

Ipswich Borough Council Retail Update Note – August 2016

Ipswich Borough Council's approach to retail development in the Primary Shopping Area is set out in its Proposed Submission Core Strategy and Policies development plan document (DPD) (November 2014) and any Pre-Submission Main Modifications (September 2015).

As set out in the Council's Retail and Town Centre Topic Paper (2015)¹, the Core Strategy and Policies DPD review has been evidenced by a number of retail and commercial studies since 2005 in respect of the town centre as set out below:

- *Retail Study 2005* (October 2005) DTZ
- *2010 Retail and Commercial Leisure Study* (October 2010) Strategic Perspectives
- *Appraisal of Town Centre Opportunity Areas Study* (August 2013) DTZ.

The 2010 study identifies the need for 3,580 – 7,161 sq. m net of convenience floorspace and 47,498 sq. m net of comparison goods by 2026 across the Borough. Capacity to 2031 is also identified, however policy CS14 of the Proposed Submission Core Strategy and Policies DPD review states that provision after 2026 will be addressed following a future review of the capacity study. This reflects the degree of caution that should be placed on the figures noting that the 2010 study states 'the floorspace capacity forecasts identified by this study should be treated as a broad indication of the potential need for new retail floorspace, rather than a maximum or minimum threshold (or target) that should necessarily be met. Forecasts more than five years ahead are inherently less certain and therefore should be treated with caution and regularly updated.'²

The adopted Core Strategy DPD proposed at least 35,000 sq. m net of additional retail floorspace (adopted policy CS14). This was based on the conclusions of both the 2005 and 2010 studies mentioned above. Whilst being lower than the potential capacity identified to 2026 (the adopted Core Strategy covers the period to 2027), 35,000 sq. m net would have allowed a total of 30,000 sq. m net to come forward at the Mint Quarter and the Westgate Quarter, along with a further 5,000 sq. m net to come forward in the Central Shopping Area. This was based on provision of 10,000 sq. m net at Westgate and 20,000 sq. m net at the Mint Quarter. It was considered that allocating higher provision could have created pressure for the release of out of centre sites first.

In 2013 an Appraisal of Town Centre Opportunity Areas Study³ was published which highlighted the difficulties facing Ipswich in attracting retail investment and identified Westgate as the most suitable site for a retail-led scheme, due to its location in relation to existing anchor stores in the more westerly part of the town centre. In relation to the Cox lane Opportunity Area (Mint Quarter) the DTZ study identified a residential-led scheme supporting retail and leisure as a suggested land use allocation. Retail was concluded to be difficult to deliver due to the distance from the main anchor stores of the town. The Proposed Submission Site Allocations and Policies DPD reflects this through the mix of uses proposed being residential-led. The study also suggests that this part of town is appropriately defined as part of the Secondary Shopping Area. The change of focus for the Mint Quarter to a residential-led scheme results in a reduction of 20,000 sq. m net from the policy requirement so that policy CS14 now requires 15,000 sq. m net. In Ipswich Town Centre, the Primary

¹ Ipswich Borough Council (October 2015) *Topic Paper: Retail and Town Centre*, Core Document Library (CDL) reference LPCD44

² Strategic Perspectives (October 2010) *2010 Retail and Commercial Leisure Study*, CDL reference ICD18, para. 10.22, p. 127

³ DTZ (August 2013) *Appraisal of Ipswich Town Centre Opportunity Areas*, CDL reference ICD15

Shopping Area as defined by the National Planning Policy Framework (March 2012)⁴ consists of Primary and Secondary Shopping Frontage Zones identified on the Policies Map.

In their letter dated 26th July 2016⁵ to Ipswich Borough Council, Cushman and Wakefield⁶ identify the key implications of trends in the retail sector for future town centre development in Ipswich as follows:

- The continued growth of internet shopping is likely to impact on footfall and squeeze retailers' profitability;
- Ipswich Town Centre will be affected by the polarisation and downsizing of national multiple retailers;
- The importance of providing for scale, flexibility and a variety of store sizes in order to respond to the needs of major retailers;
- Key to attracting new modern retailers will be creating the right conditions for investment, such as high quality public realm;
- The increasing importance of leisure (including food and drink) uses in order to maximise the consumer's experience and dwell time in the Town Centre; and
- New representation in the grocery sector is likely to be focused on smaller formats, with growing requirements from the hard discounters (e.g. Aldi and Lidl), in response to changing shopping habits.

The letter notes the Council's ownership interest in the Westgate site as 'a significant positive change since their 2013 report, which noted the importance of land assembly to enhance the viability of any future scheme'. In addition whilst they maintain a foodstore anchor would help achieve a viable retail-led scheme, they note the principal growth in this sector is being driven by Aldi and Lidl. In addition Tesco have withdrawn their plans for a new superstore at Grafton Way.

The Council is seeking to allocate the Grafton Way site for a residential-led scheme, which is supported by the Ipswich Vision within The Riverside Quarter⁷. The site is out-of-centre in relation to the Primary Shopping Area and the 2005 Retail Study advised to limit the size of retail at the Waterfront in order to prevent the potential displacement of high street retailers in the town centre to the detriment of the area's vitality and viability.

Importantly, Cushman and Wakefield conclude that Westgate remains 'the most suitable and appropriate site in Ipswich Town Centre for a comprehensive retail-led scheme' based on its suitability for retail-led development and its proximity to key anchor retailers, and that it is 'commercially more attractive than the Cox Lane Opportunity Area'. In addition, competing retail development could undermine the deliverability of a retail-led scheme at the Westgate site. Therefore they advise 'that any allocations to be made through the new Local Plan for retail development in non-central locations should seek to restrict the sale of particular retail goods and/or the amount of permitted retail floorspace.'

Finally, in light of the lack of any significant retail development in recent times, they consider 'that allocating sites through the new Local Plan to accommodate a higher capacity figure would pose a significant threat to the Town Centre's vitality and viability.'

⁴ DCLG (March 2012) *National Planning Policy Framework*, CDL reference NCD18, para. 23, p. 7

⁵ Cushman and Wakefield (26th July 2016) *Partial Update of 2013 Appraisal of Town Centre Opportunity Areas Report*

⁶ Cushman and Wakefield merged with DTZ in September 2015

⁷ Various (July 2015) *Turning our town around: The Vision for Ipswich – East Anglia's Waterfront Town*, CDL reference ICD79