

Appendix 2

Spatial Policy Comments - Application Reference 17/02896/FUL

Dear Simon,

Further to your correspondence, please find below the Spatial Policy response to the application for the erection of a Class A1 store with associated development including car parking and access arrangements on the site of the former Olds Garage site on Sherborne Road, Yeovil.

As established in law by Section 38(6) of the Planning and Compulsory Purchase Act (2004) and Section 70(2) of the Town and Country Planning Act (1990) (as amended), the starting point for considering this application must be that it is determined in accordance with the development plan unless material considerations indicate otherwise. The following sections therefore consider the application against the development plan in South Somerset and the National Planning Policy Framework (NPPF) as a material consideration.

1. Overview of Main Issues

The application is to develop a 1,743 sq m gross (1,254 sq m net) class A1 foodstore. For the purposes of your decision-making it is important to make clear two elements. Firstly, the proposed use is classified as a “town centre use” under the terms of the development plan and the NPPF¹. Secondly, the proposed location should be considered an “edge of centre location”, due to it being approximately less than 300 metres from the edge of Yeovil’s Primary Shopping Area boundary².

Against this context, your decision will need to understand the proposed development’s compliance with the sequential test as defined in Policy EP11 of the South Somerset Local Plan and the National Planning Policy Framework (NPPF).

2. National Guidance

National guidance is clear that planning should support the vitality and viability of Town centres.

Paragraph 24 of the NPPF requires Local Planning Authorities (LPAs) to apply a sequential test to planning applications for main town centre uses that are not in an existing centre. LPAs are required under this guidance, to seek to locate town centre uses firstly in Town Centres, then edge of centre locations before out of centre locations. When considering edge of centre and out of centre sites, preference should be given to accessible sites that are well connected to the Town Centre. There is a requirement for applicants and LPAs to demonstrate flexibility on issues such as format and scale when considering sites.

Paragraph 27 is clear that an application should be refused where it fails to satisfy the sequential test.

The National Planning Practice Guidance (PPG) states that it is for the applicant to demonstrate compliance with the sequential test. Paragraph 010: Reference ID 2b-010-

¹ As defined in the NPPF, main town centre uses constitute retail development (including warehouse clubs and factory outlet centres); leisure, entertainment facilities the more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, night-clubs, casinos, health and fitness centres, indoor bowling centres, and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).

² As defined in the NPPF, an edge of centre location for retail purposes is a location that is well connected and up to 300 metres from the primary shopping area.

20140306 outlines a checklist of considerations that should be taken into account when assessing the proposal against the sequential test. This checklist includes the requirement for an applicant to demonstrate flexibility in terms of the format and scale of the proposed development “...it is not necessary to demonstrate that a potential town centre or edge of centre site can accommodate precisely the scale and form of development being proposed, but rather to consider what contribution more central sites are able to make individually to accommodate the proposal.” The PPG is also clear that out of centre sites should only be considered if suitable sites are not available. When considering edge of centre and out of centre proposals, preference should be given to accessible sites that are well connected to the town centre.

3. South Somerset Local Plan (2006-2028)

3.1. The Sequential Test

Policy EP11: Location of Main Town Centre Uses requires applicants to seek to locate developments on sequentially preferable sites. Sequentially preferable sites in Yeovil being:

- within the Yeovil Town Centre Shopping Area, followed by
- Edge of Centre locations, then
- Out-of-Centre sites that are, or will be served by a choice of sustainable modes of transport and are close to the centre.

The policy explains that applications for “town centre uses”, which are not in an existing Town Centre and are not in accordance with the Development Plan should be refused planning permission where the applicant has not demonstrated compliance with the sequential approach to site selection, or there is clear evidence that the proposal, either alone, or combined with other recent outstanding permissions would seriously affect the vitality and viability of a nearby town centre.

3.2 Impact Assessment

Policy EP12 of the South Somerset Local Plan (2006 – 2028) requires applications in excess of 2,500 sq m gross, in Yeovil, to be accompanied by a Retail Impact Assessment. This application falls below the threshold and therefore the assessment of impact is not a material consideration.

As you are aware there is another supermarket proposal in Yeovil, this being for 8,443 sq m of gross retail floorspace on Bunford Park, Yeovil (17/02805/HYBRID). Retail impact is a material consideration for this Bunford park scheme. The Council has therefore commissioned a retail consultant to assess the impacts of the proposed scheme on the vitality and viability of Yeovil town centre. As part of this exercise the assessment has considered the trading effects of the proposal on the former Olds Garage site in order to assess the cumulative impact of both this schemes.

In summary the assessment concludes that if the Council are minded to approve the proposal on the former Olds Garage site, this would increase the severity of the likely impact of the Bunford Park proposal. This should be noted. The full detailed assessment by the retail consultant on behalf of the Council is appended.

4. Consideration of the Applicant’s Sequential Test

The applicant has undertaken a sequential test in support of the application. There are some key minimum criteria which have influenced the process:

- i. Floorspace – a site that can accommodate a minimum sales area of 1,140 sq m and a gross area of 1,800 sq m
- ii. Car parking – a site with a surface level car park of a gradient of no more than 1:60 with a minimum of 100 spaces adjacent to the store.

- iii. A site visible from a principal route and direct vehicular access to and from that route.
- iv. Minimum site area of 0.6 hectares.

The applicant has demonstrated some flexibility, whether this is sufficient is dealt with under the consideration of sites and the sequential test below.

The applicant considers the following sites:

1. Cattle Market
2. Stars Lane South/Box Factory
3. Glovers Walk and Bus Station
4. Vincent's Garage and Quedam Centre Extension, and
5. Vacant Town Centre Sites

Their test concludes that there are no suitable and available sequentially preferable vacant units or sites within or on the edge of Yeovil town centre. Having reviewed the submitted site assessment, it is accepted that the following sites are either currently not suitable and/or available and thus cannot be regarded as sequentially preferable to the proposed site.

- **The Cattle Market**

The Cattle Market site is a vacant, brownfield Town Centre site. Whilst not currently allocated in the Local Plan, the South Somerset Retail and Town Centre Uses Study (July 2017) identifies the site as having good development potential with the ability to accommodate a mix of uses including potentially a medium sized/discount foodstore. The Council views the site as a significant redevelopment opportunity, appropriate for a range of uses including retail and these aspirations are articulated in the recently launched Yeovil Town Centre Refresh documents. To summarise, the applicant has dismissed this site as it is not suitable or viable for a standalone discount foodstore of the size proposed.

To support the argument that the site is not suitable, the applicant refers to a Development Brief for the site which supports a mixed use scheme with small and medium sized retail units at ground floor with residential above. They consider that large format retailing would not be in accordance with the aspirations of the Development Brief and would therefore be unsuitable for the site. For clarity, this Development Brief was approved in 2007 it is now over ten years old and was conceived in a different economic climate, outside of the new approaches to considering retail development as defined in the NPPF, PPG and case law. The Council intends that the new Yeovil Refresh work will replace this Development Brief. The refresh work states that Council is prepared to be flexible on the precise mix of uses on the Cattle Market to maximise a market solution for the site. Additionally, the Council has indicated that alternative forms of development would be considered on the site and a large-format retail unit could be acceptable as part of a re-development scheme. Therefore contrary to the applicant's view, large format retailing would be considered on this site and in the context of paragraph 24 of the NPPF, the site is suitable for the proposed development.

Whilst there is no reference to viability as part of the sequential test in either the Local Plan or paragraph 24 of the NPPF, viability is a material consideration when applying the sequential test and considering the deliverability of alternative, sequentially preferable sites, and referred to in the PPG (para 012). The PPG states that local planning authorities need to be realistic and flexible in terms of their expectations. With this in mind, the applicant states that the Cattle Market is unsuitable for the proposed development as the costs associated with bringing it forward make it an unviable proposition. The site is large and complex and the Yeovil Refresh acknowledges that the potential redevelopment costs when coupled with landowner expectations have led to previous schemes stalling. The applicant has included some financial information to support their case that a scheme would not be viable on the basis that costs would exceed the value of the scheme. Whilst this

information is in relation to a different scheme from that currently proposed, on the evidence presented, it would appear that the proposed development would be unviable without other forms of development on site. Therefore, whilst the site is suitable, it appears to be undeliverable for the proposed development. I would suggest the valuation evidence be reviewed to ensure this is the case.

Neither the landowner nor the applicant has confirmed whether the site is available.

- **Stars Lane/Box Factory/South Street Car Park**

This site comprises three Town Centre sites which occupy a prominent location fronting the main route between the centre of town and the Yeo Leisure Complex. Stars Lane Car Park is a strategically important car park in the town centre and the Yeovil Refresh work is clear that the redevelopment of the whole car park is not considered appropriate at this time. The Council is currently working up a development brief for the Box Factory/South Street Car Park which indicates a mixed use scheme, residential led with a leisure or food element to improve the public realm in this part of the town centre and unlock further town centre development proposals.

The site is discounted by the applicant on the basis that it is not available or suitable based on the fact that it is identified in the Local Plan as the Summerhouse Village (Policy YV3) – a strategic location for a mixed use scheme to be delivered later on in the plan period. The Local Plan does suggest that the Summerhouse Village concept is unlikely to be achieved until late in the plan period which runs to 2028. One of the reasons for this is that the concept is recognised to have viability issues, particularly the funding of replacement of car parking spaces. Despite this designation the site has previously been identified by the Council as a sequentially preferable site (Lidl application, 2015). At that time the Council was taking a pragmatic approach to the development potential of the site and was prepared to accept a foodstore on site if that could kick start a range of investment opportunities and contribute to the overall vision for the area. Even then, the long term aim remained for a mixed-use scheme, which balanced housing, retail, leisure, and employment as part of the ‘urban village’ concept.

Since this application, the Yeovil Refresh work has progressed and it is now clear that the site has strong development potential for residential use, including potential affordable, key worker and retirement housing. This use will increase the amount of people living in the town and encourage more activity and overall vibrancy which is currently lacking in this location, particularly within the period between 5pm-9pm the “five pm flight period”. This is a key aim for the town, recognised in the Yeovil Refresh. Public realm and transport improvements in this location are associated with the residential development. On the basis of the above, it is therefore accepted that the site, whilst suitable, is not available for the proposed development.

- **Glovers Walk/Bus Station.**

The Bus Station and Glovers Walk is a substantial Town Centre site at the eastern end of Yeovil. The site is identified in the Yeovil Refresh as a significant development opportunity to substantially transform the lower part of the town centre which is currently dated, has high vacancies and poor public realm. The applicant has discounted the site on the basis that it is too large, is in active use and has tenants, including the bus station, which would need relocation, rendering the site unsuitable and unavailable.

In reality the site consists of two distinct plots, the Bus Station and Glovers Walk. The Bus Station is 0.75 hectares and Glovers Walk is 0.24 hectares. The refresh work identifies that Glovers Walk could come forward independently but this is too small for the proposed scheme even if further flexibility in format and scale were demonstrated. This site is therefore not considered suitable. The Bus Station is owned by a single landowner and is

leased to the Council for 99 years to provide a bus service. There is potential to redevelop the site but there are no plans currently. On the basis of the above, it is accepted that at the current time, Glovers Walk and the Bus Station are not sequentially preferable alternatives as they are not suitable and/or available for the proposed foodstore.

- **Vincent's Yard and Quedam Extension**

The site is a Town Centre site which includes Vincent's Garage which is in active use. Whilst the site is referred to as the "Quedam Extension", there is no planning permission for this extension. The Council resolved to grant permission for the redevelopment of the site to provide an extension to the established Quedam centre in 2008 but the Section 106 Agreement was not signed and the application was finally withdrawn in 2014. The applicant has discounted the site on the basis that it is not suitable or available to accommodate the proposed supermarket.

The site is identified in the South Somerset Retail and Town Centre Uses Study (July 2017) as having good development potential in the short to medium term, with the ability to accommodate a mix of uses including potentially comparison goods retailing, food and beverage and leisure uses. Convenience goods retailing is not mentioned.

Based upon the evidence received from Benson Elliot (the owners of the Quedam Centre), the site was previously identified as a sequentially preferable site (Lidl application, 2015). It could accommodate the proposed development and is therefore suitable. However since that time, nothing has progressed with regards to the proposed application for the Quedam Extension and the site remains in an active use, therefore it is accepted that at this current time, the site known as Vincent's Yard and Quedam Extension is not available and cannot be classed as sequentially preferable.

Whilst it is accepted that the above sites are not sequentially preferable, it is advocated that there are is one site which is sequentially preferable to the Old's Garage site. This has been discounted by the applicant but could accommodate the proposed development. This is the former Bhs site in the Town Centre.

- **Former Bhs Unit**

The former Bhs unit in the Quedam Centre is the only current vacant unit of sufficient size in Yeovil Town Centre which could accommodate the proposed supermarket. In summary the applicant has discounted the unit on the basis that it is not suitable, viable or available.

The applicant states that the vacant unit is not physically suited to a the proposed foodstore because it is too large, lacks free parking, lacks at grade trolley access and has difficult servicing arrangements. This unit was previously a supermarket and there are examples elsewhere of Aldi sharing larger units with other operators (Bournemouth) and therefore these reasons for discounting the unit are not accepted and lead me to question whether the applicant has demonstrated sufficient flexibility in format and scale in their consideration of the site for the purposes of the sequential test as required by paragraph 24 of the NPPF.

The applicant also claims that the unit is not available because of current contractual arrangements between the existing lessee and owners of the unit. The unit is however being actively marketed and therefore the points regarding availability made by the applicant needs to be evidenced further before the site is considered to be not available as required in paragraph 24 of the NPPF. Additionally the marketing information suggests that subdivision would be considered and therefore the size of the building, if explored further, is not necessarily an issue, subdividing the unit into two larger units would actually assist in future proofing the town centre from future out of centre schemes such as the recent TX Maxx at the Peel Centre.

Conclusion on Sequential Test

Based on the above it is advocated that the application fails the sequential test because it has not considered all potentially suitable sites and premises and because there are sequentially preferable premises available in Yeovil Town Centre that could accommodate the proposed development if the applicant applied flexibility to the format of the proposed development. The application should therefore be refused on this basis that it is not in accordance with Local Plan Policy EP11 and the NPPF and PPG.

5. Health of Yeovil Town Centre

Whilst no Impact Assessment has been undertaken by the applicant to support the application because given the size of the proposal, there is no policy requirement to undertake such an assessment. I would however like to set a context for your decision making by outlining some key factors that illustrate the health of Yeovil Town Centre.

Yeovil accommodates the principal Town Centre in the District. Yeovil as a whole accounts for nearly 74% of retail floorspace provision in South Somerset however nearly 45% of that retail floorspace is outside the town centre³ (this figure includes the Peel Centre at Babylon Hill and food shopping facilities) and there are permissions yet to be implemented at the Peel Centre including permission for 1,895 sq m of A1 retail floorspace adjoining the existing Argos.

Yeovil's position as a retail centre has declined over time. In 2007, Yeovil was ranked 118th in Javelin's VenueScore⁴, in the latest rankings (2016) it has slipped to 160th. This could be due to the loss of some key national multiple retailers to out of centre locations.

The Council's Annual Retail Monitoring demonstrates that whilst vacancy rates in Yeovil Town Centre are improving, they are still higher than the national average (11.2%):

Year	Total Premises within Town Centre	Vacancies	%
2006	487	46	9.44
2007	468	48	10.25
2008	468	49	10.47
2009	471	61	12.95
2010	472	56	11.86
2011	480	56	11.66
2012	480	71	14.79
2013	480	72	15.00
2014	483	75	15.52
2015	488	70	14.34
2016	No Monitoring was undertaken in 2016		
2017 (Nov)	471	67	14.2

(Town Centre Monitoring, SSDC Spatial Planning)

The fall in Yeovil's national ranking since 2007, the rise in vacancies and the loss of a number of key national multiple anchor retailers to out-of-centre shopping locations clearly demonstrates that its overall vitality and viability is vulnerable to further challenge from out-of-centre retailing, as well as the threat of online shopping. Clearly the loss of further retailers, turnover and shoppers to new out-of-centre retailing will further significantly erode

³ South Somerset Retail and Main Town Centre Uses Study, Lichfields 2017

⁴The Javelin VenueScore is widely used as a key indicator to help inform the changing attraction and performance of different shopping locations from year-to-year.

investor and business confidence in the future growth and performance of the town centre, especially in the current volatile retail market.

The Council recognises the situation with regard Yeovil Town Centre and is investing in its regeneration. The Yeovil Refresh, one of the Council's key priorities is identifying projects and initiatives to deliver tangible benefits to the economy of the town.

6. Overall Conclusion

The applicant is looking to develop a 1,743 sq m gross (1,254 sq m net) class A1 foodstore.

The proposed use is classified as a main "town centre use" and the proposed location is classified as an "edge of centre" location. As required by the Local Plan and NPPF, the applicant has undertaken a sequential test in support of this proposal, which concludes that there are no sequentially preferable sites in Yeovil Town Centre. This conclusion has not been fully evidenced as the vacant unit (formerly BHS) within the town centre has not been sufficiently discounted.

This proposal is contrary to Local Plan Policy EP11 and Paragraph 27 of the NPPF, as it fails the sequential test because there are sequentially preferable premises/sites suitable and available for the proposed development.

The fact that the application is not in accordance with the South Somerset Local Plan, must be weighed against the fact that the proposal will generate jobs and realise trade and investment in an edge of centre, brownfield site.

30th April 2018