

**DERRIFORD & SEATON AREA ACTION PLAN
REPORT ON PROPOSED NEW DISTRICT SHOPPING CENTRE**

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2. Agenda and plan for stakeholder meetings;
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1. Introduction & Purpose of the Study

- 1.1 This report has been prepared to assist Plymouth City Council in the promotion of a new district shopping centre in the Derriford area of North Plymouth. A new district centre is one of the policy objectives of the City Council's draft Core Strategy, which will be the subject of an Public Examination in early 2007. Assuming that the policy objective is supported by the Inspector, the City Council will continue to proceed with an Area Action Plan (AAP). Amongst other matters it is anticipated that this AAP will identify a preferred location for a new centre, and provide detailed guidance on it's size, configuration, design, accessibility and other relevant matters.
- 1.2 This report for the City Council specifically considers matters of location, size, configuration, accessibility and scheme delivery, from a retail planning perspective. We understand that additional guidance on design and highways will be provided by others. Therefore, this report should not be read in isolation.
- 1.3 We set out below the planning policy framework for the proposed district centre, in particular the City Council's draft Core Strategy. In turn, this is based upon various studies and reports prepared by both the Council and external organisations over the last few years, for example a City-wide shopping study prepared by Cushman & Wakefield in 2006. The relevant documents are therefore reviewed.
- 1.4 With this evidence base in mind, as part of this report we have undertaken a series of meetings with key stakeholders e.g. landowners within the Derriford area. Details of these meetings and the views expressed are summarised. We then put the outcome of the meetings in to a more detailed context in terms of PPS6. Specifically, we have considered the need for a new district centre, applied a sequential assessment, and considered the potential impact upon existing centres and facilities.

- 1.5 As a consequence of the stakeholder meetings various site opportunities became apparent. These are identified in this report, and their relative merits considered.
- 1.6 We then briefly comment on matters such as possible development configuration, car parking provision and other relevant matters, before setting out our conclusions.
- 1.7 It should be noted at the outset that whilst we consider deliverability in a general way in the context of achieving the planning objective during the Core Strategy life-span, we have not considered certain other matters in any detail, including commercial viability.
- 1.8 Moreover, whilst we have had regard to the other objectives of the Core Strategy, this report specifically concentrates on the retail planning issues surrounding the creation of a new district centre. It will be for the City Council to attribute the appropriate weight to these, in the context of all material considerations and policy objectives.

2. Planning Policy Context

2.1 The extant strategic planning policy framework for Plymouth comprises the Regional Planning Guidance for the South West (RPG10) published in September 2001, and the Devon Structure Plan 2001-2016 adopted in October 2004. In turn, these documents sit beneath the Government's national retail planning policies set out in PPS6 (March 2005). We therefore summarise the relevant sections of these documents below, along with the emerging Regional Spatial Strategy for South West England, the draft version of the RSS having been published in March 2006.

Planning Policy Statement 6

2.2 Paragraph 1.3 confirms that the Government's key objective for town centres is to promote the vitality and viability of existing centres, by planning for growth, promoting new development, encouraging a wide range of services, good environmental quality, and accessibility for all. There are also some wider policy objectives and paragraph 1.5 confirms that these include:

- Improving provision in areas with poor access to facilities;
- To encourage investment to regenerate deprived areas;
- To promote economic growth, and to deliver more sustainable patterns of development.

2.3 In implementing these policies the Government confirms that regional and local planning authorities should develop a hierarchy and network of centres, and to keep the position under regular review.

2.4 In chapter 2 which sets out a "plan led approach" for retail planning paragraph 2.3 confirms that Local Authorities should plan actively for growth, and manage change in town centres. This will include planning for new centres of an appropriate scale in areas of significant growth, or where there are deficiencies in the existing network of centres. This policy approach is reiterated in paragraphs 2.7 and 2.53. The latter confirms that whether new centres are planned for at the

regional or local level will depend on the size of the proposed centre, and it's proposed role in the hierarchy of existing centres. The same paragraph confirms the current availability of future development of transport infrastructure and choice of modes should be a key part of the decision-making process on the location of new centres.

2.5 Paragraph 2.10 sets out some specific guidance in relation to the appropriate level to plan for new centres, relative to their scale and proposed position within the retail hierarchy. It confirms that *“the identification of new centres which are of more than local importance should be addressed initially at the regional level through regional spatial strategies”*. The paragraph goes on to say that changes to the role and status of lower level centres should be dealt with through development plan documents at the local level.

2.6 Paragraph 2.14 confirms the need for major town centre development of regional or sub-regional importance should be addressed through the regional spatial strategy. It goes on to say that *“new out of centre regional or sub-regional shopping centres have a substantial effect over a wide area and can harm the vitality and viability of existing centres within the catchment of the proposed development. Having regard to the key objective of the Government’s town centre policy, it is unlikely that such new development... will meet the requirements of that policy. Were a need for a new or expanded out of centre regional or sub-regional shopping centre be identified, it should be addressed through the regional spatial strategy”*.

2.7 Paragraphs 2.15-2.18 set out the role of plans at the local level. In particular, paragraph 2.16 sets out a range of goals including identifying deficiencies in the provision of the existing network and hierarchy of centres, and assessing the need for new floor space.

2.8 Paragraph 2.28 confirms that in selecting sites for development Local Planning Authorities should:

- a) Assess the need for development;
- b) Identify the appropriate scale of development;

- c) Apply the sequential approach;
- d) Assess the impact of the proposed development on existing centres; and
- e) Ensure that locations are accessible and well served by a choice of means of transport.

This report considers items A-D, but we understand that others will consider item E in more detail.

2.9 Paragraph 2.53 specifically deals with the designation of new centres. It says “*new centres should be designated through the plan-making process where the need for them has been established, such as in areas of significant growth, or where there are deficiencies in the existing network of centres, with priority given to deprived areas where there is a need for better access to services, facilities and employment by socially excluded groups. Whether this is done at the regional or local level will depend on the size of the proposed centre and its proposed role in the hierarchy of existing centres and how the proposed centre would function and complement the network of existing centres. Current availability or future development of transport infrastructure and choice of modes should be a key part of the decision-making process in the location of new centres.*”

2.10 The Cushman & Wakefield Plymouth Shopping Study (August 2006) recommended the creation of a new district shopping centre in the Derriford area, both in recognition of the scale of commercial development in the area and the apparent relative lack of shopping and other facilities i.e. a deficiency in the existing network, but also on the basis that Derriford is identified as a substantial growth area. More details of the shopping study are set out in the next section of this report.

2.11 PPS6 sets out a definition of a district shopping centre in annexe A. It says “*district centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services such as banks, building societies and restaurants, as well as local public facilities such as a library*”.

2.12 It is also relevant to note here the other definitions of centres within Annexe A. These are city, town and local centres. In the context of Plymouth the City Centre is clearly the central shopping core, located either side of Armada Way between the central railway station and the Hoe. However, Plymouth does not in our view then subsequently contain in any centres consistent with the PPS6 definition of a town centre. The next tier of centres found in the Plymouth urban area are a range of district centres, and examples of these include Estover, Plymstock Broadway, Roborough, St. Budeaux and Transit Way. The remaining centres in the Plymouth urban area are either local centres or smaller parades of shops.

Regional Planning Guidance for the South-West

2.13 The Adopted Regional Planning Guidance for the South West is RPG10 published in September 2001. The document sets out a broad development strategy for the period to 2016 and beyond (paragraph 1.2).

2.14 In retail terms the RPG does not identify a single dominant regional centre. Rather, it identifies four sub-regions and Principle Urban Areas (PUA) within these sub-regions. Plymouth falls within the Western sub-region. However, paragraph 3.12 confirms that of all the PUA's four represent sub-regional "capital" centres, namely Bristol, Bournemouth/Poole, Exeter and Plymouth.

2.15 Town centres and retail development are dealt with in paragraphs 5.22-5.26. Paragraph 5.23 notes that despite some recent out of centre development, including Cribbs Causeway near Bristol, most of the regions main centres have continued to attract development. This has been assisted by PPG6, and it's requirements to demonstrate need and the sequential approach for new development. The paragraph states that the potential exists for further investment in retail and leisure development in the region's main centres to meet anticipated needs. However paragraph 5.24 goes on to say that the trend towards larger units with wider catchment areas heavily reliant on car use is a critical issue that could undermine the Government's policy to direct such development to the most sustainable locations. Paragraph 5.25 notes that provision for a good range

of comparison goods shopping requires a much larger customer base. It is therefore essential to support those centres that currently serve the region, and that are well related to catchment areas and transport networks. Paragraph 5.26 therefore confirms that local planning authorities should continue to direct growth to the main centres, and should put in place policies both to enable centre expansion and to facilitate access by a range of transport modes. In all cases, authorities should commission independent assessments of impacts on other centres where retail proposals are of sufficient scale to affect to vitality and viability of those centres.

- 2.16 Policy EC6 therefore reflects this analysis, in particular that development which attracts large numbers of people should be located in the centres of the PUA's, and in other designated centres for growth specified in the spatial strategy. The vitality and viability of existing centres should also be protected, notably by assessing the need for new development. No further provision for proposals to build or extend major regional or sub-regional out of town shopping centres should be made.

Devon Structure Plan 2001 – 2016

- 2.17 The Devon Structure Plan was adopted in October 2004 and covers the whole of Devon including Plymouth.
- 2.18 Shopping is dealt with in Chapter 6. Policy SH1 generally reflects the advice in PPS6 in that where need for additional retail facilities can be identified facilities should be provided for within existing town centres. Only if sites in town centres are not available will other sites be acceptable.

Regional Spatial Strategy for South West England

- 2.19 The South West regional assembly submitted the draft RSS for the South West (covering the period from 2006 to 2026) to the relevant Government office in April 2006. There followed a period of public consultation, and the examination in public has now been set for Spring and early Summer of 2007.

- 2.20 Plymouth is identified as one of twenty one strategically significant cities and towns where significant change is expected in order to support their economic and service role and regeneration.
- 2.21 As with the extent RPG the RSS divides the region into various sub-regions, and at the beginning of Section 4 of the document Plymouth is identified in the Western peninsular. Policy SR32 confirms that within Plymouth measures will be taken to transform and revitalise the City for significant growth, economic activity and housing, in order for the City to realise it's potential and enhance it's sub-regional role.
- 2.22 Policy SR33 confirms that the relevant authorities should plan for the balanced growth of Plymouth, maximising the use of previously developed land and bringing forward a strategic urban extension at Plymouth. The latter is a reference to the proposed new community at Sherford, which we understand will include a new high street containing approximately 16,750sq.m gross floor space (this includes non-retail uses such as A2 and A3).
- 2.23 Paragraph 4.4.8 notes that it will not be possible to realise the full potential of the City until the latter part of the period to 2026, although some housing and economic development earlier in the plan period is likely at the new development at Sherford. Paragraph 4.4.9 goes on to say that any urban extensions, such as Sherford, should not adversely affect the regeneration of the City Centre. Thus, policy SL35 confirms that *“development at Plymouth will focus on the intensification of the City's urban area through either re-use of previously developed land and buildings, including urban renewal, maximising densities whilst seeking high quality design standards, reflected in the “Mackay vision”, complemented by the provision of a strategic urban extension East of Plymouth at the Sherford new community”*.
- 2.24 Paragraph 4.4.10 sets out key infrastructure that will be required through the plan period. This includes:
- Upgrading public transport to a High Quality Public Transport (HQPT) link along a northern corridor into the City Centre; and inter alia

- Creation of regionally significant recreational facilities, linked with leisure and commercial facilities in the City Centre;
 - Replacement of conference facilities to create a new arena and facilities;
 - Provision of a new boulevard link between Mill Bay and the City Centre, and HQPT extension through the City Centre to Mill Bay and Devonport.
- 2.25 Town centres and retailing are dealt with in Chapter 8 at Section 8.4. Various background information is set out, some of which is based upon a study undertaken by DTZ Pineda published in January 2006. Paragraph 8.4.2 suggests that in all of the major centres there is “strong” demand from multiple retailers, although our own shopping study for the City Council suggested that this was not the case in Plymouth. The following section of this report sets out further details. However, the general DTZ assessment is for significant growth in retail floor space in the period up to 2026 across the region as a whole.
- 2.26 Paragraph 8.4.3 notes that the centres of the regions cities and towns usually contain a number of cultural assets, facilities and services which add significantly to the quality of life of residents and visitors. *“This asset base, along with key public services, is of fundamental importance to current and future residents in attracting them to consider urban living. The need to maintain and enhance these in town and city centres’ economic vitality and viability is key to helping to deliver effectively the draft RSS and RES strategies. The “centres first” approach is one also imbedded in Government policy guidance”*. The message from this statement appears clear, namely that further investment in Plymouth should, in the first instance, focus upon the city centre.
- 2.27 This message is reinforced in paragraph 8.4.5, with reference to town centre managers.
- 2.28 Policy TC1 reflects these sentiments, and confirms that the region’s existing network of towns and city centres should be maintained and enhanced, and in doing so it will be important to ensure that such centres are not adversely affected by inappropriate development elsewhere. *“The central areas of the SSCT’s identified will be the main focus for new investment in retail and other major facilities...”*.

- 2.29 It is recognised that this document is only in draft form, and will be the subject of an EIP in 2007.

Plymouth City Council Core Strategy 2006-2021

- 2.30 Following the publication of an issues and options, preferred options and key changes to preferred options versions, the final draft version of the core strategy was submitted to the Government office in August 2006. The document sets out a spatial planning framework for the development of the City as a whole over a fifteen year period to 2021, within the context of a longer term vision. The document must be read as a whole, and policies are inter-related. It includes a series of strategic objectives, spatial planning policies and area visions, the latter which will provide guidance for the preparation of area action plans such as for Derriford and Seaton.
- 2.31 Strategic Objective 1 sets out how the City Council will deliver Plymouth's strategic role over the plan period. It confirms that the objective is for high levels of growth to create a City with over 300,000 people. It recognises that realistically the only way that can be achieved is beyond the time period of the plan, and as a consequence the Council will, inter alia, promote sustainable patterns of development, take a proactive approach to the implementation and delivery of development, and use a "plan, monitor and manage" approach to realising this overall objective.
- 2.32 Section 2 sets out the City vision. Paragraph 2.11 confirms that the priority is for regeneration of the City's waterfront areas. The same paragraph also notes that there are opportunity sites on Plymouth's Eastern and Northern corridors with the potential to compliment the waterfront regeneration.
- 2.33 Paragraph 2.15 says that by 2021 *"Plymouth's City Centre will have strengthened its role as a sub-regional shopping and entertainment centre. Additionally, as part of the process of developing sustainable linked communities, a new and complementary centre serving the North of Plymouth will be developed at Derriford..."*. Paragraph 2.16 goes on to say *"The City*

Centre already supports a wide range of shops...nevertheless, in order to retain and better fulfil this role major new investment will be promoted enhancing it's shopping offer as well as introducing a vibrant mix of new uses..."

2.34 The Area Visions of the Core Strategy are set out in Section 5. The section dealing with Derriford and Seaton begins at paragraph 5.86. This confirms that the area is located on Plymouth's Northern gateway, and it includes sub-regionally important employment sites and destinations including:

- Plymouth City Airport;
- The College of St. Mark and St. John;
- Derriford and Nuffield Hospitals;
- Tamar Science Park; and
- The Plymouth International Medical and Technology Park.

The paragraph goes on to note that Derriford and Seaton are located close to a number of residential neighbourhoods including Whiteleigh, Southway, Leigham, Estover and Woolwell, however these neighbourhoods are poorly connected to Derriford and Seaton.

2.35 Paragraph 5.88 notes that Derriford lacks a clear identity and focus, despite being an important gateway approach to the City from the North. The area has evolved incrementally, without the identification of a clear centre or heart. The area vision is to build upon the existing sub-regional facilities, in order to enhance the economic performance and serve the wider area of Northern Plymouth.

2.36 It is therefore confirmed that the Derriford area has a key role to play in delivering the economic strategy for Plymouth, by promoting growth complementary to the City Centre. The Council's approach is to promote a new 'heart' for Derriford which will help create a focus for the North of Plymouth. Paragraph 5.1 notes that the potential exists in the area to develop a broader mix of uses that will help the Derriford area to fulfil it's potential as an important sub-regional centre, and as a district shopping centre serving the surrounding neighbourhoods, and the employment, health and education facilities. The area is

particularly lacking in shops, restaurants, leisure and community facilities and a mix of housing suited to people who work in the area.

2.37 Paragraph 5.92 notes that the area from Crownhill Fort to the Derriford roundabout, and then towards the hospital are best suited as focal areas with a high quality urban form and public realm, and with a strong public transport focus. To serve the wider development area, it is suggested that a number of smaller local centres may be established, to promote more sustainable patterns of movement. Paragraph 5.93 goes on to note that a new link road along the Forder Valley will benefit the accessibility of the area, and that there may also be potential for new linkages through the current airport land that will become surplus to requirements as a result of development. There is also anticipated to be a linkage to the West of the Tavistock Road along the Northern edge of the Crownhill Fort towards Whiteleigh (subject to detailed investigation in relation to safeguarding the Scheduled Monument and its setting).

2.38 A copy of the area vision 9 for Derriford and Seaton, and the vision diagram is included at Appendix 1. Item 3 of the area vision is to *“develop a district shopping centre centred on the West side of the A386, to support the surrounding residential and commercial communities but with potential to grow as population growth is achieved”*.

2.39 It should be noted here that as part of our report we have considered opportunities on both sides of the A386 as potential locations for the new district shopping centre.

2.40 The economy is dealt with in Chapter 6 of the Core Strategy. Some City-wide issues are set out at Paragraph 6.10 onwards, and it is confirmed that *“it is generally recognised that Plymouth’s retail offer falls below the standard necessary in a large City moving into a service culture mode of development. While developments are underway there will be a need for redevelopment of parts of the central area to introduce other uses.”*

2.41 Paragraph 6.15 confirms that the economic strategy also includes a major spatial component to build upon the bi-polar nature of Plymouth’s economy – with a

strong City centre, and strategic employment location in the Derriford area. It is notable here that the emphasis for Derriford is as a strategic “employment” location. We understand this to mean a range of uses, but with retail as only an ancillary component in the first instance. Even so, in terms of employment floor space paragraph 6.2 anticipates that the greatest proportion of new floor space is expected to be required in the City centre and waterfront locations, whereas the majority of the land requirements are expected to be directed towards business/industrial park locations.

- 2.42 Overall, the City Council’s strategy is to maintain and enhance the performance of the City Centre as the primary economic driver within the City, but at the same time seeking the improvement of Derriford as an important, and complementary employment location.
- 2.43 Shopping is dealt within Chapter 7. Reference made to the 2006 Shopping Study undertaken by Cushman & Wakefield. It is confirmed that Plymouth City centre is a major shopping destination in the South West, and is one of two sub-regional centres in Devon, alongside Exeter. The strategy is set out at Paragraph 7.12 onwards.
- 2.44 Paragraph 7.13 confirms that a major priority is to safeguard and enhance the City centre, by securing high quality new development which substantially improves the City centre’s retail offer. The aim is to create a centre where people choose to shop because of it’s excellent range and offer of shops and attractiveness as a retailing destination.
- 2.45 Nevertheless, the City Council is committed to preserving and developing the network of centres which already serve Plymouth. This includes the district and local centres, with a scale of retailing that is appropriate to their role and function. New centres will be created to meet deficiencies and provide hearts to Plymouth’s neighbourhoods, and paragraph 7.15 confirms that Derriford will play a key role as a district centre serving the North of the City with the potential for it to grow as economic and population growth is achieved, and the role of the

City centre as a primary shopping destination is secured. This strategy follows discussions with the Council, and recommendations in our 2006 Shopping Study. Paragraph 7.25 confirms that Derriford is seen as a priority secondary location for new investment in the long term.

- 2.46 Policy CS07(i) of the Core Strategy confirms that a new district centre for Derriford will include a major food store, with complementary comparison goods shopping, residential, office, leisure and food and drink uses, and a public transport interchange. It will be developed such that it can grow to play a wider role in Plymouth, but only when it is demonstrated through detailed assessment that further development will not undermine the shopping role and function of the City centre. In retail terms the emphasis is clearly on the City Centre, albeit that the expansion of retail facilities at Derriford is contemplated in the longer term in the appropriate circumstances. To this end item 1 of policy CS07 indicates the policy ‘checks and balances’ that the City Council will employ in determining when circumstances are ‘right’ for any significant comparison retail floor space at Derriford. These are consistent with PPS6, and will include short-term ‘impact’ (trade diversion) effects on the City Centre, and longer term ‘impact’ matters such as likely effect on future investment and further development. Potential opportunities for the latter are under investigation as part of the evidence base for the City Centre AAP.
- 2.47 The Council’s submitted Core Strategy will be the subject of an examination in public in the early part of 2007.

Derriford/Seaton/Southway Area Action Plan

- 2.48 The City Council published an issues and options paper in September 2005. One of the topics covered was that of providing a new centre for Derriford, and it was confirmed (Page 9) that this would include some retail and a bus interchange and provide an opportunity to create a stronger link East to West with the possible reconfiguration of the Derriford junction. This new centre would act as a focus for the new mixed-use district, drawing together the current disparate activities in this area to create a more cohesive urban form. A City-wide retail study

undertaken for the City Council will help to inform the level of retail provision and the role of the centre.

2.49 Reference is made to another study (by Llewelyn Davies). Their final report was published in May 2005 as an evidence base document, not a policy document. This report began to highlight the opportunity for creating a new heart in the Derriford area. In particular, in terms of retail floor space it suggested a new pedestrianised 'high street' between the Derriford roundabout and the hospital (as part of the overall redevelopment of the North West Quadrant and Ambulance Trust sites – see below). The total suggested floor space was only 600sq.m. However, more recent and strategic work has now been undertaken by LDA Design to inform the preparation of the Derriford AAP. This takes a wider view of the opportunities and potential of the area, and is reflected in the Core Strategy Key Changes consultation document.

2.50 We note that the Llewelyn Davies report did not consider at all the land on the West side of the Tavistock Road.

2.51 In retail terms, we consider the Llewelyn Davies study is only a superficial analysis of the matter of a new district centre, to help inform the Derriford/Seaton/Southway Area Action Plan Issues and options report.

3. 2004 & 2006 Shopping Studies

3.1 Since the Millennium the Council has commissioned several City-wide shopping studies. Initially in 2000 and 2001 these were undertaken by CBRE (the 2001 study being an update paper), and more recently these have been superseded by a completely new study in 2006 prepared by Cushman & Wakefield. In addition, in 2004 CBRE also prepared a report on local shopping needs in the City, concentrating on convenience shopping deficiencies across the city. In so far as sections of that report not superseded by the 2006 Cushman & Wakefield study, they remain relevant to the planning for retail provision across the City as a whole.

3.2 We therefore set out below relevant commentary on each of these two documents, along with a broader-brush report prepared by DTZ for the regional assembly.

Plymouth Shopping Study (August 2006, Cushman & Wakefield)

3.3 The 2006 Shopping Study was based upon a comprehensive household telephone survey to establish shopping habits for both convenience and comparison goods across the entirety of Plymouth's catchment area. This catchment area extends well beyond the City Council's administrative boundary North and East into Devon, and West into Cornwall.

3.4 In this way the survey provides an up-to-date and reliable evidence base for the forecasting of future shopping needs across the city.

3.5 The study considered the period up to 2026 in terms of expenditure forecasting. It should be recognised however that these time periods are very distant in retail terms even though they reflect the anticipated timescales for the core strategy, and the regional spatial strategy. There is therefore a potential mismatch between the two, and as a consequence there will be a need for constant monitoring and re-appraisal of the overall retail performance of Plymouth on a regular basis.

- 3.6 In terms of convenience goods, growth and expenditure over the period is relatively modest, but there is significant capacity as at 2006 based on over trading within existing stores. Turning to comparison goods the position is the reverse, with trading performance of the City centre (including the recent opening of Drake Circus) assessed to be at an equilibrium position, but with significant potential expenditure growth in the years going forward.
- 3.7 Despite some relatively positive findings in terms of the overall retail health of the City centre, some major issues were identified. In particular weak retailer demand, and a clear requirement for further regenerative City Centre investment and development in the future in order to maintain Plymouth's competitive position.
- 3.8 As part of the shopping study a number of opportunity sites in and around the City centre and the rest of the City were examined. One of these was Derriford. Whilst the Cushman & Wakefield study concurred with the Council's overall analysis that a new district centre for the area is appropriate, it advised that a cautionary approach regarding the nature, scale and timing (and indeed any long term commitment) regarding retail floor space at Derriford. Whereas a district centre anchored by a food store could well be appropriate, effectively the study advised against significant comparison floor space at the present time. The fundamental reasons for this relate to the possibility of short term impact upon the City centre, coupled with weak tenant demand, but more critically the longer term effects on potential future investment in the City Centre which, quite rightly, is recognised in the Core Strategy as being paramount.
- 3.9 In order that a satisfactory solution in policy terms could be devised, the Cushman & Wakefield shopping study recommended no long term commitment to significant comparison shopping floor space in Derriford, but nevertheless recognition that in due course, and if the circumstances are right, that Derriford would be the City Council's preferred secondary location for such development, after the City Centre.

- 3.10 The submission version of the Core Strategy has fully taken on board these recommendations.

Plymouth Local Shopping Needs Study (November 2004, CBRE)

- 3.11 CBRE were appointed at the start of 2004 to prepare a report identifying any deficiencies in the retail and service provision within the City, and to formulate mechanisms for addressing any deficiencies. The report was also to identify any need for new district or local centres. The emphasis of the report and the methodology employed is very much in terms of convenience shopping provision i.e. food stores across the City.

- 3.12 Plan 9 of the report illustrates the identified gap areas within the city. The most notable areas are in the West of the City around Western Mill and St. Budeaux (areas 1 and 3), and to the North of the A38 trunk road (areas 4, 6 and 7). The latter includes Derriford, notably area 6 on the Eastern side of Tavistock Road.

- 3.13 In Section 4 of their report (paragraphs 4.19-4.22) CBRE found relatively significant capacity for new convenience shopping floor space. In addition to potential for a new food store on the Colin Campbell Court site (now not part of the plans for that site), CBRE identified capacity for a further full range superstore as part of a new or existing local or district centre. This is in addition to further capacity for other extensions to existing food stores together with capacity for up to about three discount supermarkets.

- 3.14 Section 6 of the report sets out detailed findings in respect of each of the gap areas. Paragraph 6.18 – 6.20 deals with Derriford, and the final recommendation of paragraph 6.20 is that the focus of efforts to improve local shopping provision in this area should concentrate on the new development area i.e. the Seaton Barracks, the business park and the hospital.

- 3.15 In Section 7 (paragraphs 7.8-7.11) three specific options were considered. Option 1 involved creating a greater variety of uses adjacent the existing B&Q

store. It was noted that this would involve land under the control of South West Water. The second option involved extending the existing Crownhill centre. This included the site occupied by a car dealership at the North-East quadrant of the intersection of the B3413 Ford Austin Avenue and A386 Tavistock Road. That site has indeed now been vacated by the dealership, and is apparently available. However, both options 1 and option 2 were considered in terms of a discount food operator, whereas the findings of the Cushman & Wakefield 2006 study is that what is required is a much more substantial food store operated by one of the main-stream market leader operators.

- 3.16 Option 3 was for a new centre adjacent the hospital. It was suggested that this would best be located closest to the Derriford roundabout, but CBRE were unable to identify a suitable site.
- 3.17 Of the three options, CBRE concluded that a new local centre adjacent to the B&Q store would be likely to provide the most practical option.

South West Town Centres Regional Study (January 2006, DTZ Pidea)

- 3.18 This study was prepared in a relatively short time scale for the regional assembly, in order the assist in the formulation of retail strategy for the emerging RSS.
- 3.19 Using DTZ's own description the report is a "high level" analysis, mainly conducted through desktop research albeit with feedback from the findings of an interim workshop in December 2005. It is therefore of somewhat limited relevance for the consideration of planning issues concerning a new district centre in the Derriford area of North Plymouth. However, in so far as any proposals for the Derriford area may involve significant comparison shopping floor space, as we highlighted in our 2006 Shopping Study for the City Council (paragraph 4.48) the DTZ assessment results should only be applied with considerable caution at the local level, since they are extremely broad-brush assessments for the entire region. In any even we have noticed some inaccuracies in certain base data that may affect the results, for example the assumed net

comparison floor space for Plymouth City centre (55,290sq.m net compared with our own and CBRE's estimate of 101,000sq.m net, pre Drake Circus).

- 3.20 In their report DTZ also assumed strong demand in the major city centres from multiple retailers and growing rents. Our own analysis for the City Council contradicts these views, at least for Plymouth City Centre.

4. Consultation with Key Stakeholders

- 4.1 Since the Derriford and Seaton AAP will formally be part of the Council's Local Development Framework for the City, in order to be consistent with the Statement of Community Involvement a series of meetings have been held with Stakeholders most relevant to the AAP. Setting aside existing and future residents and businesses of the area, whom in any event will be consulted separately by the Council, we have held a series of informal, private one-to-one meetings with landowners, retailers and others likely to be instrumental in the formulation and delivery of any new district shopping centre in the Derriford area.
- 4.2 The meetings were held on 20th & 21st November at Plymouth City Council offices, and in one or two cases at our own offices in London. A consistent agenda was utilised for these meetings in order to gather the most relevant information necessary to advise the Council e.g. potential site locations, store sizes, retail formats, and detailed matters such as design, configuration and car parking. A copy of this agenda is attached as Appendix 2, along with a plan circulated to each of the consultees, and indicating in broad terms the search area for the district centre's location in Derriford.
- 4.3 Attached as Appendix 3 is a list of the invitees to the meetings, along with confirmation of those groups that we managed to meet. We did not meet any of the invitees only where they declined a meeting, or did not respond at all.
- 4.4 We set out below a brief summary of each of the meetings with the stakeholders, although it should be noted that certain confidential information to which we have been made privy (and for which we are grateful to the consultees) has been excluded as agreed. There should be no disadvantage for any of the parties here concerned since the general thrust of information provided will nevertheless assist the Council in formulating it's draft AAP, and should any of the

stakeholders disagree with these findings and the AAP strategy, then representations can be submitted at the formal consultation stage.

The Main Food store Operators

- 4.5 As appendix 3 confirms, meetings did take place with Asda, Co-op, Sainsbury and Tesco. A written response was received from Waitrose (The John Lewis Partnership).
- 4.6 None of the consultees expressed an objection in principle to the concept of a new district centre at Derriford, but a number qualified this with the view that the district centre will need to be of a scale and format which does not significantly adversely impact upon the existing centres, either the City centre or district and local centres.
- 4.7 Indeed, some of the consultees confirmed interest in operating the proposed food store. Varying store sizes were suggested, along with varying splits between convenience and comparison goods. The minimum store size suggested was about 1,850sq.m net sales (which would equate to a store of about 2,850sq.m gross). The largest store size specifically put forward was about 5,300sq.m net sales (which would equate to a store size of about 8,150sq.m gross).
- 4.8 Location is seen as particularly important by the operators. On the one hand, it was universally acknowledged that any store (and hence district centre) location must be well linked in with the other major employment generating uses in the area e.g. the hospital, and also existing and proposed residential areas, but on the other hand in order to be commercially successful must be well related and have a presence to the main roads through the area. In particular, the A386 Tavistock Road.
- 4.9 Car parking would, of course, be dependant upon store size and a range of car parking numbers between about 180 and 600 spaces were put forward. It was recognised by the parties that this would have to be, to some extent, shared car parking with other uses in any district centre.

4.10 It was confirmed that none of the store operators with whom we had meetings at the present time have land interests within Derriford. Although residential above food stores is possible (for example to seek to achieve an acceptable urban form), much will depend upon sale values in the Derriford area, and it was the view of one of the operators that there could be a question mark over the viability of this form of development, albeit that such might be capable of resolution with a more “high profile” development.

Hawkins Trust

4.11 The Hawkins Trust is based in Devon, and has acquired a number of farms and property interests throughout the South West. Their interests in Derriford, which extend to about 45 hectares surround the SWRDA’s medical and technology park, and was acquired from Defence Estates in 2001.

4.12 It was confirmed that the Hawkins Trust have aspirations for a certain quantity of retail within their development proposals, and were aware of the City Council’s aspirations for a new district centre in the area. The concept of, for example, the district centre anchored by a food store of about 4,650sq.m. (50,000sq.ft.) gross was acceptable in principle, and indeed the point was made that any district centre will need to have a certain critical mass.

4.13 However, such may be inconsistent with the general aims and objectives of the Hawkins Trust and their land ownerships, which are primarily viewed as a business park and residential areas, i.e. the Forder Valley Masterplan. Hawkins Trust suggested that the Territorial Army could be persuaded to relocate.

4.14 It was recommended that the proposed public transport interchange for this part of the City be located adjacent to any new district centre.

Sutton Harbour Holdings

4.15 Sutton Harbour Holdings has been established for over 150 years, initially as the statutory harbour authority for Sutton Harbour, and more recently as the owner

and operator of Plymouth City Airport and Air Southwest. The company is the only Stock Exchange listed Plc with it's headquarters in the City.

4.16 Sutton Harbour Holdings have long-term land interest in the airport land. In terms of the search area for a new district centre for Derriford, they believe this would relate well to up to about 18 acres at the Southern end of the second runway, which over time may close in favour of an extension of the main existing runway (see page 5 of the AAP issues and options paper, September 2005).

4.17 Sutton Harbour Holdings outlined that the future success of Plymouth Airport is absolutely essential, and intrinsically linked with the success of other major employers in the area, most notably the various office parks, the hospital, the teaching college etc. It is considered that any income derived from the redevelopment of the Southern end of Runway 0624 will have an important part to play in securing the long term future of the airport.

4.18 A master-planning exercise is underway for the land, and Sutton Harbour Holdings would like a new district shopping centre to be a part of this.

Montrose Capital

4.19 Montrose Capital is a property services advisory firm based in London. On behalf of Dawnan Limited they acquired various property interests from South West Water in 1998. Once the water works have become surplus i.e. non-operational through relocation to another site, the site could be redeveloped. We understand the site comprises about 16 hectares in total.

4.20 Montrose Capital confirmed that they do not have an interest in the disused petrol filling station, McDonalds and Halfords sites between the South West Water site and the Tavistock Road, but that they have the capacity to potentially acquire these.

4.21 Montrose Capital see the transformation of Derriford as only been completed by a scheme with a much larger quantum of retail floor space. In particular, they see

this location as being suitable for a significant element of comparison shopping floor space, in addition to a major new food store.

4.22 Montrose Capital also view the success of Derriford as the center-piece of the Council's Core Strategy. The implication is therefore that Montrose Capital consider the Core Strategy Objectives will be seriously adversely affected by a failure to deliver their preferred scheme.

4.23 Initial estimates for their scheme are 39,500sq.m. (425,000sq.ft.) gross retail floor space. This could potentially be a multi-level development in part (taking advantage of the natural topography on the Western side of the South West Water site), and possibly one of a number of different retail formats e.g. high street, retail park, hybrid etc. In any event however there would be likely to be at least one or possibly two comparison anchor stores, with the food store acting as another anchor store. The remaining units would then be larger rather than smaller e.g. minimum 465sq.m. (5,000sq.ft.) gross, and capable of proving attractive to 'high street' retailers.

4.24 Montrose Capital are confident that there would be sufficient retail demand so that any retail development of this scale at Derriford would be complementary rather than competitive with the City Centre. For example, a number of retailers were identified who may well have requirements to operate more than one store in the City, and that this is a common feature of retail parks and City centre development and other urban areas in the country. Bouremouth town centre/Castlepoint was one example suggested.

4.25 In terms of car parking, Montrose Capital suggested that the requirement would be four or five spaces per 93sq.m. (1,000sq.ft.) gross retail floor space. Therefore, on a scheme of 39,500sq.m. gross the car parking requirement would be in the order of 1,700 – 2,125 spaces.

- 4.26 Subsequent to this initial meeting a further meeting was held at Cushman & Wakefield's offices when these matters were discussed in greater depth, and some initial scheme concept plans tabled.
- 4.27 In terms of delivery and timescales, clearly redevelopment of the South West Water site is initially contingent upon relocation of the waterworks, which provides drinking water to a large part of the City. Montrose Capital estimate that there is a timeline of approximately one year on resolving a relocation site for the waterworks, and then another three to four years on top of this for planning and development timescale for the new district centre itself.

South West Regional Development Agency

- 4.28 SWRDA own the freehold of land at the Plymouth International Medical Technology Park including land adjacent the Future Inns hotel. The latter has extant outline planning consent for B1, B2 and B8 use.
- 4.29 SWRDA's view is relatively straight forward, in that they see the land on the East side of the Tavistock Road as best being reserved for traditional employment/business park uses rather than effectively being reallocated for retail uses, albeit they remain "open minded" to other uses subject to these being in-line with the ambition to contribute to overall economic growth for Plymouth.

Wharfside Regeneration Limited

- 4.30 Wharfside Regeneration acquired the site known as the North West Quadrant site from Plymouth Hospital's Trust in Spring 2006. It extends to about 6.5 hectares, and lies immediately East of the roundabout junction between the Tavistock and Derriford Roads. We understand the land is surplus to the hospital's requirements, and it is the new owner's intention to submit a planning application during the course of 2007.
- 4.31 The site currently comprises several areas of surface level car parking utilised by the hospital, and accommodation for nurses and other staff at the hospital.

- 4.32 Wharfside noted the range of uses around the North West Quadrant site, not least including the Derriford hospital which employs some 8,000 staff at varying times of the day on a 24 hour basis.
- 4.33 Wharfside understand that the site is allocated for residential use and that a master-plan is being developed for the area. However, they believe that a mixed residential and retail redevelopment of the site incorporating a new district shopping centre would have a very good synergy with surrounding land uses particularly the hospital. In any event, there is an aspiration on the part of the hospital to provide a food retailing use in a convenient location for employees of the hospital.
- 4.34 Thus, a smaller scale retail use may be acceptable to Wharfside, but given the City Council's Core Strategy commitment they believe that the envisaged quantum of floor space is realistic and achievable i.e. a food store of about 4,650sq.m. gross.
- 4.35 There is a commitment to the hospital to provide replacement car parking for staff (600 spaces).
- 4.36 Wharfside noted the presence of the bus interchange facility at the front (North side) of the hospital, but confirmed their understanding that there is a Section 106 obligation on the NHS Trust to provide a public transport interchange as part of a consent in relation to the cardio unit.
- 4.37 Following the initial meeting with Wharfside a further meeting was held at Cushman & Wakefield's offices, when some sketch concept master-plans were tabled indicating the potential for a mixed use retail and residential scheme. In reviewing these we commented that it is likely an important factor for any food store operator will be sufficient frontage and presence to the Tavistock Road, and that the land controlled by Wharfside only has limited frontage to the Derriford roundabout. Topographical constraints/opportunities were also discussed, along with potential vehicular access into the site, along with the possible location of a bus interchange facility.

4.38 Wharfside indicated that they may be able and willing to acquire additional land, for example the Ambulance Trust site on the North side of Morlaix Drive if this becomes necessary in order to address site configuration issues.

Henderson Global Investors

4.39 Henderson Global Investors are a property investment and management company. The B&Q store, adjoining car park and fast food outlets operated by Burger King and Kentucky Fried Chicken fall within one of the funds managed by Henderson. The B&Q store is purpose designed for that specific operator, and was developed about five years ago following planning permission being granted by the Secretary of State.

4.40 In short, B&Q have a relatively long lease outstanding on the property which could make it's surrender or acquisition relatively expensive. Moreover, we are informed by Henderson that the fund within which the asset is held has certain operating limitations that would reduce the prospects for either reconfiguration or redevelopment of the site in the short to medium term.

4.41 In addition to this, because the building is purpose designed for B&Q and other site layout issues, sub-division is not necessarily a straight forward issue. For example, there is only a service yard at one end of the building (the Southern end).

4.42 Notwithstanding, Henderson did indicate that they would assist the Council's aspirations where possible.

5. Need, Sequential Approach & Impact

5.1 Chapter 2 of PPS 6 confirms that in allocating new sites for retail development (and therefore by definition new centres) local authorities should consider the need for the development, assess it in terms of the sequential approach, and consider impact. We therefore set out below an analysis of these matters.

5.2 Clearly, at this stage there is some uncertainty about what the market may be able to deliver in terms of new retail floor space in a district centre format. Therefore, certain assumptions have had to be made and these are as follows:

- That the new district centre will initially be relatively modest in scale, anchored by a new food store and with ancillary units for other retailers and service providers;
- That the anchor food store will be operated by one of the market leaders, and not for example a discount operator;
- That the store size will be approximately 4,650sq.m. gross, with a net convenience sales area of 2,250sq.m;
- That the store will be in a location that is attractive to the operators;
- That the store will have adequate car parking; and
- That the store and centre would be designed to accommodate future growth (if appropriate);

5.3 On the basis of these assumptions we have prepared a quantitative assessment of need (albeit that any planning application will still need to be accompanied by a full retail assessment). The base data for this is drawn from our 2006 Shopping Study on behalf of the City Council. Within the urban area of the City we have assumed that a new food store in the Derriford area would draw the majority of its trade from a catchment area comprising zones 5, 6, 7 and 10. However, the household shopper survey undertaken for the Shopping Study did indicate a relatively mobile pattern of expenditure across the City as a whole. In order to be robust we have ignored the effects of this for the time being, but in reality it

could be anticipated that a small proportion of the store's turnover would be drawn from beyond these four zones.

5.4 Attached as Appendix 4 is an assessment of quantitative need within zones 5-7 & 10. The table shows centres and stores within these four zones, and what proportion of those facilities turnover is derived from residents within the four zones. In addition, the table shows the extent of leakage to centres and stores outside of the four zones, again from residents living within the four zones. Ignoring the effects of expenditure and population growth, the tables indicate that there is significant capacity within the four zones by virtue of over-trading i.e. store performance relative to company benchmark levels. In terms of facilities located within the four zones, this equates to approximately £26.3million, and approximately £10.5million in terms of those centres and stores located beyond the catchment but drawing trade from it. In total, this equates to overtrading or "need" of £36.87million in 2006.

5.5 In our view it would not be realistic to assume that all of this trade could be recaptured by the construction of a new food store in the Derriford area. Moreover, even if it could this could result in potentially harmful effects on specific centres. However, there is clearly a quantitative need for new floor space within the catchment, and we conclude that it would be appropriate to plan for new floor space that may be capable of addressing about two thirds of this quantitative need. In numerical terms this equates to about £24.5million, and is therefore similar to the assumptions we have made above in terms of store size (assuming a trading density of about £12,000 per sq.m., as an average of the main food store operators performance).

5.6 It should be noted here that this level of overtrading from this part of the City represents the need position in 2006, and ignores any growth in expenditure going forward. The latter was summarised in our 2006 City-wide Shopping Study, which confirmed that by 2011 additional expenditure across the city of £17.22million would be available, and by 2016 £37.48million. The latter

represents need equivalent to one additional medium-large food store in the city in addition to any new store at Derriford.

Qualitative Need

5.7 In addition to the clear quantitative need, we consider that there is also a qualitative need for a new food store in the Derriford area. This is for a number of reasons, as follows:

- To help stem the relatively significant outflow (of expenditure) from this part of the City to other parts of the City and beyond;
- To act as the catalyst, and provide the anchor for a new district centre facility to act as a new “heart” for this part of the City;
- To assist in urban regeneration; and
- To provide convenient day-to-day facilities for the large existing and planned working and resident populations in the area.

5.8 None of the stakeholders with whom we have had meetings have expressed any disagreement with the principle of a new district centre in this part of the City. Indeed, as noted above, one of the parties has expressed the view that the centre should be significantly larger in the short term than is currently planned for in the Core Strategy.

5.9 In our view the qualitative need for a new centre in this part of the City is self evident. The Tavistock Road is the major route into the City from the North, in addition to acting as a distributor road to the North west and North east parts of the City. Whilst the importance of this route should not necessarily be overstated, clearly the facilities such as the airport, hospital and business parks are important aspects of the local economy, and rightly in our view should be consolidated and enhanced with additional facilities that those who live and work in the area can utilise on a day-to-day basis.

Sequential Approach

5.10 PPS6 advises that in the first instance new retail development should be identified within existing retail centres, rather than elsewhere. There are some

exceptions to this, such as described in paragraph 2.53 where the designation of a new centre would be appropriate. In the context of the need identified above, we consider that this is appropriate in this case.

- 5.11 Nevertheless, as part of the preparation of this report we have revisited all of the district and local centres within the identified catchment (Zones 5-7 & 10) to ensure that no sites which might be suitable, available or viable have not been considered.
- 5.12 In terms of the district centres within the catchment area (which would be most consistent with the scale of the development contemplated), there are no potential sites either within or on the edge of Estover or St. Budeaux that could accommodate the scale of development. At Roborough there is potentially some land to the north of the Tesco and the access road. However, this is a Greenfield site, and in our view is located to the very far North of the urban area of the City and not in the correct location to meet the spatial need at Derriford.
- 5.13 At Transit Way, there appear to be no potential scope for development without first subsequent reconfiguration and redevelopment of existing facilities. In addition to this, we understand that there are issues concerning the capacity of the site access at the junction with Crownhill Road. Again, we also consider that the centre is not in the correct spatial location to meet the identified need.
- 5.14 In terms of the local centres within the area, the nearest of these to Derriford is Crownhill to the South along the Tavistock Road. Since the time of our retail assessment, a site just to the North of the centre previously occupied by a car showroom has become vacant and apparently available. However, in our view this site is too small to accommodate the identified need, is not particularly well related to the existing Crownhill centre, and in any event is not well related to the major employment uses situated further to the North towards the Derriford roundabout.

- 5.15 We therefore have concluded that in terms of the sequential approach there are no sites better related to meet the identified need than one of the five sites considered above.

Impact

- 5.16 Attached as Appendix 4 are tables 2-4 which set out our view of the likely trade draw and impact of any food store in the Derriford area. In order to make the assessment robust we have assumed that all of the proposed store's turnover will be diverted from existing stores in and around the City (other than Tesco Lee Mill), and which are patronised by residents who live within the identified catchment area. However, in reality some of the store's trade would be derived from residents that live beyond this area, and accounted for by natural growth in consumer expenditure (see above). In preparing the assessment we have revisited all of the centres within the four zones likely to form the store's catchment area.

- 5.17 It will be noted from table 2 that we have assumed a split of 71%/29% for trade draw from within and beyond the store's catchment area. This is consistent with the need (over-trading) pattern established through table 1. These two elements have then been broken down into trade diversion from individual stores, and then further broken down into diversion from individual zones within the catchment. The latter has been apportioned consistent with each store's trade draw from each zone as identified from the Cushman & Wakefield 2006 Household Shopper Survey. In reality, the pattern might be slightly different (depending on the store operator), but in our view this represents a reasonably good indicator of the likely trade draw pattern of a new food store at Derriford.

- 5.18 In terms of trade diversion on individual stores, we consider that the largest single impact is likely to fall upon the Morrison's store on the Outlands Road. This is because of that store's relatively close location (in terms of drive time) to Derriford, its position also on the Tavistock Road, and because of its similar store size to that contemplated in our report. We anticipate slightly less but a still significant proportion of the new store's trade would then be diverted from the Tesco store Roborough. Since the time of our initial survey this store has been

substantially improved, and is likely to trade in excess of the levels identified in our Shopping Survey. It is located relatively conveniently off the Tavistock Road to the very North of the urban area in Plymouth, and thus a new store accessible from the Tavistock Road in Derriford is likely to divert relatively significant trade from that store. That said, the store contemplated at Derriford would be substantially smaller than the store at Roborough.

5.19 We anticipate slightly less trade would be diverted from the existing Tesco and Asda stores at Transit Way and Estover respectively. These are smaller and less attractive than the Tesco at Roborough, but are somewhat more hidden away within the urban area, and between five and ten minutes drive from the Derriford area (depending on the route selected).

5.20 We anticipate that a food store of the type contemplated at Derriford would be attractive enough to claw back relatively significant trade currently lost from the catchment to the Sainsbury store at Marsh Mills, and also the Tesco store at Lee Mill. There will be a natural ceiling upon the level of claw back achievable, because both stores are very large stores, and extremely attractive to shoppers in terms of their retail offer, car parking etc. Nevertheless, we anticipate a worthwhile claw back of trade from each of these stores is achievable for residents within the catchment.

5.21 We anticipate that the rest of the proposed store's turnover would be diverted from a larger number of smaller stores both within and beyond the immediate catchment (zones 5-7 & 10). Whilst there may be some diversion of trade on some of the smaller stores within existing centres, such as the Coop store in Crownhill, we do not anticipate that these diversions of trade will be significant, and we have not sought to quantify them at this stage. We anticipate that the smaller stores serve an entirely different function, largely serving a top-up shopping role for customers arriving on foot or shopping by basket rather than trolley.

5.22 Table 4 converts the percentage trade draw pattern in Table 2 into percentage impacts on individual stores. Looking at these specific impacts, we comment as follows:

- Although the Asda at Estover would be left seemingly trading at about three quarters of company benchmark level, in reality we anticipate that this store is trading (and would trade) at a higher level, and that in effect the 2006 Household Survey understated the performance of that store. In any event, it should be noted that the levels of impact measured are in terms of convenience goods only, and the Asda store at Estover derives relatively significant turnover from its comparison/non food goods offer;
- The percentage impact on the Morrison's store at Outlands Road is quite high (15%), but is in terms of a very high starting position for this store in terms of overtrading – as our Shopping Study indicated, this store trades at a higher level in relation to benchmark than any of the other food stores within the city. In any event, the store is in an out of centre location in terms of PPS6.

5.23 Overall, we conclude that none of the potential impacts that we have identified would be harmful to any district or local centres as a whole.

6. Site Options

6.1 The meetings with stakeholders have been helpful in identifying the site options potentially available for a district centre development within the Derriford area. The plan attached as Appendix 5 indicates the five site options, and we set out below an analysis of the pros and cons of development on each of the sites, in retail planning terms.

Site Number One: Former Seaton Barracks Parade Ground

6.2 This site of approximately 6.5 hectares immediately to the North and East of the Future Inns Hotel is in physical terms perhaps the easiest of all the five sites to realise a district centre development on. The site is cleared, and has a site access road in place. It has immediate frontage to the Tavistock Road, which in our view will be a major benefit in attempting to attract quality occupiers to the food store. The site also has a public bus stop (South bound) on the Tavistock Road frontage, and is adjacent to pedestrian crossing facilities across the Tavistock Road towards to McDonalds and Kwik-fit units on the West side of the road.

6.3 However, in our view the site has some shortcomings. Whilst it is located adjacent to other commercial uses such as the hotel and offices, it is located slightly away from both the existing retail and other commercial uses in the area, such as the sports club, along with the more intensive employment uses in the area particularly the Derriford and Nuffield Hospitals. Perhaps more fundamentally, spatially the site is logically considered as being a central part of the office campus within the area, and it's relative lack of physical constraints to development should prove most attractive to this form of development. Typically, retail development with it's high land values is capable of being developed on more challenging sites, and in the circumstances it may be preferable for the former parade ground site to be safeguarded for B1 development.

- 6.4 Whilst the site area available presents an immediate opportunity for a district centre form of development, long term expansion opportunities are more limited. Incorporation of the Territorial Army site would be difficult given the mature tree belt on the Eastern side of the site and the change in levels between the two.
- 6.5 Overall, it appears to us that there may be better alternatives available.

Site Number Two: South West Water site

- 6.6 This is the largest of the five sites in terms of site area at approximately 16 hectares. However, unlike the former parade ground site there are a considerable number of physical hurdles to overcome before a district centre development scheme could be realised.
- 6.7 The most fundamental of these is the relocation of the waterworks itself, which we understand is responsible for supplying a large part of the City with fresh drinking water. Montrose Capital appear fairly optimistic that an alternative location can be secured within a relatively short timeframe of about a year. Even if this is the case there is clearly likely to be a lead in period before any new water treatment works could be constructed and become operational. Conversely, if an alternative site cannot be secured, or other problems are encountered in providing replacement facilities then the prospect of redevelopment for other forms of use is likely to be very limited within the plan period.
- 6.8 In any event, it appears to us that the potential development site would exclude the units occupied by McDonalds, Kwik-fit and the former petrol filling station fronting the Tavistock Road which are in third party ownerships. These land holdings, if ultimately excluded from any development, could lead to any redevelopment and urban form having a somewhat disjointed relationship with the Tavistock Road to the overall detriment of the final scheme and identity of the area. Nevertheless, we anticipate that a food store on the South West Water site would prove attractive to potential operators.

- 6.9 Of particular importance for the latter will however be satisfactory access arrangements. It is possible that satisfactory access could be achieved via the existing junction and entrance into the B&Q/Windsor House site, but more likely that access would be via a new fourth arm off the Tavistock Road adjacent to McDonalds and via the proposed new link road on the North side of Crownhill Fort between Tavistock Road and the B3373. Indeed, development of the site may even be able to help finance some of the new link road.
- 6.10 The site's location adjacent the major retail use in the area would clearly be beneficial (and could potentially be exploited in the long term), and relationship with existing and proposed residential areas is good. However, the site is located furthest away from the major employment uses in the area particularly the hospital, and the physical separation created by the Tavistock Road may only act as a further disincentive for those living, working and visiting the areas around the hospital to make the journey to land areas beyond B&Q and Windsor House.
- 6.11 Looking forward, the South West Water site offers the most potential for new development by virtue of its size. Therefore, in terms of the Council's Core Strategy if the circumstances are right the site offers the best prospect of being able to provide land for an extension of the district centre. That said, in the short term substantial comparison floor space (as being promoted by Montrose Capital) will be contrary to the advice in the Cushman & Wakefield Shopping Study, and statements contained within the Core Strategy. In the longer term, there would be the question of what would happen to any land that might be reserved for development, and for what period of time such might occur.
- 6.12 In conclusion we consider that the South West Water site has reasonable potential, although given the uncertainty with the future of the waterworks we consider that there is another site with a similar level of potential.

Site Number Three: The B&Q Site

- 6.13 Of all of the site options, this site is in our view the most prominent in relation to the Tavistock Road and Derriford roundabout, which in turn spatially is the natural centre of gravity for the Derriford area.
- 6.14 As noted above the B&Q store was constructed about five years ago as a purpose built unit for that operator, following the grant of planning permission by the Secretary of State. Prior to that, we understand that the site formed part of the waterworks and contained a large reservoir.
- 6.15 Whilst we have not been able to speak with B&Q during the course of preparation of this report we have met with the freehold owners of the site, and our conclusion from those discussions is that in the short and medium term i.e. in the period up to 2021 there is very little prospect for either the reconfiguration or redevelopment of the B&Q building and substantial car parking areas. This is unfortunate, as in our view this could represent the best site for a new district centre in Derriford. Essentially this is because of its blend of a number of qualities namely:
- The position and prominence in relation to the Tavistock Road and Derriford roundabout,
 - Juxtaposition to the major employment users in the area particularly the hospital,
 - Juxtaposition to other commercial uses in the area,
 - Accessibility (existing and potential) by both car and public transport,
 - Potential for a quality mix-use environment, and
 - Potential for future expansion.
- 6.16 However, we consider that in the context of the Core Strategy's objectives, and its lack of availability in the short to medium term, there are better potential options available, although the site could ultimately figure in any long term growth scenario.

Site Number Four: Land at Plymouth Airport

6.17 This site opportunity is located at what we consider to be the Northern periphery of the Derriford area. The location of this is slightly accentuated by its natural topography above much of the surrounding land.

6.18 Nearby plots of land have relatively recently (or are in the process of being) redeveloped, such as the Devonshire Health and Racquet Club, the hotel and pub and car showroom on the North-east side of the Derriford roundabout, and the NHS Trust residential development under construction overlooking the junction of Derriford Road and Plymbridge Lane. Whilst development of the southern end of runway 0624 could form a logical extension of this recent development, we are concerned that spatially it is not the correct location for a new district shopping centre. In particular, there is no frontage to the Tavistock Road either directly or via longer views. We therefore doubt that the site will prove attractive to one of the main food store operators. We also have concerns about the Derriford Road/Plymbridge Lane junction, and it is possible that this may need substantial enhancement in order to deal with additional traffic generated by a district centre development.

6.19 We do accept the position that the future long term health of the airport is essential for the ongoing success of the medical and other related office campus uses in the area, and in this regard it seems to us that other forms of development on this land may be more appropriate in due course than a district centre development.

Site Number Five: North West Quadrant Site

6.20 This site is better located spatially than the airport site, closer to the natural centre of gravity within Derriford. It is presently in use as extensive hospital car parking, and hospital staff accommodation. We understand that the accommodation is in the process of being relocated, and subject to the requirement to provide replacement hospital staff car parking the site appears to

be relatively free of constraints and is available for development in the short term.

6.21 We have some reservations about the potential of the site to accommodate a district centre form of development. First, whilst the site does have some immediate frontage to the Derriford roundabout and the Tavistock Road, this is relatively limited compared with say the former parade ground or B&Q sites. The bulk of the site is to the North and East of this with the Derriford Road as its perimeter. The change in topography (rising from South to North) could pose difficulties for the development of a building with a single level gross footprint of about 4,650sq.m. for an anchor food store. Perhaps towards the Southern end of the site the topography would act as an advantage in allowing for decked development e.g. car parking beneath the food store, but there is only limited site availability here due to the presence of the Ambulance Trust land. If that land could be brought into the site this could significantly improve the position.

6.22 We also have some concerns about site accessibility, particularly by car. At present, access is either via the Derriford Road turning south into the hospital at the mini roundabout, or alternatively via Morlaix Drive off Brest Road heading South from the Derriford roundabout. The Derriford Road is extremely busy, whereas Morlaix Drive is effectively a narrow single lane road. An additional arm off the Derriford roundabout appears unlikely, and as a consequence significant improvements are likely to have to be made to the highways configuration in the area.

6.23 Thirdly, and in the longer term, we consider that the North West Quadrant site does not offer potential for expansion of a district centre development with additional retail floor space. It is likely that any development will be relatively constrained in future.

6.24 However, we also consider that the North West Quadrant site has some positive qualities in terms of its potential for a district centre form of development. In addition to its relationship with the Tavistock Road and Derriford roundabout

mentioned above, it is clearly well located to other commercial uses in the area including the hotel, public house and Devonshire Leisure Centre. Moreover, it is extremely well located in relation to the major employment centre in the area, the hospitals. It would also be well located in terms of the existing bus interchange in the area (outside the front of the hospital), and potentially in future in terms of enhanced public transport interchange facilities in the area, for example if this was located off the Derriford roundabout.

- 6.25 Given the apparent aspirations of the site's owner in terms of residential content, we therefore consider that the site offers a relatively short term prospect for an intensive, high quality mixed-use scheme, including some limited retail floor space.
- 6.26 Nevertheless, we consider that the configuration of the site and issues relating to access are potentially significant.

Overall Summary

- 6.27 Based on the analysis above, as matters stand none of the five site options identified during the course of preparing this report could be said in our view to represent an "ideal" solution for the Core Strategy Objective for a new district centre in Derriford. That said, they appear to be the only options at this stage.
- 6.28 We recommend ruling out land at Plymouth Airport and the former parade ground site adjacent the Future Inn's Hotel, as we consider that there are more appropriate uses for both of these sites going forward. That leaves three remaining potential sites. Of these, it appears that the B&Q site is ruled out of contention (at least for the majority of the Core Strategy duration) because of the tenure arrangements for that property, and the potential timescale when the site may become available for redevelopment.
- 6.29 The North West Quadrant site and the South West Water site are in our view the most realistic alternatives at this stage. Whilst the North West Quadrant site appears to be available for development in the short term, we have some

concerns about its suitability in terms of its size, configuration and access. It is possible that these may be soluble, particularly by acquiring the adjoining Ambulance Trust land. Even then though, the site would have little potential for long term expansion. Should the Council decide not to pursue a district centre allocation on the site, given the level of identified need (expenditure), and in light of the hospital's apparent desire to realise some food retailing facilities close to the hospital, it may be appropriate for a limited additional allocation (of say up to 500sq.m. gross) for convenience retail floor space to be made at the North West Quadrant site, as part of a mixed-use strategy.

- 6.30 Turning to the South West Water site this clearly does have potential for long term expansion of retail floor space in the right circumstances, albeit at this stage there is no certainty about the availability of the site for redevelopment (and timescale). Even if the waterworks can be relocated and the site made available, the timescales appear to be longer than with the North West Quadrant site, such that development of a district centre would occur later in the plan period. As noted above, we also have concerns about the lack of frontage to Tavistock Road by virtue of intervening plots of land, although given their prominence we anticipate these blocks would be likely to be subsequently developed after construction of the new district centre. It is for the City Council to decide if this should best be as part of an overall master-plan.

7. Development Configuration, Car Parking and Accessibility

7.1 As has been indicated above, we anticipate that a new food store of about 4,650sq.m. would be able to act as the platform, both in investment and retail operation terms, for the further construction of a modest range of ancillary units capable of forming the nucleus of a district centre.

7.2 The gross figure for the food store might break-down into a net convenience sales area of about 2,250sq.m., a comparison sales area of 675sq.m., and with the remainder as cafe, wcs, customer service desk, and the various back of house areas. As a guide, this is about 10-20% larger than the Morrisons store on Outlands Road.

7.3 Turning to 'ancillary' shop/service units within a district centre context, a range of uses could be achievable, and indeed typically found in these sorts of developments, such as:

- chemist;
- travel agent;
- small scale comparison traders such as clothing and footwear, hardware, electrical, stationery – possibly independent retailers;
- post office;
- off-licence;
- newsagent;
- coffee shop;
- estate agents;
- solicitor (and other office and professional services);
- bank;
- building society;
- betting shop;
- take-away;
- restaurant;
- public house;
- hairdresser;
- beautician;

7.4 In addition to these, other more community based uses (but still commercial operations) could be found such as a day nursery, a gym or fitness centre, office space, along with community hall etc.

- 7.5 We consider that Derriford has the potential to prove attractive to some or all of these, however it will be for the market to decide on the precise range and mix of uses. We anticipate that the presence of a suitable anchor food store operator could generate a requirement for in the order of 15 or so complimentary units of varying sizes (excluding large space users such as a gym). Assuming a small 'high-street' or pedestrianised piazza style development, and an average unit size of 150sq.m., this equates to an additional gross floor space of about 2,250sq.m (24,200sq.ft.).
- 7.6 In the City-wide context some control over use class or unit size might be appropriate. Our initial suggestion would be no more than one third (33%) of the floor space (other than the food store) to be in A1 use. Unit size might be capped at 200sq.m.
- 7.7 Turning to car parking, typically food store operators will seek provision of anything up to 1 space per 10sq.m. gross, but a more realistic range would be 1 space per 14 - 20sq.m. This would give figures of 331 - 232 spaces. However, additional car parking for the other units would be appropriate, and we therefore suggest an ceiling of 400 spaces.
- 7.8 We also anticipate that a development of this scale would be capable of providing new public transport facilities (in this case most likely to be for buses), either as part of the scheme, or by way of financial contribution. This would be appropriate in the context of the Core Strategies objectives for a High Quality Public Transport (HQPT) System.

8. Summary

- 8.1 This report is intended to form part of the evidence base for the preparation of the Derriford and Seaton Area Action Plan.
- 8.2 The Cushman & Wakefield 2006 shopping study indicated that additional retail floor space in the Derriford area in the form of a new district centre could be appropriate. In due course it may be appropriate for the scale of development to increase if the circumstances are right, and the role and function of the City Centre would not be harmed, and further potential investment threatened.
- 8.3 Additional quantitative analysis within this report has helped better define the scale of floor space likely to be appropriate for a new district centre, it's general configuration and use.
- 8.4 A number of site opportunities have been identified through discussions with stakeholders, and their merits considered. Our analysis indicates there are no other potential sites, in terms of the sequential approach. Two of the sites have emerged with more potential than the others, albeit each has a number of matters to be addressed before final plans could be formulated and approved by the City Council. Of these two sites, in our view the South West Water site best fits with the overall vision contained within the Core Strategy.