

Proposed Foodstore, Land to the North of Sheffield Road, Hoyland

Appraisal of Retail and Town Centre Issues

ON BEHALF OF BARNSELY METROPOLITAN BOROUGH COUNCIL

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1. Introduction

Instruction

- 1.1 Barnsley Metropolitan Borough Council (hereafter referred to as 'the Council') has instructed Nexus Planning to provide advice in respect of planning application reference 2023/0170.
- 1.2 The full planning application seeks permission for the construction of a new Class E(a) foodstore with a gross internal area of 1,900 sq.m (with associated access, car parking and landscaping) on land to the north of Sheffield Road in Hoyland. The application is submitted with Lidl Great Britain Limited ('Lidl') as the named applicant and the identified end operator of the proposed foodstore.
- 1.3 The application has been submitted by DPP Planning on behalf of the applicant. It is accompanied by a number of supporting documents. In respect of retail and town centre matters, the key document is the Sequential and Retail Impact Assessment, dated February 2023.
- 1.4 The purpose of this appraisal report is to consider the application proposal's compliance with retail and town centre planning policy, as set out by the statutory development plan and by the revised National Planning Policy Framework ('NPPF') (published July 2021).

Application Site, Proposal and Context

- 1.5 The application site measures 0.91 hectares and is located on the western periphery of the built-up area of Hoyland. In the past, the site was part of a larger area of agricultural land but the character of the immediate area has been transformed by the construction of two roundabouts and the Sheffield Road bypass, which were completed in September 2017 and which now form the site's western and southern boundaries. To the immediate east lies Cross Keys Lane (which adjoins The Keys public house), the rear gardens of a row of houses on Regent Court, and an industrial site occupied by a commercial vehicle accident repair centre. To the north of the site lies a further area which was formerly in agricultural use, and two dwellings.
- 1.6 The nearest defined centre is Hoyland Common local centre, which is located approximately 270 metres to the south-east of the proposed store's entrance¹, meaning that the application site is categorised as 'edge of centre' in retail planning policy terms, as per the definition set out in the Glossary at Annex 2 of the NPPF. The closest district centre is Hoyland, which lies around 2.3 kilometres to the east of the site.
- 1.7 Paragraph 2.1 and Table 1 of the submitted Sequential and Retail Impact Assessment identify the scale of the proposed development. The foodstore would incorporate:
 - a gross internal area of 1,900 sq.m; and
 - a net sales area of 1,267 sq.m, of which:
 - 1,014 sq.m would be dedicated to convenience goods sales; and
 - 253 sq.m would be dedicated to comparison goods sales.
- 1.8 Access to the store would be achieved via a new vehicular entrance/egress junction, with pedestrian footpaths either side, constructed off Cross Keys Lane on the eastern boundary of the application site. The existing junction at Sheffield Road/Cross Keys Lane will be retained, although the submitted Proposed Site Plan indicates that this will

¹ Based on the most direct route by public highway (the same approach is taken for every subsequent measurement between two sites in this report).

be subject to improvement works and detailed design by highways engineers and others. There will also be new pedestrian footways onto Sheffield Road, located to the south and west of the proposed foodstore.

- 1.9 A total of 108 car parking spaces are proposed, including six accessible spaces, nine parent and toddler spaces, and two Electric Vehicle Charging spaces.
- 1.10 The current application follows an earlier, similar proposal for a foodstore on the same site (planning application reference 2022/0194), which was withdrawn by the applicant in late 2022. Prior to the withdrawal, the Council's Case Officer drafted a report for the Planning Regulatory Board meeting of 20 December 2022, which recommended the refusal of the application on seven grounds, including: inadequate access arrangements; loss of greenspace; adverse impacts on residential amenity; design; lack of information on biodiversity; and failure to agree a suitable condition in respect of BREEAM standards.
- 1.11 For the purposes of our instruction, the most relevant 'would-be' reason for refusal is number 5, which stated that:
- 'The submission does not include adequate information in the submitted retail impact assessment to enable a proper assessment of the impact of the proposed development on the nearby centre Hoyland Common, contrary to the requirements of the National Planning Policy Framework and Local Plan policy TC3. Consequently, it has not been demonstrated that the vitality and viability of Hoyland Common will be maintained in accordance with the requirements of Local Plan policy TC1.'**
- 1.12 In seeking to address the Council's concerns with regard to the potential trading impacts of the proposed foodstore on Hoyland Common Local Centre, the applicant has submitted a new Sequential and Retail Impact Assessment and invited the Council to appoint an independent retail expert to review the updated evidence.

Structure of Our Report

- 1.13 In the above context, our appraisal focuses on the proposal's compliance with retail and town centre planning policy as set out by the statutory development plan and by the NPPF. General planning policy matters and wider material considerations fall outside the scope of our instruction, and it will be necessary for the Council to take appropriate account of such matters in its determination of the application.
- 1.14 Our report is structured as follows:
- Section 2 sets out the retail and town centre planning policy of relevance to the application proposal;
 - Section 3 considers the proposal in terms of the sequential approach to development;
 - Section 4 assesses the acceptability of the likely impacts arising from the proposal; and
 - Section 5 provides our conclusions in respect of the proposal's compliance with retail and town centre planning policy.

2. Planning Policy Context

2.1 We identify below the principal planning policies of relevance to retail and town centre matters.

National Planning Policy Framework

2.2 The most recent iteration of the NPPF was published in July 2021. It emphasises the Government's commitment to securing economic growth and building a strong, responsive and competitive economy. With regard to the assessment of proposals for main town centre development, the revised NPPF provides two principal national policy tests relating to the sequential approach to development and to impact.

2.3 In respect of the first of the two tests, paragraph 87 of the NPPF states that local planning authorities should apply a sequential test to planning applications for main town centre uses that are neither within an existing centre nor in accordance with an up-to-date plan.

2.4 Paragraph 87 goes on to state that:

'Main town centre uses should be located in town centres, then in edge of centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period) should out of centre sites be considered.'

2.5 Paragraph 88 then identifies that:

'When considering edge of centre and out of centre proposals, preference should be given to accessible sites which are well connected to the town centre. Applicants and local planning authorities should demonstrate flexibility on issues such as format and scale, so that opportunities to utilise suitable town centre or edge of centre sites are fully explored.'

2.6 Paragraph 90 of the NPPF sets out a twin impact test, stating that:

'When assessing applications for retail and leisure development outside town centres, which are not in accordance with an up-to-date 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 of gross floorspace). 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 retail catchment (as applicable to the scale and nature of the scheme).'

2.7 Paragraph 91 indicates that, where an application fails to satisfy the sequential test or is likely to have a significant adverse impact on one or more of the above factors, it should be refused. However, this direction cannot extinguish the requirement set out in statute to first consider development plan policy and then all material considerations in assessing the 'planning balance' when making a decision.

Adopted Development Plan

2.8 Section 38(6) of the Planning and Compulsory Purchase Act 2004 provides that:

'...if regard is to be had to the Development Plan for the purpose of any determination to be made under the planning acts, the determination must be made in accordance with the plan unless material considerations indicate otherwise.'

2.9 The statutory development plan in this instance is the Barnsley Local Plan, which was adopted in January 2019.

- 2.10 The Local Plan Policies Map identifies that the application site is within the Urban Fabric of the Settlement/Principal Town of Hoyland. The north-eastern part of the site lies within the Dearne Valley Green Heart Nature Improvement Area.
- 2.11 The starting point for decision-making on all proposals, including those within Barnsley's Urban Fabric, is Policy GD1 'General Development'. Given the nature of our instruction, it is for the Council to determine how Policy GD1 (and other general Local Plan policies) applies to the application proposal.
- 2.12 The principal policy of relevance to the proposed retail use is Local Plan Policy TC1 'Town Centres', which identifies the tests which are to be applied to planning applications supporting retail and other main town centre use developments.
- 2.13 Policy TC1 sets out a hierarchy for development, with Barnsley town centre at the top, followed by four district centres (which include Hoyland), and twelve local centres (which include Hoyland Common). Policy TC1 also provides a sequential test which indicates that:
- 'A sequential approach will be used to assess proposals for new retail and town centre development. This will help to achieve the spatial strategy for the borough and will focus development on identified centres in the first instance. Edge of centre and out of centre development will only be allowed where it meets the requirements of NPPF.'**
- 2.14 It is therefore evident that the Council's sequential test aligns with the requirements outlined at paragraphs 87 and 88 of the NPPF.
- 2.15 With regard to impact, Policy TC1 states that support will be given to maintaining and enhancing the vitality and viability of Barnsley's hierarchy of centres. All retail and town centre developments will be expected to be appropriate to the scale, role, function and character of the centres in which they are proposed. Local centres such as Hoyland Common are expected to serve smaller catchments, and to accommodate development that meets the needs of the local area and does not adversely impact on the vitality or viability of other nearby centres.
- 2.16 Policy TC1 also stipulates that impact assessments will be required as laid out in Policy TC3 'Thresholds for Impact Assessments'. The latter identifies a local impact threshold for retail proposals of 500 sq.m gross where a site is located outside but within the catchment of a local centre. Given the scale of the proposal and the location of the application site relative to Hoyland Common, it is clear that formal assessment is required of the retail impact arising from development.
- 2.17 In this regard, paragraph 15.24 of the explanatory wording to Policy TC3 goes on to specify that retail impact assessments should include:
- assessment of the impact of the proposal on the existing, committed and planned public and private investment in the centre(s) which the proposal is in the catchment area of; and
 - assessment of the impact of the proposal on the vitality and viability of the centre, including local consumer choice and trade in the town centre and wider area, up to five years from the time the application is made, unless the proposal is for a major scheme where the full impact will not be realised in five years, in which case the impact should be assessed for up to ten years from the time the application is made.
- 2.18 Paragraph 15.25 of the Local Plan then confirms that proposals will only be allowed if they are not likely to have significant adverse impact on investment or on town centre vitality and viability.

- 2.19 The above development plan impact test is considered to be broadly similar to that set out at paragraph 90 of the NPPF.

Overview in Respect of Relevant Retail and Town Centre Planning Policy

- 2.20 Local Plan Policies TC1 and TC3 are considered to be broadly consistent with national retail planning policy, as set out in the NPPF. Local Plan Policy TC3 sets out a 500 sq.m local impact threshold of relevance to the proposal. Accordingly, there is a need to apply both the sequential and impact tests to the proposal.
- 2.21 We first consider the application proposal's compliance with the key retail tests as articulated by national planning policy, before then returning to the matter of the proposal's compliance with the relevant retail policies of the development plan in the concluding Section 5 of our report.
- 2.22 Our appraisal does not include an assessment of the proposal's compliance with the other policies within the Local Plan and focuses solely on the retail policy considerations.

3. The Sequential Test

Requirements of the NPPF and Planning Practice Guidance

- 3.1 Paragraph 87 of the NPPF sets out the order of preference in applying the sequential approach. The first preference is for main town centre uses to locate in town centres, followed then by edge of centre locations, and only if no other suitable sites are available should out of centre sites be considered. Paragraph 88 indicates that, 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. Applicants and local planning authorities should demonstrate flexibility on issues such as format and scale.
- 3.2 Additional guidance on the application of the sequential approach is provided by the Town Centres and Retail Planning Practice Guidance ('the Town Centres PPG'), which was last updated on 18 September 2020.
- 3.3 Paragraph 010 of the Town Centres PPG provides a 'checklist' for the application of the sequential test in decision taking. It indicates the following considerations:
- With due regard to the requirement to demonstrate flexibility, has the suitability of more central sites to accommodate the proposal been considered? Where the proposal would be located in an edge of centre or out of centre location, preference should be given to accessible sites that are well connected to the town centre. Any associated reasoning should be set out clearly.
 - Is there scope for flexibility in the format and/or scale of the proposal? 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.
 - If there are no suitable sequentially preferable locations, the sequential test is passed.
- 3.4 In this instance, the application site is located within 300m of the boundary of Hoyland Common local centre and is therefore located in an edge of centre location. Accordingly, there is a need to consider in-centre and well-located edge of centre sites in applying the sequential test.
- 3.5 In order to establish the context for the consideration of alternative sites, we first summarise how the Courts and the Secretary of State have considered the matter of flexibility in applying the sequential test, before then reviewing the appropriateness of the site search parameters identified by the applicant.

Suitability and Flexibility

- 3.6 Case law has emphasised that the 'suitability' of sequential alternatives must be considered with reference to the subject application proposal and whether the proposal (or a variant thereof, allowing for some flexibility in respect of its format) could be accommodated at a sequentially preferable location.
- 3.7 In particular, it is appropriate to take into account the *Tesco Stores Limited v Dundee City Council [2012] UKSC 13* Supreme Court judgment which gave specific consideration to the meaning of 'suitable' in respect of the application of the test.
- 3.8 Paragraph 38 of the Dundee judgment states that:

'The issue of suitability is directed to the developer's proposals, not some alternative scheme which might be suggested by the planning authority. I do not think that this is in the least surprising, as developments of this kind are generated by the

developer's assessment of the market that he seeks to serve. If they do not meet the sequential approach criteria, bearing in mind the need for flexibility and realism...they will be rejected. But these criteria are designed for use in the real world in which developers wish to operate, not some artificial world in which they have no interest in doing so.' (Our emphasis.)

3.9 The Supreme Court has jurisdiction over England and, whilst there is a clear need to consider its findings in the appropriate local policy context, both the Courts and the SoS have found the direction to apply the test 'in the real world' to be of some relevance to the English planning system. This is demonstrated by the 'call in' decision in respect of an application by LXB RP (Rushden) Limited to provide for large-scale retail-led development at land adjacent to Skew Bridge Ski Slope at Rushden Lakes.²

3.10 Paragraph 8.46 of the Rushden Lakes Inspector's Report states that:

'It is important to bear in mind that the sequential test as set out in NPPF [24] require applications for main town centre uses to be located in town centres and it then runs through the sequence, edge and then out-of-centre. This makes good the very simple point that what the sequential test seeks is to see whether *the application* i.e. what is proposed, can be accommodated on a town centre site. There is no suggestion here that the sequential test means to refer to anything other than the application proposal. So Dundee clearly applies to the NPPF.' (Inspector's emphasis.)

3.11 Paragraph 15 of the SoS's decision letter endorses the Inspector's conclusions in this regard.

3.12 It is helpful to further qualify the direction provided by the above cases by also acknowledging that the Courts have found that an individual operator's particular requirements are not generally of relevance in applying the sequential test. In considering proposals for a discount foodstore in Mansfield (*Aldergate v Mansfield District Council & Anor [2016] EWHC 1670 (Admin)*), Ouseley J concludes (at paragraph 35 of the Judgment) that:

'In my judgment, "suitable" and "available" generally mean "suitable" and "available" for the broad type of development which is proposed in the application by approximate size, type, and range of goods. This incorporates the requirement for flexibility in [24] NPPF, and excludes, generally, the identity and personal or corporate attitudes of an individual retailer. The area and sites covered by the sequential test search should not vary from applicant to applicant according to their identity, but from application to application based on their content.'

3.13 The above three cases are widely referred to in applying the sequential test. Whilst the exact requirements in respect of flexibility will depend on the prevailing circumstances for each proposal, we believe it to be clear from the above that:

- sequential alternative sites should be able to accommodate a broadly similar form of development as the application proposal in the 'real world' in which developers operate;
- operators' distinct models are not generally of direct relevance to the test, and as such sequential alternatives should not be discounted because of individual operator preferences or due to sites not being available to a particular retailer; and that
- alternative sites should be assessed on the basis of whether they can accommodate the general broad type of retail operation proposed by the application (allowing for flexibility in respect of format and scale).

Site Search Parameters

3.14 Section 4 of the submitted Sequential and Retail Impact Assessment identifies a series of site search criteria and business model requirements. DPP Planning states that, in order for a site to be considered suitable, it must be able to align with the following broad parameters:

² Planning Inspectorate reference APP/G2815/V/12/2190175.

- a minimum total site area of 0.6 hectares (1.5 acres) for a standalone store, or a maximum of 1.6 hectares (4 acres) for a mixed-use scheme;
- a unit size between 1,672 sq.m (18,000 sq.ft) and 2,461 sq.m (26,500 sq.ft);
- in respect of vacant units for conversion or re-occupation, a minimum unit size of at least 90% of the proposed unit (i.e. at least 1,710 sq.m gross internal area);
- a site that can allow for the safe manoeuvring of customer vehicles;
- a prominent site with the ability to attract passing trade;
- a site that is able to offer adjacent surface level car parking, so that customers can easily transfer food to their vehicles;
- a site that can accommodate a dedicated service area to the rear of the store and associated HGV deliveries and manoeuvres; and
- a single-storey, open and unrestricted sales floor area which benefits from a generally level/flat topography, or which has the ability to be developed as such.

3.15 In considering the above, we note that the site and unit size parameters are in line with the most recent store requirements set out on Lidl's website.³ It is important, however, that the sequential parameters are established with reference to the general requirements of the market and not with specific regard to Lidl's operational preference.

3.16 Both Lidl and Aldi have brought forward similar store formats on sites which are slightly smaller than 0.6 hectares. We believe that the appropriate threshold in dismissing sites in respect of size is 0.5 hectares. A site of this scale can accommodate both a foodstore and surface car parking. We do not believe that smaller sites would provide realistic potential in this general location.

3.17 Whilst we recognise that discount operators are sometimes able to support a 'metropolitan' store model on smaller sites, this format is generally viable in larger centres in densely populated areas benefitting from high local footfall. Metropolitan formats generally have undercroft car parking and often accommodate different uses above to maximise a site's potential in constrained areas.

3.18 By way of example, we note that Lidl's website⁴ indicates that its metropolitan store format can be accommodated in '**densely populated city centre areas**'. We do not believe the operators would likely support a metropolitan format store in the Hoyland catchment area. As such, our review of sequential alternative sites is focused around those which can provide a developable area of at least 0.5 hectares.

3.19 In addition to the above, it is accepted that visibility and accessibility are key considerations in securing viable foodstore development, and that an appropriate arrangement should be achievable in terms of servicing.

Availability

3.20 With regard to availability, DPP Planning states in paragraph 4.9 of its report that:

'Lidl have an immediate need for the store and therefore any potential site needs to be available prior to the end of Q2 2023.'

3.21 The date at time of writing is in Q3 2023, so that DPP's suggested definition of 'available' would equate to 'immediately available'.

³ <https://www.realestate-lidl.co.uk/new-store-site-requirements>, consulted on 4 July 2023.

⁴ <https://www.realestate-lidl.co.uk/store-concepts/metropolitan-store>, consulted on 4 July 2023.

- 3.22 While there is no set definition in the NPPF of what constitutes a ‘reasonable period’ for the purposes of the sequential assessment, we consider that the appropriate timeframe is a matter of planning judgement. Indeed, Paragraph 011 of the Town Centres and Retail PPG states that:

‘When considering what a reasonable period is for this purpose, the scale and complexity of the proposed scheme and of potentially suitable town or edge of centre sites should be taken into account.’

- 3.23 Moreover, this planning judgement should have regard to the purpose of the sequential test in promoting a town centre first approach⁵. Sites outside of defined centres, like the current application site, tend to be more straightforward to develop due to the fact that there are generally fewer constraints on the surrounding land and fewer issues with land ownership or site assembly. In recognition of these practical issues, reasonable flexibility should be applied when considering the availability of sequential alternatives within and on the edge of centres.

- 3.24 Thus, in our view there is no requirement for a sequentially preferable site to be available immediately. Rather, the appropriate degree of flexibility will depend on the particular circumstances of the case. For reference, the Inspector for a recent appeal involving an application for a new Lidl at Altrincham Retail Park in Trafford considered three to four years to be a ‘reasonable timeframe’ in terms of the planning application, development and delivery process for a discount foodstore.⁶

Area of Search

- 3.25 Although it has no material bearing on the conclusions subsequently reached in this section of our report, we believe that paragraph 4.4 of DPP Planning’s Sequential and Retail Impact Assessment contains two erroneous assumptions in respect of determining the sequential search area.

- 3.26 First, DPP suggests that Lidl’s existing stores in Barnsley town centre and Wombwell should mean that these locations are excluded from the search area because **‘Lidl would have no desire to establish a new store too close to their existing provision within the area.’**

- 3.27 Seeking to exclude sites and centres from the sequential test search on the basis that Lidl already has stores in those locations represents a clear contravention of the principle expressed in paragraph 35 of the *Mansfield* Judgment, which identifies that:

‘The area and sites covered by the sequential test search should not vary from applicant to applicant according to their identity, but from application to application based on their content.’

- 3.28 The application is for a retail foodstore and another operator (i.e. not Lidl) would not necessarily seek to avoid competition with existing Lidl stores. Indeed, the current Lidl application site lies approximately 700 metres from the Aldi store at Sheffield Road, which is a clear indication that such operators’ business model does not preclude being in close proximity with other similar retailers.

- 3.29 Notwithstanding this, in actuality we accept that Barnsley town centre and Wombwell district centre both fall far outside the proposal’s primary catchment area and we consider it unlikely that the proposed store will draw a material level of trade from these areas. Thus, it is accepted that the area of search for sequential sites need not extend to these centres.

⁵ See IR593 of the *Cribbs Causeway* call-in decision (Planning Inspectorate reference APP/P0119/V/17/3170627).

⁶ See IR10 of the *Altrincham Retail Park* appeal decision (Planning Inspectorate reference APP/Q4245/W/21/3267048).

- 3.30 Our second point of disagreement with DPP Planning relates to its inclusion of Stairfoot local centre within its sequential search area. Stairfoot local centre is located approximately 7 kilometres from the application site⁷ and, once more, the proposal is unlikely to draw a substantial proportion of its trade from this location.
- 3.31 In light of the nature of the area, the proximity of other existing stores and the business model of the proposed broad type of development, we consider that a reasonable primary catchment for the purpose of the sequential area of search equates to a five-minute, off-peak drivetime from the application site. This area corresponds to the isochrone outlined in green in Figure 1 of the submitted Sequential and Retail Impact Assessment. Whilst some trade would be drawn from beyond a five-minute isochrone in practice, it is accepted that (in this instance) any foodstore located beyond this area serve a substantially different market opportunity.
- 3.32 Such a catchment includes the entirety of Hoyland Common local centre and reaches Hoyland district centre. We therefore consider these to be the centres of relevance to the sequential assessment.

Consideration of Sequential Alternative Sites

- 3.33 In order to identify any potential available and suitable sites for the purposes of the assessment, DPP states that it has identified vacant land and premises through: online marketing databases such as EG Propertylink, OnTheMarket, PrimeLocation, Rightmove and Zoopla; the online websites of commercial agents such as Carter Towler, JLL, Knight Frank and Ryden; and based on local knowledge of the Borough and the availability and history of a number of potential sites. DPP also looked for potentially vacant units as part of its healthcheck field visits undertaken in January 2023.
- 3.34 We review the potential of identified sites below.

Hoyland Common Local Centre

- 3.35 Paragraphs 4.15 to 4.17 of DPP's Sequential and Retail Impact Assessment identify that the largest vacant unit in Hoyland Common district centre which is being actively marketed is the former Wesleyan Chapel at 41 Hoyland Road. DPP identifies that the property measures 930 sq.m (we believe that this floorspace is across two separate floors). There is no adjacent car parking provision and we recognise that this unit is too small to accommodate a foodstore operation of the broad type proposed.
- 3.36 We have undertaken our own search of relevant commercial property databases and visited the centre on 4 July 2023. Based on this, we are satisfied that there are no existing premises within or well-related to Hoyland Common local centre which offer realistic potential to accommodate the application proposal.

Hoyland District Centre

- 3.37 DPP Planning's report identifies ten vacant sites/units in and on the edge of Hoyland district centre, these being:
- 20a High Street;
 - 8-10 High Street,
 - Former Co-op Unit, Hoyland Town Hall;
 - Eden Memorials, Hall Street;
 - 18 King Street;
 - 31 King Street;
 - 2 King Street;

⁷ Based once again on the most direct route by public highway.

- 12-14 High Street;
- Kiosks 1-9, Mallin Croft; and
- Land at George Street.

- 3.38 The largest by far of the identified properties is the former Co-op on the ground floor of Hoyland Town Hall, which measures 836 sq.m (equating to less than half of the gross floorspace associated with the application proposal). In addition, there is no opportunity to provide significant car parking adjacent to the Hoyland Town Hall site.
- 3.39 We recognise that this unit and the other potential sequential alternatives identified in DPP's assessment of Hoyland district centre are too small to accommodate a development of the same broad type as that proposed, even allowing for a reasonable degree of flexibility. In any event, the Town Hall unit is not being actively marketed and is due to be redeveloped as part of a larger town centre regeneration programme planned by Barnsley Council, which purchased the premises in 2021.
- 3.40 Our own search of commercial property databases and fieldwork have not revealed any additional sites or premises in proximity to Hoyland district centre which would be available and suitable for the development. As a consequence, it is accepted that there are no sequentially preferable alternatives within or at the edge of Hoyland district centre.

Other Sites

- 3.41 We note that the Local Plan allocates a number of other sites for development around Hoyland and Hoyland Common. However, none of these allocations relate to large format grocery development.
- 3.42 The two sites which are located closest to Hoyland Common local centre are housing allocations HS57 'Land at Tankerley Road' and HS64 'Site North of Hoyland Road', neither of which include provision for supermarket development.
- 3.43 We also note employment allocation ES13 'Land West of Sheffield Road' which will be developed in accordance with the principles set out within the Hoyland West Masterplan Framework.
- 3.44 The Draft Masterplan Framework report was issued in September 2020. In respect of appropriate uses, page 38 of the Draft identifies that:
- 'The site in its entirety accounts for a total of 59.5 ha and includes B1, B2 & B8 Employment and residential plots set in comprehensive greenspace.'**
- 3.45 The Draft Framework goes on to prescribe that acceptable uses will comprise Class B1, B2, B8 and residential uses.
- 3.46 Accordingly, whilst the Framework has not yet been formally adopted, it is evident that the Land West of Sheffield Road site forms part of Barnsley's employment land supply. Adopted and emerging planning policy envisages that the site will accommodate such development and the site is not considered to be suitable in planning policy terms for a foodstore use. Furthermore, we do not believe that there has been any suggestion from any party that it is available to accommodate such a use.
- 3.47 Finally, we note employment allocation ES17 'Land South of Dearne Valley Parkway' which forms part of the Hoyland North Masterplan Framework area. The Hoyland North Masterplan Framework report of December 2019 covers a large area to the north of the local centre but does not make provision for large-scale retail facilities (e.g. a foodstore use). In any event, we are satisfied that employment allocation ES17 is located more than 300 metres

from the boundary of Hoyland Common local centre and is therefore an out of centre site. It therefore does not comprise a sequentially preferable location.

Conclusion in Respect of the Sequential Test

- 3.48 We have reviewed all of the sites and premises within and on the edge of Hoyland Common local centre and Hoyland district centre which have been considered by the applicant in its submission. We do not believe that any of these sites are both available and suitable to accommodate the application proposal. We are satisfied that there is no other sequentially preferable site which could support the proposed operation in practice (even when allowing for appropriate flexibility in respect of format and scale.
- 3.49 As a consequence of the above, we conclude that the application proposal accords with the requirements of the sequential test as articulated at paragraphs 87 and 88 of the NPPF, and Local Plan Policy TC1 insofar as it applies to the sequential approach to development.

4. The Impact Test

Requirements of the NPPF and the Town Centres and Retail PPG

- 4.1 Paragraphs 90 and 91 of the NPPF indicate that application proposals for retail and leisure development should be refused planning permission where a significant adverse impact is likely to arise from development.
- 4.2 In assessing the significance of impacts arising from development, it is necessary to reflect upon the advice set out in the Town Centres PPG. In this regard, paragraph 018 states that:

‘A judgement as to whether the likely adverse impacts are significant can only be reached in light of local circumstances. For example, in areas where there are high levels of vacancy and limited retailer demand, even very modest trade diversion from a new development may lead to a significant adverse impact.’ (Our emphasis.)

- 4.3 It should also be recognised that impacts will arise with all retail developments, but that these will not always be unacceptable, not least because development often enhances choice, competition, and innovation. It is therefore necessary to differentiate between those developments that will have an impact and those that will undermine the future vitality and viability of established centres, i.e. have a ‘significant adverse’ impact.
- 4.4 Paragraph 015 of the Town Centres PPG is also of some relevance in considering how the impact test should be applied. It states that:

‘As a guiding principle impact should be assessed on a like-for-like basis in respect of that particular sector (e.g. it may not be appropriate to compare the impact of an out of centre DIY store with small scale town-centre stores as they would normally not compete directly). Retail uses tend to compete with their most comparable competitive facilities.’

- 4.5 We anticipate that the foodstore will trade most directly against key main food shopping destinations in the local area, namely the Aldi at Sheffield Road in Birdwell and the Tesco at Wombwell Road in Hoyland. Both of these stores are situated in out of centre locations. In addition, the location of the proposed store is such that it will be important to carefully consider the impact arising from stores in Hoyland Common local centre and Hoyland district centre. We believe that the impact of the proposal across the wider area will be relatively limited given the proximity of the existing Aldi at Sheffield Road to the application site.
- 4.6 We set out below our appraisal of the proposal’s compliance with the two key impact tests identified by paragraph 90 of the NPPF. The tests relate to:
- the impact of the proposal on existing, committed and planned public and private sector 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 retail catchment (as applicable to the scale and nature of the scheme).

Impact of the Proposal on Existing, Committed and Planned Public and Private Sector Investment in a Centre or Centres in the Catchment Area of the Proposal

- 4.7 In respect of the requirement of the first strand of the NPPF impact test, we note that paragraph 5.88 of the submitted Sequential and Retail Impact Assessment states that:

‘There are no committed developments of an appropriate scale or proximity to the site to be impacted upon by the proposed development... In addition, there are no allocations or proposed future expansions or renovations of retail centres within the Local Plan and within the PCA.’

- 4.8 In terms of public and private sector investment in Hoyland Common, we recognise that the local centre is of a moderate scale and that there is no investment that we are aware of which could be prejudiced by the application scheme.
- 4.9 There are several existing and committed investments in and around Hoyland district centre.
- 4.10 These include the Council's Hoyland Town Square redevelopment programme, which represents a £2m investment (drawn from the Council's £10m Principal Towns fund) to improve the physical environment of the Town Square. Works commenced in January 2023.
- 4.11 Furthermore, we note that the Council's latest May 2023 progress update⁸ indicates that it has sourced further funding from the Department of Works and Pensions' Householder Support Grant, which will be used for a capital fit out and the necessary approvals to enable Community Shop to locate within the former Co-op unit in the Town Hall. Community Shop is based on a membership model and offers members the opportunity to purchase surplus products which may have otherwise gone to waste. Prices are deeply discounted to support those in greatest need and create positive commercial, social, and environmental impact.
- 4.12 In addition to the above, local press reports indicate that a further £2m is proposed to acquire, demolish, and redevelop the Heron Foods block in Hoyland, together with another £900,000 to fund a youth employment hub and other schemes to reduce the number of people not in work or education.
- 4.13 The potential to acquire the Heron Foods unit was identified within the Barnsley Principal Towns Feasibility Studies: Hoyland Draft Report which was authored by Arcadis and which reported in October 2019. Page 14 of the Feasibility Studies report identifies an option for:
- 'Replacing the existing unsightly 'Heron Foods' block in order to better frame and open up the public space as well as strengthen the building line on King Street.'**
- 4.14 The Council's website indicates that additional money from the Principal Towns Fund has been earmarked to fund works in Hoyland.⁹ Though it does not specify the total planned investment, the Council states the money will be used for the following purposes:
- Recycle and renovate existing buildings;
 - One stop for public services;
 - Trans Pennine Trail improvements;
 - Greenspace enhancements; and
 - Investment in public art.
- 4.15 Turning to the question of whether the application proposal will cause a significant adverse impact on the identified investments in Hoyland District Centre, paragraph 015 of the Town Centres and Retail PPG lists a number of key considerations relevant to the assessment. These considerations are: the policy status of the investment; the progress made towards securing the investment; and the extent to which the application [proposal] is likely to undermine planned developments or investments based on the effects on current/forecast turnovers, operator demand and investor confidence.

⁸ <https://www.barnsley.gov.uk/media/26170/principal-towns-and-local-centres-update-may-2023.pdf>, consulted on 5 July 2023.

⁹ <https://www.barnsley.gov.uk/services/regeneration/principal-towns/>, consulted on 5 July 2023.

- 4.16 In considering the above investments, we note that only the proposed Community Shop investment at the former Co-op Town Hall unit relates to grocery retail. We do not believe that there could be any suggestion that the development of a discount foodstore at the application site could prejudice entirely different forms of development within the district centre.
- 4.17 In respect of the proposed Community Shop investment, this is a very particular trading model with the operator currently supporting existing stores in Athersley, Beechwood, Bewsey (Warrington), Eastfield (Scarborough), Goldthorpe, Grimsby, Halton, Kirkdale, Knottingley, Lambeth, Stocking Farm (Leicester) and Tong Street (Bradford). Community Shop seeks to significantly undercut the prices offered by mainstream grocers in order to support those in greatest need. We do not envisage that the grant of planning permission for a foodstore at the application site will likely impact on the ability of such an operator to serve the local community, nor do we understand that there has been any suggestion by any party that this could be the case. We make this judgement recognising the distance between the application site and the Hoyland Common application site and noting the presence of the existing Aldi at Sheffield Road which already caters for those in the area who seek value in respect of their main food shopping.
- 4.18 Accordingly, we do not believe that the grant of planning permission for the proposed foodstore development would likely have a significant adverse impact on the delivery or operation of any in-centre investment. The application proposal is found to be consistent with the first part of the NPPF paragraph 90 impact test as a result.

Impact of the Proposal on Town Centre Vitality and Viability

- 4.19 The applicant sets out its approach to trade diversion impact at Section 5 and Appendix 1 of its Sequential and Retail Impact Assessment. We provide below our appraisal of the principal inputs and assumptions relied upon by the applicant in assessing the impact of the convenience goods floorspace.
- 4.20 At the outset, we recognise that the comparison goods floorspace associated with the application is limited and that, in practice, this element of the proposal will trade against a wide range of destinations (including online retailers and other foodstores). The comparison goods offer of a discount foodstore comprises a range of products which are offered on a cyclical basis. The overall comparison goods offer is qualitatively different to that which is evident in Hoyland Common local centre and in Hoyland district centre (which are the centres of greatest relevance in respect of retail impact).
- 4.21 Due to the nature of the comparison goods floorspace and its relatively limited turnover, we believe it to be clear that there would be no significant adverse impact arising from the comparison goods floorspace, subject to the convenience goods floorspace being acceptable.
- 4.22 In this context, it is also relevant to note that household shopper surveys can often understate the comparison goods turnover of foodstores. Given that the comparison goods turnover of the application proposal will be diverted in part from foodstore locations, it is our view that a monetary trade diversion impact assessment relating to this part of the proposal may be somewhat imprecise. A convenience goods trade diversion assessment is generally more accurate and a more appropriate basis upon which to determine the acceptability of the subject proposal.

Assessment Period

- 4.23 The applicant undertakes its impact assessment based on a test year of 2026. Paragraph 017 of the Town Centres PPG specifically directs that the design year for impact testing should be the year that the proposal has achieved a 'mature' trading pattern. It states that this is conventionally taken to be the second full calendar year of trading

after the opening of a new retail development. We consider that a development of this nature could potentially start trading in 2024 or 2025. On this basis, the identified design year is considered appropriate.

Baseline Position

- 4.24 We have identified significant concerns in respect of the approach adopted by DPP in establishing the baseline position in respect of the trading performance of existing foodstores at 2026. We identify these methodological concerns below.

Household Survey

- 4.25 In respect of the household survey, we note the very extensive survey area which stretches from Barnsley to the north to Thorpe Hesley in the south. This is a distance of around 16 kilometres.
- 4.26 There are two issues with the survey area.
- 4.27 Firstly, large areas are obviously the subject of very different shopping patterns. In simple terms, Barnsley residents will shop in a different manner to Thorpe Hesley residents. Where catchments areas are extensive, it is accepted good practice to sub-divide the area into different zones to secure a proportionate number of surveys across a smaller 'zones' which are likely to be the subject of more consistent shopping habits. We have no way of knowing from the information provided whether respondents' home addresses are distributed in an equitable manner across the Study Area or whether there has been a concentration of responses in particular areas.
- 4.28 We do not consider the identified survey market shares to be reliable as a consequence of this fundamental flaw in the methodology.
- 4.29 Secondly, in practice, the survey area covers areas which are significantly beyond the general catchment area of the proposal. This is acknowledged by the submitted Sequential and Retail Impact Assessment.
- 4.30 Paragraph 5.8 of the Assessment identifies that:
- '...the first step in establishing the PCA is to establish an isochrone area around the site which represents a 5-minute off peak drive time catchment of the site. However, in order to be robust, the catchment has been expanded to include adjacent suburbs such as Elsecar, Worsbrough and all of Hoyland. This is considered to be a robust and appropriate driving catchment for a proposal of this scale.'**
- 4.31 After clearly setting out what it considered to be an appropriate approach, paragraph 5.12 of the Assessment then explains that the household survey area relates to an entirely different (and extended) area in practice. It identifies that:
- 'Due to the response rate of telephone surveys and the need to get a reliable sample size, the area surveyed was beyond the catchment outlined above. The expanded survey area included Thorpe Hesley, Barnsley Town Centre, and Stairfoot, and is partially based on postcode sectors in the local area.'**
- 4.32 To be clear, these areas do not form part of the proposed store's catchment area and it cannot be assumed that expenditure which originates within these additional areas is available to support the proposed store. In the absence of a 'zonal' approach, this fundamentally undermines the survey results.
- 4.33 In terms of the survey itself, we note that respondents have been asked where they usually undertake main and top-up food shopping. Nexus Planning's preference is to ask where respondents where they 'last travelled to' in

order to source particular types of goods, as this is more likely to identify occasional or supplementary trips and therefore provide a more comprehensive view in respect of shopping patterns. However, we accept that the survey wording is similar to that used by a number of planning consultancies and this issue is not considered to be such that it undermines the survey to the extent that it cannot be used as a basis for retail impact assessment.

Use of Benchmark Turnovers to Identify the Turnover of Existing Retailers

4.34 Paragraph 5.77 of the submitted Sequential and Retail Impact Assessment indicates that the existing convenience goods turnover of stores has been calculated using the survey results (commonly reference to as 'survey-derived' turnover) or with reference to benchmark trading figures.

4.35 The survey-derived approach relies on the household survey market share to determine the proportion of expenditure which originates within the designated Study Area that is claimed by a given store. The benchmark approach uses company average sales densities to estimate the turnover of stores.

4.36 We note that paragraph 5.67 of the Sequential and Impact Assessment clearly indicates that the survey-derived approach:

'...provides for a more accurate position of local shopping patterns within the HHS [household survey] area to determine the most popular convenience shopping destinations. For those stores within Hoyland and Hoyland Common centres, the HHS is considered to be an accurate representation of existing turnover other than where no response was given.'

4.37 However, in practice, DPP has adopted a 'mix and match' approach whereby it essentially uses the survey-derived or benchmark turnover of stores apparently on the basis of whichever of the two is higher. This is problematic and provides an overly optimistic position in respect of the position 'on the ground'.

4.38 In particular, we note from Table 8 of Appendix 1 that the DPP estimates (for the purpose of its trade diversion assessment) that convenience goods floorspace within the Study Area has a collective turnover of £373.94m at 2026.¹⁰ However, it is evident from Table 4A of Appendix 1 identifies that only £135.28m of convenience goods expenditure originates within the Study Area at 2026.

4.39 It is implausible that the convenience goods turnover of Study Area retailers would be more than double the amount of convenience goods expenditure which originates within the local area.

4.40 Whilst the applicant's general approach is wholly inappropriate, we also note that the assumed benchmark turnover of stores has been calculated incorrectly.

4.41 By way of example, Table 6 of Appendix 1 suggests that the Tesco Extra at Wombwell Lane at Stairfoot has a net sales area of 10,548 sq.m (which of itself is highly improbable) of which 8,643 sq.m is dedicated to convenience goods sales and 1,905 sq.m is dedicated to comparison goods sales.

4.42 In our experience, very few foodstore operators dedicate more than 5,000 sq.m to convenience goods retail sales in an individual store. This is because such an area can generally accommodate operators' full extended convenience goods product line.

4.43 In practice, the proportion of net sales floorspace dedicated to convenience goods sales across most stores seems to have been significantly overstated.

¹⁰ In 2019 prices, as are all subsequent monetary references.

Population and Expenditure Data

- 4.44 We are also concerned about the manner in which the survey-derived turnover of stores has been identified.
- 4.45 In this regard, we note that Table 1 of Appendix 1 identifies the population and per capita expenditure across the household survey area with reference to an Experian Retail Planner Report from November 2021. Experian has subsequently issued two data updates (in early 2022 and early 2023) across the intervening period. Furthermore, we also note that DPP has accounted for expenditure lost through ‘special forms of trading’ and future expenditure growth with reference to the directions provided by Experian Retail Planner Briefing Note 19, which was issued in January 2022. Updated recommendations were provided by Experian Retail Planner Briefing Note 20, issued in February 2023.
- 4.46 Given the number of methodological issues identified by this report, we also recommend that DPP sources up to date population and data in addressing the matters set out in this report.

Turnover of the Application Proposal

- 4.47 DPP estimates the turnover of the application proposal at Table 5 of Appendix 1 of its Planning and Retail Statement. This identifies a convenience goods sales density for Lidl at 2022 of £8,883 per sq.m which, based on the identified convenience goods sales area of 1,014 sq.m, equates to a turnover of £9.00m. We note that the sales density has been derived from Globaldata’s ‘Convenience and Comparison Goods Sales Densities of Major Grocers, 2021 Estimate’ dataset.
- 4.48 This dataset has now been superseded (by Globaldata’s 2022 Estimate dataset) and we recommend that DPP sources the most up to date company average sales densities should it decide to revisit the submitted impact assessment.

Patterns of Trade Diversion and Impact

- 4.49 As noted above, we anticipate that DPP may wish to provide a revised assessment of retail impact to address the issues raised in this report.
- 4.50 One of our key recommendations is that DPP should undertake its trade diversion assessment based on the survey-derived turnover of foodstores.
- 4.51 Accordingly, given that the baseline position in respect of the trading performance of existing foodstores is potentially subject to significant change, we do not provide extensive comments on this stage in respect of DPP’s assumed patterns of trade diversion.
- 4.52 Notwithstanding this, we once again note the direction provided by paragraph 015 of the Town Centres PPG in respect of proposals competing against the most comparable ‘like-for-like’ competition. In our view, the principal direct competition in the local area comprises Aldi at Sheffield Road in Birdwell and the Tesco at Wombwell Road in Hoyland. We anticipate that a significant proportion of the proposal’s turnover will divert from these stores in practice.
- 4.53 DPP should also be realistic in respect of the amount of turnover that will be diverted from stores a significant distance away. For example, we believe that Stairfoot local centre serves a substantially different catchment to a

foodstore trading from the application site. Accordingly, we do not believe that 8% of the turnover of the application proposal¹¹ would likely divert from the Aldi at Doncaster Road in Stairfoot.

- 4.54 We recommend that DPP revisits its assumptions in respect of trade diversion in any further submission to ensure that an appropriate quantum of diversion is modelled from local stores which support main food shopping trips.

Conclusion in Respect of Impact

- 4.55 As we have identified above, we are unaware of any in-centre investment that would likely be prejudiced by the grant of planning permission for the application proposal. The proposal therefore accords with the requirements of the first part of the NPPF impact test.

- 4.56 In terms of the second part of the NPPF impact test, we have identified a series of reservations in respect of the applicant's methodology.

- 4.57 In summary, these relate to:

- the Study Area for the survey which incorporates areas which are outside the anticipated catchment area of the proposed foodstore;
- the failure to sub-divide the Study Area into smaller zones which would partially address the above issue and provide confidence that the home addresses of respondents are distributed in an equitable manner across the Study Area;
- the failure to rely on the household survey results to estimate the existing turnover of key retail destinations;
- the use of superseded population and expenditure data, and the use of superseded forecasts relating to expenditure growth and special forms of trading;
- the use of a superseded sales density to estimate the likely turnover of the application proposal; and
- the likely overestimation of trade diversion from distant destinations such that the trade diversion from more local main food shopping destinations may be underestimated.

- 4.58 Given the identified issues in respect of the applicant's methodology we are currently unable to adjudicate in respect of whether the proposal would likely result in a significant adverse impact on the vitality and viability of relevant defined centres, most particularly Hoyland Common local centre and Hoyland district centre.

¹¹ As suggested by Table 8 of Appendix 1 of the submitted Sequential and Retail Impact Assessment.

5. Conclusions and Recommendations

- 5.1 Planning application reference 2023/0170 provides for the erection of a 1,900 sq.m foodstore on land to the north of Sheffield Road, Hoyland. The site is located approximately 270 metres from Hoyland Common local centre and is therefore edge of centre in retail planning policy terms.
- 5.2 The application proposal provides for a foodstore with a gross floorspace of 1,900 sq.m and a net sales area of 1,267 sq.m. The application has been submitted by Lidl which would operate the store.
- 5.3 Paragraph 91 of the NPPF indicates that planning applications for retail uses that are not in an existing centre and not in accordance with an up to date development plan should be refused planning permission where they fail to satisfy the requirements of the sequential approach or are likely to result in a significant adverse impact.
- 5.4 In respect of the sequential approach to development, we have reviewed all the sites identified by the applicant and do not believe that any are both available and suitable to accommodate the application proposal, even allowing for appropriate flexibility. We are unaware of any other sequential sites offering realistic potential to accommodate the proposal and, as such, find that it accords with the requirements of paragraphs 87 and 88 of the NPPF. It also accords with the sequential test set out at Barnsley Local Plan Policy TC1.
- 5.5 The adopted Local Plan identifies that an impact threshold of 500 sq.m applies to the site. As such, there is a formal requirement to consider retail impact in determining the application.
- 5.6 In respect of the first part of the impact test, we are unaware of any relevant in-centre investment which could be prejudiced by the application proposal.
- 5.7 In terms of the second part of the impact test (relating to the vitality and viability of defined centres), we have comprehensively reviewed the applicant's approach in respect of retail impact and have concerns in respect of the methodology that has been applied.
- 5.8 The issues are identified at Section 4 of this report. Given the fundamental nature of the deficiencies identified in respect of the applicant's approach, we are currently unable to determine whether the application accords with the requirements of the NPPF and Local Plan Policy TC1 and TC3 Policy LP13 in respect of the impact of the proposal on the vitality and viability of relevant centres.
- 5.9 We recommend that DPP considers the matters raised above, which would be happy to discuss directly to determine an appropriate way forward in respect of retail impact assessment. Such direct dialogue with DPP may help minimise any further issues should a revised impact assessment be submitted.
- 5.10 In the meantime, we trust that the above appropriately sets out our view at this stage in respect of retail and town centre policy matters but would be happy to provide further clarification should it be required.



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