SUPPORTING PLANNING STATEMENT

SECTION 73 APPLICATION

VARIATION OF CONDITION No. 2

IMPOSED ON PLANNING PERMISSION No. H16-0610-05

PROPOSED B&M HOMESTORE

FORMER HOMEBASE

WESTLODE STREET

SPALDING

PE11 2AE

PREPARED ON BEHALF

OF

B&M RETAIL LTD

August 2018

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Appendix [1] Copy of planning permission No. H16-0610-05.

Appendix [2] B&M's Homestore business model.

Appendix [3] Tesco Stores v Dundee City Council [2012].

Appendix [4] *R (on the application of Zurich Assurance Ltd T/A Threadneedle Property Investment v North Lincolnshire Council.*

Appendix [5] Appeal decision in Newport, Shropshire.

Appendix [6] Extract from Co-Star UK Property Database: Spalding Town Centre.

1.0 INTRODUCTION

(i) Context of the application

1.1 MWA has accepted an instruction from B&M Retail Ltd to submit a planning application seeking a variation in the terms of condition No. 2 imposed on planning permission No. H16-0610-05 dated 9th June 2005. A copy of the planning permission is attached as **Appendix [1]**.

1.2 A variation in the terms of condition No. 2 is required in order to enable beneficial occupation of the former Homebase store by B&M Retail Ltd trading a "B&M Homestore". The application follows confirmation by Kate Bellamy (Senior Planning Compliance Officer) at South Holland District Council via an email dated 7th August 2018, that the sale of food and drink (not for consumption within the store), is precluded under the terms of the extant permission if said goods were not ancillary to the permitted product ranges[1].

1.3 Condition No. 2 states:

"The retail warehouses hereby permitted shall not be used for the sale of food and drink for consumption off the premises (other than confectionery and pet foods), clothing, fashion accessories (including handbags, luggage, watches and jewellery), footwear, sports goods (equipment and clothing), books, stationery, toiletries and perfume, audio and visual recordings, cutlery, crockery or glassware, unless any of the above are ancillary to, and related to the main ranges of goods permitted for sale".

1.4 The reason for imposing the condition is:

"To ensure that the development does not adversely affect the vitality and viability of Spalding town centre, in accordance with Policy STC4 of the South Holland District Local Plan".

1.5 The planning application seeks a variation in the terms of condition No. 2 to permit the sale of food and drink from 340 sq.m. net.

1.6 The application is made and should be considered in accordance with the provisions of section 73(1) of the 1990 Act. The application therefore falls to be determined in accordance with powers contained in section 79(4) of the same Act (as amended). Section 73 of the 1990 Act provides for the development of land without complying with conditions subject to which a previous planning permission was granted. On application the local planning authority should consider only the question of the conditions subject to which planning permission should be granted. Sub-sections 73(2)(a) and (b) allows permission to be granted subject to different conditions or granted unconditionally or refused where it is determined that the original conditions remain valid.

(ii) Issues examined

1.7 Our report addresses the following issues:

- The nature of the proposed occupier and the proposed variation;

[1] This arose as a consequence of B&M Retail Ltd applying for a licence to sell alcohol from the store.

- The availability, suitability and viability of any sequentially preferable sites;
- Assessment against planning policy.

2.0 THE PROPOSED DEVELOPMENT

2.1 Table 2.1 summarise the floorspace distribution within the proposed B&M Homestore.

Table 2.1: Proposed floorspace within B&M Homestore

Floorspace	Ground (sq.m.)	Mezzanine (sq.m.)	Total (sq.m.)
Sales area (A1)	1,877	785	2,662
Garden centre (A1)	633	-	633
Warehouse	184	157	344
Amenities	242	42	284
Total	**2,936**	**984**	**3,920**

2.2 The area proposed to be devoted to the sale of food and drink is as follows:

Table 2.2: Proportion of floorspace devoted to the sale of food and drink items

Category	Sq.m. net	% of gross area including garden centre	% of net sales area including garden centre
Food & Drink	340	8.7%	10.3%

2.3 As set out in **Appendix [2]**, which describes the business model adopted by B&M Retail Ltd, in addition to the core range of items which are currently permitted under the terms of the existing permission, there are a range of ancillary items including food and drink which complement the primary goods sold. These items form an important part of the retail offer which are integrated into the business model currently followed by the company.

2.4 A revised condition No. 2 is therefore proposed as follows:

"The retail warehouses hereby permitted shall not be used for the sale of food and drink for consumption off the premises (other than confectionery and pet foods), clothing, fashion accessories (including handbags, luggage, watches and jewellery), footwear, sports goods (equipment and clothing), books, stationery, toiletries and perfume, audio and visual recordings, cutlery, crockery or glassware, unless any of the above are ancillary to, and related to the main ranges of goods permitted for sale.

Notwithstanding the above up to 340 sq.m. net of food and drink products can be sold from the retail warehouse. The sales of these products on an ancillary basis

only while the primary use of the premises is a DIY and Home Improvement store with garden centre."

2.5 If necessary, an internal store layout plan can be provided showing the location of the food and drink products.

3.0 RELEVANT PLANNING POLICY

A. The development plan

3.1 For the purposes of Section 38(6) of the Planning and Compulsory Purchase Act 2004, the development plan comprises saved policies of the South Holland Local Plan (July 2006)[2].

3.2 Policy SG2 sets out the spatial distribution of development with priority afforded to the re-use of previously developed land and buildings within defined settlement limits. It also supports making efficient use of land. Policy SG3 identifies Spalding as the Main Town at the top of the settlement hierarchy. It is defined as the District's principal urban settlement and is supported as the main location for new development. The opening of a new B&M Homestore accords fully with these aims, since it will make efficient use of a vacant building within the settlement boundary of Spalding which is prioritised sequentially as a location for new development including retail development.

3.3 Policy EC7 refers to retail development outside defined retail centres. In this regard it is accepted that the former Homebase store occupies an out-of-centre location. The policy supports retail development outside of defined centres where there is an identified need. However, this part of the policy is not consistent with the NPPF (July 2018) which no longer requires applicants to prove a need for a particular proposal. Criterion 1) of the policy requires compliance with the sequential approach to site selection which remains a part of national planning policy.

3.4 Criterion 2) of Policy EC7 states that development should not adversely affect the vitality and viability of existing centres. However, unlike the NPPF it does not set a threshold above which an Impact Assessment is required. The NPPF sets a threshold of 2,500 sq.m. gross and the current proposal at 340 sq.m. falls considerably below this threshold.

B. National planning policy

3.5 The National Planning Policy Framework (NPPF) was published in July 2018 and sets out the Government's overarching planning policies.

3.6 There is no requirement to demonstrate that there is a need for a retail proposal set out in the NPPF.

3.7 Paragraph 86 states that LPAs should apply a sequential test to planning applications for main town centre uses that are not in an existing centre nor in accordance with an up-to-date plan. Suitable sites include those which are likely to become available within a reasonable period although the latter is not defined.

3.8 Section 2 of the NPPF deals specifically with the vitality of town centres.

3.9 Paragraph 89 of the NPPF sets out the circumstances under which an Impact Assessment should be undertaken to accompany proposals for retail, leisure and office development

[2] The adoption of the plan post-dates the granting of planning permission under App. No. H16-0610-05

outside of town centres, which are not in accordance with an up to- date Local Plan. Planning authorities should require an Impact Assessment if the development is over a proportionate locally-set floorspace threshold. Paragraph 89 goes on to state that where there is no locally-set threshold, the default threshold is 2,500 sq. m. In the case of Spalding there is no locally set threshold and an Impact Assessment is not therefore required.

3.10 Where an Impact Assessment is required, paragraph 89 states that this should include an assessment of:

- The impact of the proposal on existing, committed and planned public and private investment in the centre or centres in the catchment area of the proposal; and

- The impact of the proposal on town centre viability and viability, including local consumer choice and trade in the town centre and wider area.

3.11 Paragraph 90 of the NPPF sets out how the sequential assessment and impact assessment should be considered. It states that where an application fails to satisfy sequential tests or is likely to have significant (our emphasis) adverse impact on one or more of the above factors, it should be refused. This needs to be considered in the context of the advice given at paragraph 11 of the NPPF which requires planning authorities to weigh the balance of any adverse impacts against any benefits that arise from the application proposals, with permission only being refused where there are significant and demonstrable adverse effects that outweigh any planning benefits.

3. Planning for Growth (March 2011)

3.12 In March 2011, The Minister of State for Decentralisation (Mr.Greg Clark) made a ministerial statement in relation to promoting economic growth through the operation of the planning system, and indicated that the Government's objectives for economic growth should inform Development Management decisions.

3.13 At paragraph 13, the Companion to PPS 1 (The Planning System General Principles) states:

"The Courts have also held that the Government's statements of planning policy are material considerations which must be taken into account, where relevant, in decisions on planning applications. … where such statements indicate the weight that should be given to relevant considerations, decision makers must have proper regard to them. If they elect not to follow relevant statements of the Government's planning policy, they must give clear and convincing reasons."

3.14 With regards to the weight that should be attached to the Ministerial Statement, Mr Clarke states:

"The Secretary of State for Communities and Local Government will take the principles in this statement into account when determining applications that come before him for decision. In particular he will attach significant weight to the need to secure economic growth and employment."

4. Emerging planning policy

3.15 The South East Lincolnshire Local Plan was submitted to the Secretary of State in June 2017 and following an examination by two Inspectors. Main Modifications (MM) have been issued to deal with aspects of the plan judged not to be sound. It is not clear when the plan will be adopted and whether the MM will be subject to further objections.

3.16 At this stage the plan can be given only relatively limited weight. Policy 1 (as set out in the MM) identifies Spalding as an area to which new development should be directed.

3.17 Policy 25 refers to ensuring that town centres are viable. Spalding Town Centre along with Boston should remain the spotlight for opportunities for retail development. Policy 27 identifies a need for 10,810 sq.m. net of additional comparison goods floor space in Spalding by 2031. Of this 3,700 sq.m. net is allocated as part of the Springfields Shopping and Festival Gardens (SHR010) and is planned to be provided by 2022. There is an identified requirement for 1,510 sq.m. net of convenience goods shopping space in Spalding by 2021 and 2,286 sq.m. by 2031.

3.18 The emerging plan identifies a threshold of 250 sq.m. for the submission of an Impact Assessment.

4.0 SATISFYING THE SEQUENTIAL APPROACH

1. Introduction and the adopted approach

4.1 Paragraph 87 of The Framework requires LPAs to apply the sequential test to planning applications for main town centre uses that are not in existing centres or in accordance with an up to date development plan. Paragraph 010 of The Guidance[3] sets the context for applying the sequential test. It states:

'It is for the applicant to demonstrate compliance with the sequential test (and failure to undertake a sequential assessment could in itself constitute a reason for refusing permission). Wherever possible, the local planning authority should support the applicant in undertaking the sequential test, including sharing any relevant information. The application of the test should be proportionate and appropriate for the given proposal. Where appropriate, the potential suitability of alternative sites should be discussed between the developer and local planning authority at the earliest opportunity.'

4.2 Paragraph 010 also contains a checklist of considerations for the sequential test. The concluding third bullet at Paragraph 010 is clear: if there are no suitable sites in sequentially preferable locations then the sequential test is passed. Suitable sites must be sites that are available and appropriate for the given proposal. Appropriate sites include available sites that can accommodate the proposal with regard to flexibility being applied to the proposal concerned. The Guidance further advises at Paragraph 011 that use of the sequential test should recognise that certain main town centre uses have particular market and location requirements. Therefore, there is an inherent acceptance that the sequential test needs to have regard to the economic factors that influence locational decisions of businesses.

4.3 In summary, applying the sequential test means:

1. First assessing whether there are any available sites that are suitable in sequentially preferable locations
2. Acknowledging the market and locational requirements of the uses concerned
3. Ensuring the assessment is proportionate and appropriate to the given proposal
4. Being flexible to demonstrate whether more central site have been fully considered

4.4 In interpreting the need for flexibility the Supreme Court in *Tesco Stores Ltd v Dundee City Council* [2012] UKSC 13[4] (see **Appendix [3]**), held that where it was held that in defining the term 'suitable' reference should be made to the design of the developer's proposal subject to the demonstration of flexibility and realism. It was held that the issue of suitability must be directed at the developer's proposals and not to some alternative scheme which might be suggested by the Local Planning Authority. In other words any assessment must reflect the fact that a retail operator operates in the real world.

[3] Which is being subject to revision.

[4] Although applying to a case in Scotland, Inspectors in England often refer to this judgment in assessing the suitability of alternative sites for retail development.

4.5 The principles underpinning the suitability of an alternative site was also discussed in the case of *R (on the application of Zurich Assurance Ltd T/A Threadneedle Property Investment v North Lincolnshire Council* [2012][5]. A copy is attached as **Appendix [4]**. At paragraph 62 of the judgement[6] the Court[7] held:

"Working in the real world, the committee were entitled (and indeed, bound) to take into account the evidence that any arrangement in which Marks and Spencer used the TJ Hughes unit (the only available unit in Scunthorpe town centre) would not be commercially viable, and that, because of that lack of viability, Marks and Spencer would not locate to Scunthorpe town centre in the event that this Application for the site was refused."

4.6 These judgments established two principles when interpreting and applying planning policy.

1. Decision makers cannot interpret planning policy in any way they choose, subject only to the limits of rationality. Interpretation of planning policy is a matter of law and policy statements should be interpreted objectively in accordance with the language used, read always in its proper context (Lord Reed, paragraph 18 in *Tesco Stores Ltd*).

2. In assessing whether a town centre site was 'suitable' this refers to the suitability of sites for the development specifically proposed (paragraph 25 of *Tesco Stores Ltd*).

4.7 We attach as **Appendix [5]** an appeal decision in Newport, Shropshire (August 2012) which provides guidance on both sequential and impact test. In respect of the sequential approach the Inspector followed the approach in *Dundee* in concluding that the suitability of sites should be assessed against the proposed development rather than 'need'. At paragraph 18 the Inspector stated:

"…even allowing for some flexibility it is difficult to see how either site would be suitable in terms of its configuration and size <u>for the type of foodstore being proposed</u> in the present appeal".

(Our emphasis)

4.8 The Secretary of State for Communities and Local Government ('SoS') has recently allowed an appeal for an out-of-centre retail proposal that he called in for his determination[8]. The appeal raises matters similar to those raised in this application and provides the Government's view on how it expects the sequential test should be applied. Paragraph 24 of The Framework requires LPAs to apply the sequential test to planning applications for main town centre uses that are not in existing centres or in accordance with an up to date development plan. Paragraph 87 advises that applicants and local planning authorities should demonstrate flexibility on issues such as format and scale. Unlike its predecessor, Planning Policy Statement 4, there is no requirement within the NPPF for applicants to demonstrate scope for disaggregation. This change in policy was confirmed by the Secretary of State in agreeing with the Inspector's reasoning in the case at Skew Bridge Ski

[5] EWHC 3708 (Admin).
[6] 20th December 2012.
[7] Justice Higginbottom.
[8] Appeal Reference APP/G2815/V/12/2190175

Slope, Northampton Road, Rushden. In this decision the Inspector stated and the Secretary of State agreed that:

"A related submission concerns the difference between national policy as now stated in the NPPF and as previously stated in PPS4. The last sentence of NPPF [24] states that "Applicants and local planning authorities should demonstrate flexibility on issues such as format and scale". This contrasts strikingly with what was said previously in PPS4 in Policy EC15.1 at (d) (iv) and 15.2 which contained an explicit requirement for disaggregation. There is no longer any such requirement stated in NPPF [24]. These words cannot be read so as to imply that a major, and extremely controversial, part of previously stated national policy lives on by implication in the NPPF. Had the Government intended to retain disaggregation as a requirement it would and should have explicitly stated this in the NPPF. If it had been intended to carry on with the requirement then all that would have been required is the addition of the word "disaggregation" at the end of NPPF [24]."

4.9 The effect of the decision is that the Government's view on the sequential test is:

1. It relates entirely what is proposed by the application, and whether it can be accommodated on an actual alternative site.
2. The *Dundee* case is legally binding.
3. The question is whether an alternative site is suitable for the proposed development, not whether a proposal could be altered or reduced to be made to fit the alternative site.
4. The proposal as a whole needs to be considered, and should not be disaggregated.
5. The sequential test is only concerned with sites that are available within a reasonable period.

4.10 Therefore, the principal issue is whether there are there any suitable sites in Spalding Town Centre (principally the Primary and Secondary Retail Frontages as defined in Policy EC5 of the adopted Local Plan) that are available within a reasonable period and can meet the same market and locational requirements to provide floorspace for the scheme as proposed. In this context it is important to understand the proposed business model. It is clear from the above Secretary of State and other recent appeal decisions that, with or without named retailers, there is no requirement for the applicant to consider the disaggregation of the individual elements of the scheme. The sequential test relates entirely to the application proposal as a whole; it is not a question of whether a materially reduced or otherwise different scheme can in theory be pursued on other sites. Provided that an element of flexibility is exercised on issues such as format and scale, any potential sequential sites should be considered only in terms of whether they could accommodate the complete application proposal. The revision to the NPPF in July 2018 has not altered this approach.

4.11 The sequential assessment has been completed in the context of a bulky goods retail unit with a minimum floor area of 3,000 sq.m. This allows for a 25% reduction in the current size of the unit to allow for flexibility in scale. As stated above it is no part of government policy that the sequential test requires proposals to be disaggregated.

4.12 Consequently we have adopted the following minimum thresholds for assessing the suitability or alternative premises/sites:

Table 4.1: Sequential site parameters

B&M Homestore	Minimum floor area sq.m. gross	Minimum site requirement
Application site	3,000	0.8-1.0ha

4.13 B&M Retail proposed to trade its 'Homestore' format from the existing Homebase retail unit. The operation is principally a bulky and non-food goods retail operation.

4.14 In order to secure beneficial occupation by B&M Retail Ltd very a modest change in the permitted range of goods is proposed. The revised condition nonetheless maintains the primary purpose of the store as one selling bulky goods.

4.15 In the light of the additional product ranges, the market and locational requirements of the proposal are for sites that have:

(i) A demised at grade customer car park of an appropriate size directly adjacent to the retail unit to allow the safe and direct transfer of goods from store to customer vehicle, in particular for the purchase of bulky goods.
(ii) The provision of the majority of the main sales area on a single, ground floor level to facilitate trolley shopping and the transfer of bulky goods purchases from store to customer modes of transport.
(iii) B&M Retail Ltd are not developers and do not build their own stores.
(iv) They do not redevelop existing previously developed or greenfield sites.
(v) Their primary focus is on re-occupying and re-profiling existing second hand retail space which has become or is becoming redundant to the firmer or existing occupiers.
(vi) The company requires the ability to sell both bulky and non-bulky non-food goods as well as ancillary food products from a minimum of 3,500 square metres.
(vii) A demised at grade customer car park of an appropriate size is required directly adjacent to the retail unit to allow the safe and direct transfer of goods from store to customer vehicle, in particular for the purchase of bulky goods.
(viii) The company requires the provision of an outside area to store trolleys.
(ix) The provision of the majority of the main sales area on a single, ground floor level is required to facilitate trolley shopping and the transfer of bulky goods purchases from store to customer modes of transport.
(x) There are no Homestores trading within existing city, town or district centres. Rather it is the company's 'Bargains' format which occupies smaller units selling predominantly non-bulky items with an emphasis on food/drink, toiletries, small household goods and housewares. In the case of this application the company proposes to open its Homestore format. The company favours locations on retail parks, with good accessibility to the strategic highway network and/or in close proximity to other retail warehouse operators providing customers with an ability to compare goods and prices.

4.16 We attach as **Appendix [6]** an extract from the CoStar Property database which identifies vacant units within Spalding Town Centre. None of the units provide sufficient space or are operationally appropriate to accommodate the requirements of a B&M Homestore. None are suitable or viable for the following reasons:

Spalding Town Centre	**Suitability considerations**
1.	Individually the units within the town centre are clearly too small to meet the requirements of retailers selling the proposed ranges of goods. Operating from two or more stores would reduce rather than increase the efficiency of a company. This has a bearing not only on the inherent attractiveness and sustainability of allowing the display of a larger number of items under a single roof, but it also reduces the costs and overheads which we address under viability.
2.	Splitting sales between two buildings more rather than less space would be required because of the inherent inefficiencies of trading from a range of units and the duplication and triplication of non-sales space which would arise. This will apply particularly to retailers selling bulky durable goods such as DIY, furniture, carpets and domestic appliances. Separating a proportion of these goods to be sold in a second store or disaggregating other items would lead to a much reduced retail offer.
3.	There is no scope to extend any of the outlets or to insert mezzanines to achieve viable trading levels. Nor is their scope to provide a garden centre.
4.	Trading from more than one unit would require separate leases with different landlords. The timing, terms and renewal of the leases are likely to be materially different and it is possible that some landlords would seek to extract considerably more favourable terms knowing that the company needed to trade from more than one unit.
5.	Delivery schedules and frequency would be increased reflecting the smaller size of the store. In addition it might be necessary to seek to reduce the size of delivery vehicles given the difficulty in accessing some of the smaller units.

Spalding Town Centre	**Viability considerations**
1.	The markedly reduced trading areas would provide limited ability for companies to display their goods. they would not be suitable for the sale of its bulky items because of the limited space, generally cramped and unattractive internal layout and inability to trade from more than the ground level. In turn this would have a materially adverse impact on its overall trading levels and profitability.
2.	Increased operational costs from operating at more than one site would be substantial. This would relate to a duplication of employment opportunities with each store requiring individual managers and assistant managers together with sales, office, IT, warehouse and maintenance employees. IT and infrastructure costs would increase.
3.	Trading from more than one unit would require separate leases with different landlords. The timing, terms and renewal of the leases are likely to be materially

	different and it is possible that some landlords would seek to extract considerably more favourable terms knowing that the company needed to trade from more than one unit.

4.17 In terms of town centre redevelopment, the emerging Local Plan identifies the Springfields Shopping and Festival Gardens for facilities directly related to the functioning of the shopping centre. While the draft plan supports some additional retail space on this site, it remains very important to the town's tourism economy. Moreover, paragraph 6.1.12 of the submitted plan notes that Springfields Shopping and Festival Gardens does not constitute a town centre and is not identified within the retail hierarchy. Consequently, this site is not considered to be sequentially preferable to the application site.

Conclusions

4.18 We therefore believe that attempting to sub-divide parts of B&M Homestore onto one or more sequentially superior sites would involve an arbitrary and unviable sub-division which the NPPF seeks to avoid.

5.0 RETAIL IMPACT

5.1 The NPPF requires that when assessing applications for retail development outside of town centres, which are not in accordance with an up-to-date Local Plan, local planning authorities should require an impact assessment if the development is over a proportionate, locally set floorspace threshold (if there is no locally set threshold, the default threshold is 2,500 sq m).This should include assessment of

- the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and

- the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area, up to five years from the time the application is made. For major schemes where the full impact will not be realised in five years, the impact should also be assessed up to ten years from the time the application is made.

5.2 As we have made clear there is no adopted locally set threshold and on this basis we do not believe that there is a requirement to provide an Impact Assessment.

5.3 This position is supported by three appeal decisions which confirms that proposals for under 2,500 sq m of floorspace do not require an Impact Assessment. The appeal decisions upon which we rely are as follows:

- Braintree District Council (27th September 2012)(APP/Z1510/A/12/2171723): The scheme involved the construction of food store extending to 760 sq.m. gross (490 sq.m. net). At paragraph 22 the decision letter Inspector (Kay Sheffield) concluded that a retail impact assessment was not required. At paragraphs 12-14 of her decision on costs the Inspector concluded that in the absence of a locally set threshold the Council had failed to justify the alleged need for an impact assessment.

- Bracknell Forest Borough Council (26th March 2013)(APP/R0335/A/12/2181506): The scheme involved 815 sq.m. gross of comparison goods floorspace. At paragraph 27 of Inspector Wildsmith's decision letter he concludes that there was no specific need to undertake an impact assessment. At paragraph 9 of his decision on costs the Inspector concluded that it was unreasonable of the Council to include retail impact within its reason for refusal.

- Tamworth Borough Council (12th April 2013)(APP/Z3445/A/12/2177615); The scheme involved a convenience store of 277 sq.m. gross. Inspector Graham at paragraph 10 concluded that there was no requirement for an impact assessment.

5.4 Notwithstanding the above we have provided an estimate of the predicted turnover within the food and drink categories in order to enable the Council to understand the very limited turnover associated with these products. The food and drink items proposed to be sold within the store are intended to provide shoppers with the opportunity to make impulse

buys and are not intended to provide such an extensive range as to meet main food shopping needs. Spend per shop is therefore considerably less than those found in supermarkets and superstores.

5.5 The 340 sq.m. of food and drink space is predicted to achieve a turnover of £1.7m based on £5,000 per sq.m. The latter is significantly above the company average non-food sales within B&M Homestores of £2,978 sq.m.

5.6 Placing the food and drink turnover in context, the South East Lincolnshire Town Centre and Retail Capacity Study (December 2013) prepared by Appliedplanning, estimated that in Spalding the total convenience goods expenditure retained in 2021 would be £106.32m[9]. The proposed turnover within the B&M Homestore would have on a broad brush basis a 1.6% impact in 2021.

5.7 The retail study estimated that £53m of convenience goods expenditure was spent within Spalding town centre in 2013. This is approximately 54% of the total, In 2021 therefore applying a constant market share the town's convenience goods turnover will be £57.8m. If it is assumed that the proposed food and drinks turnover drew trade in proportion to current market shares the impact on the town's convenience goods turnover would be 1.6% (£0.92m). When combined with the town's comparison goods turnover of approximately £146m in 2021, the impact overall would be less than 0.5%. The town centre in 2021 will remain trading at well in excess of levels achieved in 2016.

5.8 None of these impacts are considered to be significant given the predicted capacity for additional convenience and comparison goods floorspace in Spalding to 2031. By 2021 the town has a predicted requirement for 2,508 sq.m. net of additional comparison goods floorspace and 1,519 sq.m. net of convenience goods.

[9] Table 18 of Technical Appendix.

6.0 MATERIAL CONSIDERATIONS FAVOURING THE GRANT OF CONSENT

6.1 The third paragraph at Paragraph 87 of section 7 titled 'Ensuring the vitality of town centres' in The Guidance states that if the retail policy tests are satisfied[10]:

'...the local planning authority must then consider all other material considerations in determining the application, as it would for any other development.'

6.2 We consider that the proposal accords with other relevant policies as follows:

1. The Proposed Development will Secure Sustainable Economic Growth

6.3 Paragraph 80 of The Framework provide the Government's objectives for securing sustainable economic growth.

6.4 The proposal would make the most efficient use of the unit[11]. This benefit has been increased by the continuing decline of out of centre retailers such as Homebase, Toys R US, Maplin and Mothercare.

6.5 The proposal will have significant community benefits through creating a number of new jobs and generating earnings. A report by the UK Commission for Employment and Skills: Retail (2012) confirms the importance of the retail sector to the UK economy. The proposal will make a positive contribution to economic growth and prosperity and accords with the Government's agenda to promote development that results in economic growth. The proposed works will deliver some £500,000 of capital investment; much of which can be expected to be spent with local firms of decorators, joiners, electrical and plumbing companies. We also forecast that a minimum 60 jobs will be created by B&M Retail Ltd occupying the unit.

6.6 Table 6.1 below demonstrates that the increase in employment positions at the site is estimated to increase the earnings in the local economy by approximately £936,000 per annum.

[10] The paragraph relates to the approach to be taken if the proposal does not result in any significant adverse impacts. As set out above, the impact assessment is not a relevant consideration for the proposal. We have demonstrated that the sequential test is passed..

[11] Fitting out commenced in late July and the company wishes to open by late September 2018.

Table 6.1: Economic Growth as a consequence of the proposal

	No. of Jobs	Average Weekly Pay	Weeks in a Year	Earnings (£m/annum)
Proposal	60	£300	52	**£936,000**

Note:
Average weekly pay from mean average weekly pay for the retail trade, except of motor vehicles and motorcycles as taken from the ONS Annual Survey of Hours and Earnings, 2013
Value to the Local Economy = No. of Jobs x Average Weekly Pay x 52

6.7 The number of jobs created by the proposed development is a material benefit. A range of jobs will be provided from management and supervisor staff level to clerical, administrative and service positions. Retail jobs are socially inclusive by providing the range of jobs in both full and part-time positions. Reducing barriers of entry to employment positions is a key part of the enabling social progress, which is encompassed within the economic and social roles that the planning system performs[12].

6.8 The increase in earnings is a significant positive benefit. The increase in earnings will have associated wider benefits for the local economy through increased spending power of residents, which in turn will help support other businesses in the locality.

6.9 There is an urgent need to create job opportunities now particularly given the scale of shop closures nationally. Private investment is needed to secure employment growth as the size of the budget deficit means that the Government has decided that it cannot increase its borrowings to secure growth through a public sector led stimulus. In short, the government is relying on private sector investment to stimulate the economy. The government wants the private sector to invest now. Accordingly, the requirement for economic investment is a national imperative. This continues to be the case even though the economy shows signs of improving.

2. The Application Site is in an Accessible Location

6.10 The site is accessible by a variety of modes of transport. It offers significant potential to retain shoppers locally, reducing CO_2 emissions and journey times and distances.

3. Reducing social exclusion

6.11 The general area has a customer base which comprises less affluent households which are attracted to products that are offered at discount prices. This proposal is at a scale and format which will complement provision within the area as part of established out of centre retail destination whilst increasing choice and social inclusion in a sustainable manner.

[12] The three roles that the planning system performs are outlined at Paragraph 7 of The Framework.

4. Improving the choice of shopping

6.12 The scheme would ensure that the B&M Homestore is able to compete with other stores further afield in Boston[13], Wisbech[14] , Skegness[15] and Kings Lynn[16]. It would be entirely consistent with the role and function of Spalding in the retail and settlement hierarchy.

5. Meeting government objectives

6.13 It is considered that the proposal complies with the following relevant principles in the NPPF:

- Proactively driving and supporting sustainable economic development
- Seeking to secure high quality design and good standard of amenity for all existing and future occupants of land buildings
- Promoting the vitality of our main urban areas
- Supporting the transition to a low carbon future
- Contributing to reducing pollution
- Reusing land that has been previously developed
- Actively managing patterns of growth to make the fullest possible use of public transport, walking and cycling and focus development in locations which are or can be made sustainable.

[13] Unit 3, Alban Retail Park, Grantham Road, Boston
[14] The Peel Centre, Emneth, Wisbech.
[15] Burgh Road Retail Park, Skegness.
[16] Pierpoint Retail Park, Hansa Road, Kings Lynn.

7.0 OVERALL CONCLUSIONS

7.1 In summary therefore:

- The application relates to **consented** retail floorspace, which has planning permission for retail use.

- No change in the primary nature of the permitted retail use would occur. The scheme would enable B&M Retail Ltd to achieve representation in the town which it has sought for a number of years.

- The application complies with relevant national and local retail planning policies.

- The application is supported by evidence addressing the sequential test.

- The proposed development will not have an adverse impact on the surrounding highways network and is accessible by a range of means of public transport.

- It represents positive economic investment in Spalding that will contribute towards the Government's agenda to promote sustainable economic growth.

- The application site is previously developed.

- It will not give rise to a significant adverse impact on the town centre.

- It will represent significant private sector investment in Spalding at no cost to public funds.

- It will deliver 60 employment opportunities.

7.2 We conclude that the proposal should be supported in accordance with Section 38(6) of the Planning and Compulsory Purchase Act 2004 and the presumption in favour of sustainable development outlined in The Framework. The proposal will ensure the beneficial sustainable economic regeneration and use of longstanding retail floorspace.