield such as those in Truro. The shortening of these trips, as shoppers switch their shopping visits to stores adjacent to the A30 at Hayle, can be seen as a positive benefit as it has the potential to cut journeys by private car and which can therefore have a consequential benefit in terms of vehicle emissions. The extent of this benefit will be dependent on the vehicle miles which the Council calculates as being saved.
- Choice in West Cornwall. A further benefit of the scheme which should be acknowledged is the ability of the proposals to provide modern retail space in West Cornwall which can attract national multiple retailers to the area. Whilst a piece of work is currently being undertaken by Bilfinger GVA to establish the level of retailer demand for retail space in the Hayle area, and it is also important for the Council not to place weight on the identity of particular individual retailers when making its decision on these applications, the general benefit of bringing more choice to West Cornwall can be seen as a positive benefit (albeit one which will not benefit town centres in the Council's defined retail hierarchy).

The Rugby Club Proposal

Sequential test

8.15 When the rugby club application was previously considered by the Council's SPC in December 2014, there was concern over the lack of proposed controls for the retail floorspace, which prompted deferral of the application. Since that time, the applicant has proposed a series of controls over the retail floorspace which would allow the development to function in a similar manner to the Cranford proposal. As a consequence, we consider that these controls, along with some additional controls over the number and size of retail units, allow the Council to conclude that rugby club proposal has the same relationship with the sequential test as the Cranford application.

Impact

8.16 Similarly, the lack of controls over the rugby club application, as submitted, raised concerns over the impact of the development on the health of nearby defined town centres. The controls which have now been proposed, along with the additional controls suggested in this report, allow the rugby club proposal to broadly have the same type of effect on comparison goods shopping patterns as the Cranford proposal.

8.17 Therefore, the conclusions regarding impact on defined town centres highlighted above (for the Cranford scheme) apply equally to the rugby club scheme, including our guidance as to how the Council should approach reaching a conclusion on the overall impact of this scheme.

Cumulative Impact

8.18 We have also been asked by the Council to consider the effects surrounding the cumulative impact of approving both of the Cranford and rugby club schemes.

8.19 Our analysis has found that:

- Approval of both schemes is very likely to materially increase the pressure on the health of existing defined town centres across West Cornwall and Truro.
- Due to the combined scale of these two developments, which will start to rival existing traditional town centres in terms of size and choice of retail facilities, the existing concerns over Penzance and Truro are reinforced and the potential for a significant adverse impact on Camborne, Redruth and Falmouth becomes a real possibility.
- The approval of both schemes will create a retail destination in Hayle which is one of the largest in Cornwall, being larger than most town centres in the Council's own retail hierarchy.
- Create a retail centre which is inconsistent with the development plan for the area and also the Council's own retail and town centres strategy in its Local Plan Strategic Policies document.

Appendix A: retail impact analysis (applicable to both the Cranford and Rugby Club proposals)

TABLE 8a: COMPARISON GOODS IMPACT OF CRANFORD PROPOSAL, 2019 (based on Cranford survey data)

(N.B. THESE IMPACTS ARE ALSO GENERALLY APPLICABLE TO THE HAYLE RUGBY CLUB PROPOSALS)

	TOTAL PRE-IMPACT TURNOVER, 2019	DIVERSION TO COMMITMENTS	RESIDUAL TURNOVER AFTER COMMITMENTS	IMPACT OF COMMITMENTS	DIVERSION TO CRANFORD PROPOSAL	RESIDUAL TURNOVER, 2019	SOLUS IMPACT	CUMULATIVE IMPACT
HAYLE	£33.9	£1.9	£32.0	-5.6%	£3.3	£28.7	-10.4%	-15.4%
FALMOUTH (town centre)	£67.4	£2.1	£53.6	-3.8%	£3.0	£50.6	-5.6%	-9.1%
HELSTON	£37.1	£0.0	£37.1	0.0%	£1.1	£36.0	-3.0%	-3.0%
CAMBORNE	£55.6	£0.5	£55.1	-0.9%	£2.3	£52.7	-4.2%	-5.1%
REDRUTH	£42.4	£1.4	£41.0	-3.3%	£2.1	£39.0	-5.0%	-8.2%
TRURO (city centre)	£562.0	£91.9	£470.1	-16.4%	£16.0	£454.0	-3.4%	-19.2%
PENZANCE (town centre)	£106.7	£4.3	£102.4	-4.0%	£10.4	£92.0	-10.2%	-13.8%

TABLE 8b: COMPARISON GOODS IMPACT OF CRANFORD PROPOSAL, 2019 (based on Cornwall Retail Study survey data)

(N.B. THESE IMPACTS ARE ALSO GENERALLY APPLICABLE TO THE HAYLE RUGBY CLUB PROPOSALS)

	TOTAL PRE-IMPACT TURNOVER, 2019	DIVERSION TO COMMITMENTS	RESIDUAL TURNOVER AFTER COMMITMENTS	IMPACT OF COMMITMENTS	DIVERSION TO CRANFORD PROPOSAL	RESIDUAL TURNOVER, 2019	SOLUS IMPACT	CUMULATIVE IMPACT
HAYLE	£42.4	£1.9	£40.5	-4.5%	£3.3	£37.1	-8.2%	-12.3%
FALMOUTH (town centre)	£67.9	£2.1	£53.6	-3.8%	£3.0	£50.6	-5.6%	-9.1%
HELSTON	£35.4	£0.0	£35.4	0.0%	£1.1	£34.3	-3.1%	-3.1%
CAMBORNE	£46.4	£0.5	£45.9	-1.1%	£2.3	£43.6	-5.1%	-6.1%
REDRUTH	£30.0	£1.4	£28.6	-4.7%	£2.1	£26.5	-7.2%	-11.6%
TRURO (city centre)	£469.3	£91.9	£377.4	-19.6%	£16.0	£361.4	-4.3%	-23.0%
PENZANCE (town centre)	£105.3	£4.3	£101.0	-4.1%	£10.4	£90.6	-10.3%	-14.0%

Appendix B: cumulative impact analysis

TABLE 9a: CUMULATIVE COMPARISON GOODS IMPACT OF CRANFORD AND HAYLE RFC PROPOSALS, 2019 (based on Cranford survey data)

	TOTAL PRE-IMPACT TURNOVER, 2019	DIVERSION TO COMMITMENTS	RESIDUAL TURNOVER AFTER COMMITMENTS	IMPACT OF COMMITMENTS	DIVERSION TO CRANFORD & HAYLE RFC	RESIDUAL TURNOVER, 2019	SOLUS IMPACT	CUMULATIVE IMPACT
HAYLE	£33.9	£1.9	£32.0	-5.6%	£5.3	£26.7	-16.6%	-21.3%
FALMOUTH (town centre)	£67.4	£2.1	£53.6	-3.8%	£4.8	£48.8	-8.9%	-12.4%
HELSTON	£37.1	£0.0	£37.1	0.0%	£1.8	£35.4	-4.7%	-4.7%
CAMBORNE	£55.6	£0.5	£55.1	-0.9%	£3.7	£51.3	-6.8%	-7.6%
REDRUTH	£42.4	£1.4	£41.0	-3.3%	£3.3	£37.7	-8.1%	-11.1%
TRURO (city centre)	£562.0	£91.9	£470.1	-16.4%	£25.7	£444.4	-5.5%	-20.9%
PENZANCE (town centre)	£106.7	£4.3	£102.4	-4.0%	£16.7	£85.8	-16.3%	-19.6%

TABLE 9b: CUMULATIVE COMPARISON GOODS IMPACT OF CRANFORD AND HAYLE RFC PROPOSALS, 2019 (based on Cornwall Retail Study survey data)

	TOTAL PRE-IMPACT TURNOVER, 2019	DIVERSION TO COMMITMENTS	RESIDUAL TURNOVER AFTER COMMITMENTS	IMPACT OF COMMITMENTS	DIVERSION TO CRANFORD & HAYLE RFC	RESIDUAL TURNOVER, 2019	SOLUS IMPACT	CUMULATIVE IMPACT
HAYLE	£42.4	£1.9	£40.5	-4.5%	£5.3	£35.1	-13.1%	-17.0%
FALMOUTH (town centre)	£67.9	£2.1	£53.6	-3.8%	£4.8	£48.8	-8.9%	-12.4%
HELSTON	£35.4	£0.0	£35.4	0.0%	£1.8	£33.7	-5.0%	-5.0%
CAMBORNE	£46.4	£0.5	£45.9	-1.1%	£3.7	£42.2	-8.1%	-9.1%
REDRUTH	£30.0	£1.4	£28.6	-4.7%	£3.3	£25.3	-11.6%	-15.7%
TRURO (city centre)	£469.3	£91.9	£377.4	-19.6%	£25.7	£351.7	-6.8%	-25.1%
PENZANCE (town centre)	£105.3	£4.3	£101.0	-4.1%	£16.7	£84.3	-16.5%	-19.9%