

Land at Maylands Avenue, Hemel Hempstead

Further Retail Review

On behalf of **Dacorum Borough Council**



Project Ref: 33945| Rev: Final | Date: November 2015



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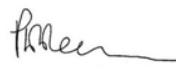

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1 Introduction

- 1.1.1 On behalf of Dacorum Borough Council (DBC), Peter Brett Associates LLP (PBA) undertook a review of the retail evidence set out within the Planning Statement (PS) prepared by Savills and submitted in support of the current planning application for the proposed A1, A3 and B1 mixed-use development on land at land at Maylands Avenue, Hemel Hempstead. This comprised providing initial comments in May 2015; in response to these initial comments, two further submissions were made on behalf of the applicant dated 11 June and 30 June 2015. Following these additional submissions, PBA provided DBC with a full Retail Review (RR) in September 2015.
- 1.1.2 The RR concluded that whilst in the absence of controls the proposed development was not acceptable, the likelihood of a significant adverse retail impact could be satisfactorily be mitigated through suitable conditions relating to floor areas, unit sizes, the range of goods and revoking permitted development rights.
- 1.1.3 Since the RR was completed, an objection has been received from Hightown Housing Association ('Hightown') and Savills, on behalf of the applicant, have submitted a further letter dated 2 October 2015 ('the October submission'). Hightown are the developers of the Heart of Maylands local centre. These are considered in this Further Review at Sections 2 and 3.
- 1.1.4 Section 4 comprises an assessment of solus impact. Section 5 of this Further Review then provides a cumulative impact assessment of the proposed development, the Jarman Fields appeal and draft allocation and the current Lidl application. PBA's conclusions are set out in Section 6.
- 1.1.5 In preparing this further note, it should be reiterated that PBA's scope relates solely to retail planning matters. Whilst PBA recognise that there are other planning policy matters to consider such as the loss of allocated employment land, these are for DBC to take account of when they balance the planning issues as required by paragraph 14 of the NPPF.

2 Applicant's further submissions

- 2.1.1 The October Submission deals primarily with retail impact issues. At the outset, it is worth noting that whilst the application originally comprised 12,503 sqm Class A1 retail, 3,004 sqm Class B1 office and 1,031 sqm Class A3 café/restaurant, the submission states that the A3 element has been reduced to 650 sqm.
- 2.1.2 The submission also confirms that the following potential conditions, which PBA included in Section 6.4 of the RR, were acceptable:
- Restriction on total net sales area (9,262 sqm net) and gross floor area (12,503 sqm GIA) – relating the proposed A1 floorspace;
 - Control over the proportion of net sales area devoted to the sale of convenience goods (1,414 sqm net) and comparison goods (7,848 sqm net);
 - Convenience retail floorspace restricted to a single unit; the net sales area of that unit limited to 1,767 sqm net;
 - Minimum unit size: imposing a lower threshold of 650 sqm gross;
 - Revoking permitted development rights.
- 2.1.3 In addition, Appendix 1 to the October Submission includes several other conditions such as the restriction of A3 floorspace to a maximum of 650 sqm (GIA) and limiting the number of retail units to a maximum of six.
- 2.1.4 The applicant has not accepted the potential condition which sought to prevent the sale of clothing and footwear from the application site. Instead, the October Submission includes an alternative proposal, namely that the sales of such goods, together with jewellery and fashion accessories, would only be permissible in the following circumstances:
- When sold alongside furniture, furnishings and garden centre goods up to a maximum of 1,350 sqm. The furniture, furnishing and garden centre goods etc. would occupy a minimum of 1,350 sqm i.e. the clothing element would not exceed 50% of the total sales floorspace within the unit.
 - Sports and outdoor pursuits clothing up to a maximum of 825 sqm, when sold alongside sports equipment which would account for the majority of retail floorspace within the unit i.e. the sports clothing element would not exceed 50% of the total net sales area of that unit.
 - When sold as an ancillary product range from no more than 3% of the net sales area. In addition to clothing and footwear and jewellery and fashion accessories, the 3% restriction would also apply to pharmaceuticals, toiletries and cosmetics (health and beauty). Although not specified, it is assumed that the third circumstance (3% upper limit) would relate to each individual retail unit.
- 2.1.5 These first two elements set out above are the same as the conditions proposed as part of the June submission.
- 2.1.6 There is reference throughout the submission to Next Home and Garden as a potential occupier of one of the units; however, they are not a contracted tenant. The same is true of Decathlon. In any event, the permission will run with the land and the implications of the suggested conditions must therefore be considered without reference to these potential

tenants but in terms of what they would permit. This is summarised in the table below which sets out the maximum quantum of clothing that would be allowed under the suggested conditions (all figures shown in sqm net):

Table 1 – Aviva scheme summary

| Unit | Clothing, footwear, jewellery etc. | Other comparison goods | Total |
|---|------------------------------------|------------------------|--------------|
| Home and fashion unit | 1,350 | 1,350 | 2,700 |
| Sports unit | 825 | 825 | 1,650 |
| Other units | 105* | 3,398 | 3,498 |
| Total | 2,280 | 5,568 | 7,495 |
| Potential total clothing, footwear, jewellery etc. | | | |
| Sports and outdoor clothing | | | 825 |
| Unrestricted clothing, footwear, jewellery etc. | | | 1,455 |

* including any health and beauty

- 2.1.7 The table above represents the maximum scenario. In the event the home and fashion unit and sports unit did not come forward, the maximum floorspace that could be devoted to a clothing, footwear, jewellery, fashion accessories and health and beauty products would be capped at 278 sqm over the whole development.
- 2.1.8 In response to concerns raised in the RR in relation to the impact of comparison trade diversion on Hemel Hempstead town centre being understated, the October Submission includes some further analysis. The RR set out at paragraph 5.6.17 that PBA consider that the forecast impact will be higher than forecast by the applicant for a number of reasons including:
- Given the proposed development could include a significant proportion of fashion floorspace, diversion from the retail parks appears to have been overstated;
 - The combined convenience, comparison and leisure offer will create a significant cluster of floorspace which will encourage linked trips between the different uses, amplifying the impact on existing centres;
 - Allowance was made for diversion from the Jarman Fields commitment which has now lapsed;
 - Impact should be assessed in 2018;
 - Special forms of trading (SFT) should be deducted at source.
- 2.1.9 The October Submission seeks to address some of these points. The additional points made are considered below:
- **Trade diversion:** the suggestion that diversion from the retail parks has been overstated not been considered.

- **Jarman Fields:** the October Submission does not provide a revised assessment of solus impact to take account of the fact that there is currently no permission on the Jarman Park development site from which 15% of the proposed development's turnover was expected to be derived; there is however reference to increasing diversion from the town centre to £9.7m i.e. a further 5%. It is unclear from the submission where the other 10% (£3.88m) that was previously coming from Jarman Fields will be derived.
 - Attention is drawn to the fact that the refused development at Jarman Park (now subject to appeal) was recommended for approval on the basis of £15m diversion from the town centre. This is compared to applicant's forecasted £9.7m. However, it should be clarified that the Jarman Fields application was found to be unacceptable without appropriate mitigation measures, including the imposition of a condition to preclude the sale of fashion goods. Thus the consequent point made by in the October Submission that it was recommended for approval with an impact of between 8.7%¹ and 9.4% cannot be taken at face value but must be considered in the context of the conditions that were intended to mitigate what were perceived to be significant adverse impacts.
 - **Design year:** the October Submission suggests that the NPPF is 'explicit that impact should be assessed five years from the date an application is submitted'. This is not correct; as set out at paragraph 5.6.2 of the RR, the NPPF states that impact should be assessed 'up to five years from the time the application is made'. It is therefore reasonable to refer to the PPG to understand what constitutes an appropriate design year. In any event, the additional information on the intended programme is useful and PBA now agree that 2020 is an appropriate design year for the purposes of the NPPF and PPG.
 - **SFT:** as confirmed at paragraph 5.4.4 of the RR, PBA accept that whilst not conventional the approach adopted by Savills has a similar effect to deducting SFT at source. It is acknowledged that this point should not have been included in the points set out at paragraph 5.6.17.
- 2.1.10 It should be noted that PBA's advice to DBC has never been, as the October Submission has sought to suggest, that there is a 'deficiency in the existing retail provision within the town' because 'it lacks a destination out-of-centre retail location'. PBA do acknowledge that there is leakage to out-of-centre facilities outside Hemel Hempstead but the critical point made in relation to the Jarman Park scheme and equally applicable to the proposed development is that there is no guarantee that either would successfully clawback any of this leakage. Indeed, it is noted that by the applicant's own submissions, only 10% of the proposed development's turnover appears to be drawn from out-of-centre provision outwith Hemel Hempstead and there is no analysis to underpin an assertion that this provision constitutes 'destination' out-of-centre retail.
- 2.1.11 As such, this is only material insofar as it relates to the extent of impact on existing and planned town centres as required by the NPPF.
- 2.1.12 The RR identified a concern that because of the lack of named occupiers, understanding and mitigating the impact on Hemel Hempstead town centre would be more challenging. It is in this context that the effects of the suggested conditions should be considered.
- **Home and fashion store:** this is unchanged from the June submission and would allow up to 1,350 sqm of fashion goods within one unit. However, it is also true that the condition would require an equal if not greater proportion of floorspace to be devoted to bulkier items including DIY and garden goods, furniture, furnishings, electricals, homewares, flooring and floor coverings and seasonal home and garden goods.

¹ Adjusted to reflect PBA advice to DBC

The RR expressed concern that the lack of named retailer/s meant that there was no ability for DBC to prevent any existing town centre retailers relocating to the proposed development to the detriment of the wider town centre. However, as the October Submission points out, there are very few retailers that operate such a business model; PBA acknowledge this point, but plainly in the future this may no longer be the case as retail business models evolve. Having regard to existing town centre occupiers, because the convenience goods condition would prevent a full-line Marks and Spencer variety store occupying a unit in the proposed development, In PBA's view, at the time of writing, Next and TK Maxx/Homesense are the only existing town centre occupiers that might take the unit. The October Submission makes a number of references to Next, although they are not contracted, thus there is no ability for DBC to require them to commit to a town centre presence.

- Sports store: the suggested condition would allow up to 825 sqm of sports and outdoor clothing to be sold from the proposed development. Whilst restricted, it would compete directly with a number of town centre occupiers including JD Sports, Sports Direct, Trespass and Millets. However, it is noted that the suggested condition also means that the sports clothing element would not account for the majority of the unit's sales area; taking account of those existing in-centre occupiers' business models, it is clear that none could relocate to the proposed development.
- Other fashion and health and beauty floorspace: this would be limited to a maximum of 278 sqm; feasibly this could be provided within a single unit but the total sales floorspace of that unit would be 9,262 sqm (i.e. the whole development). The condition would therefore ensure that such floorspace would be very much ancillary to the main function and would not be suitable for any of the main retailers currently in the town centre to relocate. In this sense, whilst there may be a degree of diversion from competing town centre retailers, the overall effect on the perception of the proposed retail park as a competing destination to the town centre would be limited. PBA consider that this condition is appropriate.

3 Representations

- 3.1.1 PBA have been asked to consider the representations submitted by Hightown by letter and email, dated 28 August and 11 September respectively. It should be noted that neither submission relates explicitly to this application; however, the August letter concludes with the comment that Hightown 'would encourage the Council to press for a policy-compliant development on the former Lucas Aerospace site, one that genuinely embraces Maylands as a growing and thriving business park'.
- 3.1.2 The Hightown representation therefore relates primarily to the proposed Lidl foodstore at the former Breakspear House site, also on Maylands Avenue. The application has now been refused for reasons not related to retail planning matters but the foodstore would, if approved, have extended to a maximum net sales area of 1,228 sqm. Whilst this is smaller than the proposed foodstore element within this application, for completeness PBA have reviewed the representations to understand whether there are any retail planning implications for the proposed development that DBC should consider.
- 3.1.3 The main concern articulated by Hightown relates to the impact a large foodstore would have on the Heart of Maylands local centre in terms of future tenant line up. The representation confirms that construction is underway and that Sainsbury's are contracted to take a unit within the centre as a Sainsbury's Local. There is no suggestion that the construction will not be completed, nor that there are terms within Sainsbury's lease to suggest that they might not choose to take the store or might terminate their lease earlier as a consequence of impact from the Lidl or the proposed development.
- 3.1.4 However, Hightown are concerned that the Lidl development might prejudice their ability to let the other units within the local centre. To address these concerns, PBA recommended that DBC should impose a condition to preclude the foodstore from having an in-store post office, pharmacy, bakery, delicatessen, photo shop, financial services or opticians. In addition, a further condition was suggested to restrict the sale of newspapers and periodicals, tobacco and individual confectionary items. Whilst Hightown have not made this explicit comment, plainly the concern is equally applicable to the proposed development. To mitigate the impact on planned investment in the Heart of Maylands local centre, it is recommended that the same conditions should be imposed on the foodstore element of the proposed development.

4 Solus impact

- 4.1.1 The October Submission sought to respond to a number of issues raised in the RR. Having reviewed this submission, PBA consider that the applicant has provided greater clarity on a number of points. PBA's overall recommendation to DBC remains unchanged; namely that unrestricted the proposed development would not be acceptable and would cause a significant adverse impact on Hemel Hempstead town centre. However, it is considered that the impacts from a limited provision of fashion floorspace within the proposed development on Hemel Hempstead town centre could be acceptable, if carefully controlled through planning conditions.
- 4.1.2 The previous concern set out in the RR related to the lack of confirmed tenants. It is helpful to understand likely tenants of a development, since it assists consideration of whether financial impact modelled is reasonable and to reach a judgement on whether the consequences of that impact are acceptable. In a situation where no tenants are named, this exercise is more challenging. However, PBA recognise that the planning permission would run with the land and it is recognised that the applicant has put forward specific conditions that will control the type of retailer that could be attracted to the development to ensure that the development complements rather than competes with the town centre. This appears to be a genuine attempt to mitigate impact.
- 4.1.3 If permission was granted by the Council and the applicant sought to vary or appeal a condition that entirely precluded fashion floorspace within the development (or indeed any of the other planning conditions put forward that control the trading effect of the development), the retail impact must be considered once again. The conditions put forward by the applicant have been considered in some detail and, having regard to the limited tenant line up that might currently occupy either the proposed home and fashion unit or the sports unit, PBA consider that this would be unlikely to give rise to significant adverse impacts on Hemel Hempstead town centre under the terms of paragraph 26 of the NPPF and therefore, if conditioned appropriately, there would be no reason to withhold permission under paragraph 27 of the NPPF. The reasons for these conclusions are as follows:
- The applicant is forecasting an impact in the region of 3.5% on Hemel Hempstead town centre, on the basis that 25% of the proposed development's turnover will be diverted from the centre;
 - This forecast impact takes account of the intended role of the development as having a limited fashion offer;
 - PBA identified that the health of the town centre was fragile and in this context, the potential impact in terms of losing existing in-centre attractors to an out-of-centre retail park, was considered to constitute a significant adverse impact;
 - Having considered the implications of all the suggested conditions which will ensure that no unit within the proposed development would be capable of being fashion-led in its offer, PBA consider that this concern is capable of being satisfactorily mitigated to secure a development that was largely complementary with the town centre's retail offer.
- 4.1.4 In considering the October Submission, it is relevant to note that this assumed that the planning permission for the Jarman Fields development, which has now expired, would come forward and, on that basis, the applicant allow for some trade diversion from Jarman Fields itself. No solus impact assessment was provided. Taking account of this, it is anticipated that the proposed development will result in greater trade diversion, and therefore retail impact, on Hemel Hempstead town centre than the level forecast by the applicant and set out above; PBA estimate that this will be in the region of 6% (comparison only). However, it is recognised that by granting permission on the lapsed Jarman Fields scheme, a level of trade diversion

from Hemel Hempstead town centre was expected. Accordingly, PBA remain of the view that the suggested conditions would satisfactorily mitigate the solus impact.

- 4.1.5 It should be reiterated that these conclusions relate solely to retail planning matters: primarily compliance with the sequential test, as concluded in the RR, and whether there will be a likelihood of a significant adverse impact on Hemel Hempstead town centre under paragraph 26 of the NPPF. It does not assess other important planning policy matters; nor does it exercise a judgement in planning balance.
- 4.1.6 DBC have asked PBA to clarify its position in respect of anticipated impact on Adeyfield, Leverstock Green and Woodhall Farm local centres. As set out at paragraph 5.3.7 of the RR, diversion from Woodhall Farm and Adeyfield is focused on two stores and there is no indication from the operators of those stores that the scale of diversion might prompt the closure of those stores. On this basis, whilst the percentage impacts set out in the report may appear high, the monetary level of trade diversion is a lot lower and there is no evidence to suggest the vitality and viability of these smaller centres will be undermined. For these reasons, PBA do not consider the impact on those centres to be significantly adverse.
- 4.1.7 In relation to Leverstock Green, no diversion is forecast and PBA do not have reason to doubt this expectation. It therefore follows that there will be no impact.
- 4.1.8 In the event DBC are minded to grant planning permission, PBA recommend that it should be conditioned on the following basis:
- i. Restriction on total net sales area (9,262 sqm net) and gross floor area (12,503 sqm GIA);
 - ii. Control over the proportions of net sales area devoted to the sale of convenience (1,414 sqm net) and comparison goods (7,848 sqm net);
 - iii. Convenience retail floorspace to be restricted to a single unit; the net sales area of that unit limited to 1,767 sqm;
 - iv. Controls to prohibit in-store post office, pharmacy, bakery, delicatessen, photo shop, financial services or opticians within the foodstore unit;
 - v. Controls to prevent the sale of newspapers and periodicals, tobacco and individual confectionary items;
 - vi. Minimum unit size: imposing a lower threshold of 650 sqm gross on units;
 - vii. Maximum of six retail units;
 - viii. Restriction on the total amount of A3 floorspace to 650 sqm GIA;
 - ix. Revoking permitted development rights.
 - x. Restriction of clothing and footwear, jewellery and fashion accessories, and pharmaceuticals, toiletries and cosmetics to no more than 3% of the net sales area of any of the retail units;
 - xi. Notwithstanding the above restriction xi. clothing and footwear and jewellery and fashion accessories up to a maximum of 1,350 sqm net sales to be allowed within a single unit where the proportion of floorspace devoted to other comparison goods must exceed 1,350 sqm net sales.

- xii. Notwithstanding the above restriction xi. sports and outdoor clothing up to a maximum of 825 sqm net sales to be allowed within a single unit where the proportion of floorspace devoted to the sale sports and outdoor pursuits equipment must exceed 825 sqm.
- 4.1.9 Irrespective of the above, PBA recognise that the potential of the proposed development to attract tenants currently occupying town centre units is a very sensitive issue. It can influence the assumptions underpinning an impact assessment and therefore the conclusions reached on the consequences of any impact. If DBC remains concerned over the potential effect on trading presence in the town centre, then it could seek written reassurances from the named, albeit not currently contracted, retailers.

5 Cumulative impact

- 5.1.1 PBA have now been instructed to undertake a full cumulative impact assessment of the proposed development (the Aviva scheme) with the Jarman Fields development as well as the refused planning application for a new Lidl foodstore at the former Breakspear House site. An overview of the methodology adopted to inform this cumulative assessment is contained at Appendix A.
- 5.1.2 As stated above, the refused application at Jarman Fields (ref. 4/00424/15/MOA) is subject to a current appeal (APP/A1910/W/15/3132774). The site was allocated through the saved Local Plan, although it should be noted that the relevant policy has not been saved (Policy 41: New shopping development in town centres and local centres); that now deleted policy referred to the Schedule of Shopping Proposal Sites (SSPS), of which Jarman Fields was one (site S3). That allocation was for a: *'mixed-use scheme including shopping, offices, leisure, catering establishments and residential. Non-food retail warehousing also acceptable as part of a mix or as a standalone park'*.
- 5.1.3 However, the context in which this allocation has been saved is material: the Local Plan Policy Schedule (September 2013²) states that *'for simplicity [the Schedules] are retained in their entirety, until updated and superseded by subsequent DPD or decisions. Where there is a conflict between their content and that of the Core Strategy, the Core Strategy will take precedence'*. In determining the degree of weight that can be afforded to the allocation, consideration must also be given to paragraph 215 of the NPPF.
- 5.1.4 The SSPS has not yet been superseded by more recent development plan policy. However, the draft Site Allocations document is in its advanced stages; DBC consulted on Focused Changes to that draft document in August 2015. This draft seeks to allocate Jarman Fields under Proposal S/1 for retail and leisure uses and, to reflect the fact that the historic permission has now lapsed, states that *'approximately 7,000 sqm (gross) of retail floorspace is acceptable, except for the sale and display of clothing and footwear, unless ancillary to the main use of an individual unit'*.
- 5.1.5 For transparency, the comparison impacts and convenience impacts are summarised under separate sections below. This has primarily been presented in this format because whilst it is the comparison element that is most relevant in terms understanding the potential impact on Hemel Hempstead town centre, it is the convenience impact that needs to be considered in relation to understanding the potential impact on the lower-order local centres.

5.2 Comparison impact

- 5.2.1 Three comparison scenarios have been assessed. These are explained in detail at Appendix A.
- 5.2.2 In modelling the cumulative comparison impact, it should be noted that:
- The Jarman Fields and Aviva schemes are likely to be broadly similar in terms of retail offer.
 - It is likely that if both schemes were approved, there would be a high degree of mutual impact as the developments would be performing a similar function and meeting similar needs.
 - Given the similarity of the Jarman Fields and Aviva schemes and the fact that both, if approved or (in the case of Jarman Fields) allocated, would be restricted along similar

² Issued alongside the adoption of the Core Strategy

lines, there must be some question over whether there would be sufficient retailer demand to support the delivery of both schemes. DBC have sought separate advice on this point.

- With regard to the Lidl scheme, it is considered that the comparison element will not act as a significant attractor in its own right but will perform an ancillary role to the foodstore.

5.2.3 The table below presents the forecast cumulative comparison impact under Scenario A (the Aviva application together with the Jarman Fields appeal scheme)³. As set out in Appendix A, no allowance is made for inflow expenditure⁴.

Table 2 – Cumulative comparison diversion and impact - Scenario A

| | Zone | | | | Total diversion | Impact |
|-------------------------------|-------|-------|---------|-------|-----------------|--------|
| | West | North | Central | South | | |
| Hemel Hempstead | £1.78 | £8.70 | £11.58 | £1.88 | £23.93 | 9.85% |
| Hemel Hempstead retail parks | £1.02 | £2.97 | £5.26 | £1.90 | £11.15 | 14.93% |
| Local centres Hemel Hempstead | £0.03 | £0.10 | £0.12 | £0.03 | £0.28 | 0.98% |
| Berkhamsted | £0.52 | £0.12 | £0.08 | £0.03 | £0.75 | 2.33% |
| St Albans | £0.02 | £1.55 | £0.49 | £0.18 | £2.24 | 10.59% |
| Watford town centre | £0.71 | £1.62 | £2.34 | £3.32 | £7.98 | 8.00% |
| Watford retail parks | £0.16 | £0.59 | £0.78 | £0.49 | £2.02 | 8.94% |
| Luton | £0.02 | £0.80 | £0.11 | £0.00 | £0.93 | 12.57% |
| Tring | £0.00 | £0.00 | £0.01 | £0.01 | £0.02 | 3.25% |
| Central London | £0.01 | £0.02 | £0.04 | £0.02 | £0.09 | 0.81% |
| Other | £0.35 | £1.49 | £1.38 | £0.47 | £3.69 | 4.85% |

5.2.4 The table below presents the forecast cumulative comparison impact under Scenario B (the Aviva application, together with the Jarman Fields appeal scheme and the Lidl application i.e. Scenario A with the Lidl application).

Table 3 – Cumulative comparison diversion and impact – Scenario B

| | Zone | | | | Total diversion | Impact |
|-------------------------------|-------|-------|---------|-------|-----------------|--------|
| | West | North | Central | South | | |
| Hemel Hempstead | £1.82 | £8.84 | £12.08 | £1.92 | £24.66 | 10.15% |
| Hemel Hempstead retail parks | £1.02 | £2.98 | £5.32 | £1.91 | £11.24 | 15.06% |
| Local centres Hemel Hempstead | £0.03 | £0.11 | £0.15 | £0.03 | £0.32 | 1.14% |

³ All monetary figures £M. Also the case for Tables 3-6.

⁴ Refer to Appendix A for further explanation

| | | | | | | |
|----------------------|-------|-------|-------|-------|-------|--------|
| Berkhamsted | £0.53 | £0.12 | £0.08 | £0.03 | £0.76 | 2.36% |
| St Albans | £0.02 | £1.58 | £0.52 | £0.18 | £2.31 | 10.93% |
| Watford town centre | £0.71 | £1.63 | £2.39 | £3.35 | £8.09 | 8.11% |
| Watford retail parks | £0.16 | £0.60 | £0.79 | £0.49 | £2.04 | 9.07% |
| Luton | £0.02 | £0.80 | £0.11 | £0.00 | £0.93 | 12.60% |
| Tring | £0.00 | £0.00 | £0.01 | £0.01 | £0.02 | 3.28% |
| Central London | £0.01 | £0.02 | £0.04 | £0.02 | £0.09 | 0.84% |
| Other | £0.36 | £1.51 | £1.45 | £0.48 | £3.80 | 4.99% |

5.2.5 The table below presents the forecast cumulative comparison impact under Scenario C (the Aviva application, together with the Jarman Fields allocation and the Lidl application).

Table 4 – Cumulative comparison diversion and impact – Scenario C

| | Zone | | | | Total diversion | Impact |
|-------------------------------|-------|-------|---------|-------|-----------------|--------|
| | West | North | Central | South | | |
| Hemel Hempstead | £1.51 | £7.93 | £10.74 | £1.75 | £21.92 | 9.02% |
| Hemel Hempstead retail parks | £0.85 | £2.70 | £4.73 | £1.74 | £10.02 | 13.42% |
| Local centres Hemel Hempstead | £0.02 | £0.10 | £0.13 | £0.03 | £0.29 | 1.02% |
| Berkhamsted | £0.43 | £0.11 | £0.07 | £0.03 | £0.64 | 1.99% |
| St Albans | £0.02 | £1.42 | £0.46 | £0.17 | £2.07 | 9.77% |
| Watford town centre | £0.59 | £1.46 | £2.12 | £3.05 | £7.22 | 7.24% |
| Watford retail parks | £0.13 | £0.54 | £0.70 | £0.45 | £1.82 | 8.07% |
| Luton | £0.01 | £0.72 | £0.10 | £0.00 | £0.83 | 11.20% |
| Tring | £0.00 | £0.00 | £0.01 | £0.01 | £0.02 | 2.88% |
| Central London | £0.01 | £0.02 | £0.04 | £0.02 | £0.08 | 0.74% |
| Other | £0.30 | £1.35 | £1.28 | £0.44 | £3.37 | 4.42% |

5.2.6 The above scenarios indicate that there will be diversion in the order of £22-25m from Hemel Hempstead town centre in the event all the schemes come forward.

5.2.7 The Lidl application is factored into Scenarios B and C; when the cumulative impact under these scenarios (9.1% or 10.2%) is compared to Scenario A which excludes Lidl (9.9%), it is evident that the comparison element of the proposed Lidl store will have a limited impact on the town centre. The same is true for the local centres.

5.2.8 It is clear therefore that, in comparison terms, it is the Aviva and Jarman Fields schemes that are the main considerations. As set out above, the Scenario C considers impact if a scheme more akin to the draft allocation comes forward, whereas Scenario B looks at the appeal scheme being allowed. Under these scenarios, there is a 1.1% difference in terms of the impact on the town centre.

5.3 Convenience impact

5.3.1 The table below sets out the cumulative convenience impact of the Aviva application, together with the Jarman Fields appeal scheme and the Lidl application. This relates primarily to Hemel Hempstead in terms of the town centre, local centres and out-of-centre stores, although it is noted that there is a degree of diversion forecast from stores in Berkhamsted.

Table 5 – Cumulative convenience diversion and impact

| | Zone | | | | Total diversion | Impact |
|------------------------------------|-------|-------|---------|-------|-----------------|--------|
| | West | North | Central | South | | |
| Hemel Hempstead town centre | | | | | | |
| Asda | £1.42 | £0.93 | £0.10 | £0.30 | £2.74 | 9.17% |
| Iceland | £0.02 | £0.01 | £0.00 | £0.00 | £0.03 | 1.98% |
| Marks and Spencer | £0.04 | £0.02 | £0.00 | £0.00 | £0.06 | 2.08% |
| Tesco Express Marlowes | £0.01 | £0.01 | £0.00 | £0.00 | £0.02 | 0.96% |
| Local shops | £0.05 | £0.03 | £0.00 | £0.01 | £0.10 | 0.95% |
| Total | £1.54 | £1.00 | £0.11 | £0.31 | £2.95 | 6.30% |
| Local centres | | | | | | |
| Apsley | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | 0.34% |
| Adeyfield | £0.04 | £0.00 | £0.00 | £0.00 | £0.04 | 0.99% |
| Woodhall Farm | £1.10 | £0.72 | £0.03 | £0.15 | £2.00 | 10.19% |
| Bennetts End | £0.00 | £0.00 | £0.00 | £0.00 | £0.01 | 0.58% |
| Highfield - Bellgate | £0.00 | £0.00 | £0.00 | £0.00 | £0.01 | 0.57% |
| Highfield - The Heights | £0.00 | £0.00 | £0.00 | £0.00 | £0.01 | 0.59% |
| Leverstock Green | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | 0.50% |
| Nash Mills - The Denes | £0.01 | £0.00 | £0.00 | £0.00 | £0.01 | 0.44% |
| Out of centre | | | | | | |
| Tesco Extra Jarman Park | £9.81 | £3.68 | £0.51 | £0.87 | £14.87 | 23.10% |
| Aldi Two Waters Road | £0.89 | £0.47 | £0.23 | £0.49 | £2.08 | 10.25% |
| Aldi Redbourn Road | £1.06 | £0.91 | £0.05 | £0.14 | £2.16 | 15.23% |
| Sainsbury's Apsley Mills | £1.80 | £0.66 | £0.12 | £1.42 | £4.01 | 8.17% |
| Berkhamsted ⁵ | £0.18 | £0.20 | £0.31 | £0.04 | £0.74 | |
| Other | £0.32 | £0.82 | £0.16 | £0.63 | £1.93 | |

5.3.2 Analysis of the household survey data⁶ highlights the limited role local centres play in meeting comparison shopping needs; this is reflected in the limited market share that they achieve. It is therefore only possible to consider the impact on specific local centres with regard to convenience goods. These are set out above.

⁵ Impact percentages not expressed for Berkhamsted or Other destinations are level expenditure drawn from beyond the catchment (inflow) not included and likely form a significant proportion of turnover for those destinations.

⁶ Refer to Appendix A for further detail

- 5.3.3 In convenience terms, because of the location of the existing Tesco store at Jarman Fields, it is unlikely that approval of either of the Maylands Avenue proposals would result in significant shift in anticipated convenience impact i.e. a new store at Jarman Fields would compete most closely with that existing store. Whilst it might compete with either of the Maylands Avenue stores, the combined impact on existing centres is unlikely to be materially worse.

5.4 Combined impact

- 5.4.1 Appendix B contains two full cumulative impact assessments which combine both comparison and convenience impact under the scenarios set out in Appendix A (paragraph A.1.4). With regard to the main centres considered, the table below summarises the cumulative impact. No allowance is made for inflow:

Table 6 – Cumulative impact summary

| | Pre-diversion turnover 2015 | Pre-diversion turnover 2020 | Diversion | Post-diversion turnover | Cumulative impact | Growth from 2015 | Diversion | Post-diversion turnover | Cumulative impact | Growth from 2015 |
|-------------------------------|-----------------------------|-----------------------------|-----------|-------------------------|-------------------|------------------|-------------------|-------------------------|-------------------|------------------|
| | Scenario 1 | | | | | | Scenario 2 | | | |
| Hemel Hempstead | £243.11 | £289.75 | £27.61 | £262.14 | 9.53% | £19.03 | £24.87 | £264.88 | 8.58% | £21.77 |
| Local centres Hemel Hempstead | £52.36 | £59.20 | £2.40 | £56.80 | 4.05% | £4.44 | £2.37 | £56.83 | 4.00% | £4.47 |
| Berkhamsted | £61.74 | £69.23 | £1.50 | £67.74 | 2.16% | £5.99 | £1.38 | £67.85 | 1.99% | £6.11 |
| Watford town centre | £81.62 | £99.79 | £8.09 | £91.70 | 8.11% | £10.08 | £7.22 | £92.57 | 7.24% | £10.94 |
| St Albans | £17.30 | £21.15 | £2.31 | £18.83 | 10.93% | £1.54 | £2.07 | £19.08 | 9.77% | £1.78 |

5.5 Hemel Hempstead

- 5.5.1 The table above confirms that the anticipated impact on Hemel Hempstead town centre will be between 8.6% and 9.5%. Whilst under both scenarios, even allowing for diversion, this will mean that the town centre's turnover will grow from its current level, it should be noted that this growth will be substantially lower than anticipated under a no-development scenario.
- 5.5.2 As set out in the methodology, in assessing the cumulative impact, specific allowance has not been made for inflow expenditure to the centres. Assuming that 10% of the town centre's turnover is derived from beyond the catchment area, as adopted in the Aviva supporting tables, cumulative impact is estimated to reduce to 7.7% and 8.6% for each scenario.
- 5.5.3 As set out in Appendix A, it is assumed that the Aviva and Jarman Fields schemes will be controlled, such that the amount of floorspace devoted to clothing and fashion is limited: in the case of Aviva, this would be to 30% of the total comparison floorspace and the in the case of Jarman Fields to 10%. These restrictions have regard to the role that clothing and fashion play in Hemel Hempstead's town centre.
- 5.5.4 However, as set out in, regard must also be given to other comparison goods sectors and the role that they play in the town centre's vitality and viability. Table 7 below summarises the comparison performance of the centre by goods sector based on current market shares.

Table 7 – Hemel Hempstead by goods category

| | Clothes and fashion | DIY | Furniture, homewares, floor covering | Electrical goods | Health and beauty | Recreation |
|---|---------------------|--------|--------------------------------------|------------------|-------------------|------------|
| Proportion of town centre turnover by comparison goods category | 36.91% | 4.39% | 5.26% | 8.61% | 25.07% | 19.75% |
| Turnover 2020 (£M) | £89.66 | £10.67 | £12.78 | £20.92 | £60.90 | £47.99 |

- 5.5.5 In previous advice to DBC, PBA have articulated a concern that the development will adversely impact on the clothing and fashion attraction of the town centre through a combination of direct diversion and loss of existing in-centre retailers. Having regard to the table above, it is clear that fashion and clothing has the greatest turnover within the centre. For these reasons, PBA have recommended that, in solus terms, conditions will be necessary to mitigate this impact.
- 5.5.6 However, it is clear that fashion is not the only expenditure driver in the town centre; from Table 7, it can be seen that health and beauty and recreation goods also play a significant role in the town centre. As set out in the cumulative methodology, by virtue of the restrictions modelled on the Aviva and Jarman Fields schemes, the majority of the floorspace (c. 12,200 sqm net) will be used for these non-clothing and fashion goods categories, albeit the conditions suggested for the Aviva scheme would also serve to limit the proportion of floorspace that could be devoted to health and beauty products (c.100 sqm net over the whole scheme).
- 5.5.7 It follows that by limiting fashion representation on the schemes, the impact will be felt more keenly by other comparison sectors and occupiers. Having regard to the retailers in Hemel Hempstead town centre, general value comparison merchandise forms an important part of the centre's offer (Argos, B&M Bargains, Wilko, Poundland, 99p Stores), so too do sports and recreation retailers (Sports Direct, JD Sports, The Entertainer). The health and beauty offer in centre includes Boots, Superdrug, the Body Shop and Savers. Other comparison retailers include Laura Ashley (homewares), Waterstones (recreation), Robert Dyas (homewares) and Maplin (electricals). It would be possible for these retailers to relocate to Aviva (not the health and beauty retailers) or Jarman Fields. Whilst in isolation a degree of relocation may not have a significantly adverse effect on Hemel Hempstead, given the scale of the two schemes, it would be possible for a large swathe of these retailers to relocate.
- 5.5.8 The lack of confirmed operators attached to either scheme complicates the assessment of impact, both in solus and cumulative terms. However, given that even if retailers were named they could change in the future, it should not preclude DBC from coming to a robust conclusion on retail planning matters. Conditions have been suggested to mitigate the impact of fashion retailers relocating out of centre if the schemes were to come forward.
- 5.5.9 However, it is also relevant to consider the extent to which it is practical to impose conditions which seek to 'second guess' existing in-centre retailers' location strategies. Critically, whilst it is acknowledged that there will be mutual impact between the two schemes in terms of suppressing their anticipated turnover, the corollary of this is that there will also be competition to secure tenants for those schemes in the event that both come forward. In-centre floorspace would inevitably be impacted by such competition as retailers seek to secure the best deal for them, potentially at the detriment of having a town centre presence. The question to consider is then whether the likely cumulative impact of significant relocations and consequent reductions in footfall and turnover can be best mitigated by only granting permission for one development.

- 5.5.10 With regard to the forecast impact on the town centre, it is acknowledged that turnover of the town centre is still expected to grow over the period to 2020 even with the cumulative diversion factored in. However, it cannot be assumed that because the centre's turnover is expected to grow that it will remain vital and viable.
- 5.5.11 Indeed, town centres rely on continued investment to ensure that they remain vital and viable. At a basic level, this is reflected in improving sales efficiencies; applying efficiencies of 1.5% and 0.25% per annum for comparison and convenience goods means that it would be reasonable to expect the centre to achieve a turnover of £260m in 2020. Taking into account the cumulative effects of the three schemes, the forecast turnover of the town centre is broadly in line with this level.
- 5.5.12 In considering whether the cumulative impact is acceptable, it is reasonable to assume that one of the schemes will come forward. As such, the town centre will be subject to increased competition from new and potentially more commercially attractive floorspace in locations which benefits from surface-level, adjacent, free car parking. In order to continue to compete with such locations, it will be necessary for town centre retailers and stakeholders to make investments to retain shoppers. For such investment to be commercially attractive, it assumes a basic level of custom and footfall; the combined effects of direct diversion of expenditure and losses of in-centre retailers jeopardises this.
- 5.5.13 As noted previously, DBC are seeking separate advice on whether two out-of-centre schemes are likely to be deliverable. Irrespective of the conclusions of that advice, DBC must also consider that, even if only one scheme is deemed deliverable in the short term, granting planning permission on both could potentially prejudice future development aspirations. To explain: although any permission granted would be subject to conditions which limited its lifespan, in order to reserve the developer/applicant's position on the land, necessary works could be undertaken to technically implement the permission; this would keep the permission live. Such an approach is not uncommon and there are frequent instances of historic permissions being partially implemented sufficient to establish a precedent which would be material in any future decision making.
- 5.5.14 As such, whilst the PBA have concluded that there are no sequentially preferable sites to either the Aviva or the Jarman Fields schemes, it is possible that development on the sites may not come forward for some time and, at that juncture, a town centre development site may have become more deliverable. Furthermore, the continued investment in the existing retail stock could be undermined. The existence of an out-of-centre permission which is potentially more attractive to retailers than any future in-centre scheme must be weighed in the balance.
- 5.5.15 Having regard to the above, PBA consider that the cumulative impact of the two schemes (Aviva and Jarman Fields) on Hemel Hempstead is finely balanced and there is a risk of significant adverse impact arising. This point is explored in more detail in Section 6.

5.6 Impact on local centres

- 5.6.1 With regard to cumulative impact, as set out above, it is the convenience element of the impact that is the most relevant consideration as the combined analysis is not fine grain enough to understand the impact on specific centres. When an overall approach is adopted, an impact of c.4% is forecast. As previously confirmed, PBA do not consider this to be likely to cause a significant adverse impact on the vitality and viability of those centres.

5.7 Implications for the wider Maylands area

- 5.7.1 In the event that both the application scheme and the former Breakspear House application are approved, within close proximity of the Heart of Maylands local centre, there will be a significant cluster of retail, leisure and service uses at Maylands Avenue. As Hightown sought

to point out in their representations, this does not form part of the Core Strategy's and supplementary planning policy documents' vision for the area.

- 5.7.2 In this context, it is relevant to consider whether granting permission to these applications would establish a precedent for further retail and other main town centre uses in this area. At the outset, it should be noted that if DBC are minded to grant planning permission, this must be on a conditional basis to mitigate impacts on Hemel Hempstead town centre. Furthermore, any future applications would have to be considered on their own merits; part of this consideration would be the effect that any additional floorspace might have in terms of creating a critical mass of town centre uses that might threaten the vitality and viability of the town centre.

5.8 Impact on other centres

- 5.8.1 As set out in Table 6, it is anticipated that there will be impact on Berkhamsted, Watford and St Albans. In considering this impact, it should be reiterated that this is not based on the whole turnover of those centres i.e. no allowance has been made for inflow expenditure. This is particularly relevant to Watford and St Albans; both of which attract a large amount of expenditure from beyond the catchment area. Thus, although impact is modelled at 7-8% for Watford and 10-11% for St Albans, the true impact will be substantially lower.
- 5.8.2 The Aviva submissions sought to address the question of inflow; however, the assumptions they have adopted are not evidenced and the approach they have taken suggests that they have misunderstood this point e.g. in relation to St Albans, whilst the table implies that they have assumed 85% of the centre's turnover is accounted for by inflow expenditure, the total turnover figure produced indicates that instead they have assumed that inflow expenditure represents amounts to an additional 85% of the catchment area generated turnover. This serves to demonstrate that limited weight can be ascribed to their assumptions.
- 5.8.3 At a simple level, a brief review of the retail evidence for St Albans and Watford indicates that the centres are expected to achieve turnovers of £205m in 2021⁷ £1,238m in 2018⁸. This compares to survey-generated pre-diversion turnovers of £21m and £100m in 2020. Plainly the catchment area currently under consideration only represents a small element of both these centres' catchments; therefore, taking into account inflow, the percentage impact on St Albans and Watford even in the cumulative scenario is unlikely to give rise to significant adverse impacts under the test of the NPPF.
- 5.8.4 In relation to Berkhamsted, even without factoring inflow from beyond the catchment area, the forecast impact is c.2% under either combined scenario. On this basis, the cumulative impact on Berkhamsted is not considered to be significant adverse.

5.9 Conclusion

- 5.9.1 The above analysis has concluded that it is the cumulative impact on Hemel Hempstead that is the key consideration for DBC.

⁷ Strategic Perspectives 2010

⁸ GVA Grimley 2013

6 Conclusions

6.1.1 This Further Review has considered the further submissions made on behalf of the applicant (the October submission) and the representations received on behalf of Hightown. Following these submissions, PBA have provided advice in relation to the anticipated solus impact of the proposed development. In addition, PBA have carried a full cumulative impact assessment of the proposed development, the Jarman Fields schemes and the Lidl application; the findings of which have been set out in Section 5.

6.1.2 Whilst this Further Review relates primarily to the Aviva application, in considering cumulative impact, it is necessary to also set out the implications for the Jarman Fields appeal scheme and allocation, as well as the Lidl application.

6.2 Solus impact

6.2.1 As set out above and in separate advice to DBC, PBA consider that the solus impact of the developments (as applied for and appropriately controlled) would not cause a likelihood of a significant adverse impact on existing town centres under the terms of the NPPF. The suggested conditions are detailed in Section 4.

6.3 Cumulative impact

6.3.1 Assuming the schemes come forward in the manner assumed within the cumulative impact assessment, then PBA consider that there is the potential for a significant adverse impact on Hemel Hempstead town centre, particularly due to diversion within the comparison goods sector.

6.3.2 This conclusion takes into account the specific circumstances in Hemel Hempstead town centre and is because:

- The financial impact of the proposed floorspace on the turnover of the town centre would exceed its expected growth in turnover under a no development scenario and would mean improvements only in just in line with efficiency growth in the performance of the town centre over a five-year period.
- In respect of Jarman and Aviva, the result of two similar schemes coming forward would necessarily put increased pressure on a narrow pool of potential non-fashion retailers in the town centre, either reducing the turnover to such an extent that they would cease trading or to encourage relocations to an out of centre location, thus increasing the potential for vacancies or reducing the quality of the shopping offer in the town centre

6.3.3 In respect of the convenience sector, the cumulative effect would be less pronounced. This is primarily because there is only one significant foodstore within Hemel Hempstead town centre and instead the additional convenience floorspace would compete most readily with the strong out-of-centre provision, including mutual impacts on the schemes themselves. Accordingly, having regard to the ancillary role of the limited quantum of comparison floorspace within the proposed store, there is no reason to withhold permission for the Lidl on cumulative retail impact grounds.

6.3.4 Having regard to the tests of the NPPF, the salient question is whether this significant adverse impact will be likely to happen; this is dependent on there being the demand within the market for both schemes to come forward. However, it is also relevant to consider the longer-term position; whilst there may not be the market at present, there are avenues available to applicants/developers to prevent planning permissions from lapsing until such time as a market exists in order to preserve land value. Therefore, DBC need to be mind the potential

for both Jarman Fields being permitted at appeal (or a smaller application consistent with the policy being granted) as well as the Aviva application also being granted.

- 6.3.5 The results of the cumulative assessment exercise demonstrate that DBC should only support either Jarman Fields or Aviva. This is a finely balanced view and DBC will need to weigh this into the planning balance. Added to this, PBA acknowledge that DBC are not determining the Jarman Fields appeal and will therefore need to consider the position an inspector may adopt on that appeal.

6.4 Implications for Jarman Fields

- 6.4.1 It should be noted that because Jarman Fields is an out-of-centre retail location which is not sequentially preferable to either the application site or the former Breakspear House site, there is no requirement under the NPPF paragraph 26 to consider impact on out-of-centre allocated sites.

- 6.4.2 In relation to Jarman Fields, the relevant facts are as follows:

- There is a saved allocation for 6,700 sqm of bulky goods retail floorspace
- There is an emerging allocation for 7,000 sqm of retail floorspace, where fashion is acceptable in an ancillary capacity
- No representations have been made objecting to this emerging allocation beyond seeking that the quantum be increased to 10,000 sqm and any reference to bulky goods be removed
- Planning permission for bulky goods retail for 6,700 sqm expired in August 2015
- Planning permission was refused for 10,305 sqm of retail floorspace in June 2015 on the grounds of impact on Hemel Hempstead town centre
- There is a current appeal on that refused application

- 6.4.3 With regard to cumulative impact, DBC will need to consider the weight that should be attributed to these facts in assessing the relevance of the current appeal and the allocation at Jarman Fields in the determination of the Aviva application.

- 6.4.4 For the purposes of this cumulative analysis, it is the appeal scheme that is of most relevance. However, it should be noted that even allowing for the smaller allocation scheme, the conclusion in relation to cumulative impact and therefore recommendations to DBC are not materially different under the appeal or allocation schemes.

Appendix A Methodology overview

A.1.1 This appendix accompanies the Further Retail Review prepared by PBA in relation to the current application on Land at Maylands Avenue, Hemel Hempstead. It provides a short summary of the methodology and data inputs that have been used to underpin the cumulative impact assessment which informs the Further Note.

A.1.2 Three comparison scenarios are considered:

- A. Aviva application + Jarman Fields appeal scheme
- B. Aviva application + Jarman Fields appeal scheme + Lidl application (i.e. Scenario A + Lidl application)
- C. Aviva application + Jarman Fields draft allocation + Lidl application

A.1.3 One convenience scenario is considered. This assumes the Aviva scheme, the Jarman Fields appeal scheme and the Lidl scheme will come forward.

A.1.4 Two combined cumulative impact scenarios are presented:

- 1. Comparison Scenario B + Convenience
- 2. Comparison Scenario C + Convenience

A.1.5 The following data inputs have been used to quantify the turnovers of the various schemes:

| | Aviva | Jarman Fields Appeal scheme | Jarman Fields Allocation | Lidl |
|--|---------------------------------|---------------------------------|---------------------------------|--------|
| Floorspace (sqm net) | | | | |
| Comparison | 7,484 | 8,000 | 5,600 | 246 |
| Convenience | 1,414 | 812 | | 982 |
| Restrictions ⁹ | c.30% cap on fashion floorspace | c.10% cap on fashion floorspace | c.10% cap on fashion floorspace | |
| Sales densities (£/sqm) ¹⁰ | | | | |
| Comparison | £4,000-8,000 ¹¹ | £4,000 | £4,000 | £5,236 |
| Convenience | £12,000 | £11,200 | | £6,314 |
| Scheme turnovers | | | | |
| Comparison | £38.8m | £34.5m | £24.1m | £1.4m |
| Convenience | £17.3m | £9.2m | | £6.3m |
| Total | £56.1m | £43.9m | £24.1m | £7.7m |

A.1.6 An impact year of 2020 has been adopted. This allows for all the schemes having opened and reached maturity.

⁹ PBA acknowledge that additional conditions have been recommended on the above schemes; these are not summarised in detail here but PBA have borne them in mind when undertaking this cumulative assessment.

¹⁰ Convenience grown at 0.25% per annum and comparison at 1.5% per annum

¹¹ Sourced from Savills assessment

- A.1.7 The modelling sequence adopted is as follows: Aviva scheme opens first, then Jarman Fields, then Lidl scheme. It is acknowledged that, as the least complex proposal, the Lidl store may open first; however, given its limited turnover, it has been modelled for completeness and therefore has been added as the final stage for Comparison Scenarios B and C.
- A.1.8 It is assumed that the opening of the first development (Aviva) will result in the Jarman Fields scheme not achieving its full turnover. Jarman Fields has therefore been assumed that it will achieve 80% of the forecast turnover set out above.
- A.1.9 As the most recent household survey undertaken, PBA has adopted the results of the survey undertaken in support of the Aviva application. Consequently the same catchment area and survey zones as those adopted in the Aviva application have been used. Following on from these assumptions, the following data inputs have been used:
- Population and baseline 2015 expenditure data have been derived from Savills Planning Statement Appendices 7 (Tables 1a and 1b) and 8 (Tables 1a and 1b).
 - Expenditure growth: making allowance for growth in special forms of trading (SFT), baseline expenditure has been allowed to grow in line with Experian Retail Planner Briefing Note 13.
 - Comparison goods shopping patterns: due to a lack of transparency in the impact modelling submitted in support of the Aviva application, PBA has used the survey results to establish zone-based market shares for comparison goods.
 - Convenience goods shopping patterns: the main food and top-up market shares set out in Savills Planning Statement Appendix 7 Table 2 have been combined with expenditure to establish overall convenience market shares on a zone-by-zone basis.
 - Inflow expenditure: this is the proportion of expenditure derived by the relevant centres from beyond the area covered by the household survey. Unless otherwise specified, no allowance is made for inflow expenditure.
- A.1.10 PBA has used its own judgement in relation to the assumptions adopted on trade draw and diversion. This seeks to address deficiencies identified in the various application documents reviewed by PBA, including the need for impact to be assessed on a zone-by-zone basis in order to be able to understand that the assumptions adopted in relation to trade draw and diversion are realistic.
- A.1.11 The effect of inflow expenditure on the performance of existing centres has only been considered in relation to Hemel Hempstead. In relation to the other centres, it is considered that they are not dominant in the catchment area; therefore assumptions in terms of the proportion of trade that they draw from the catchment area would not be robust.

Appendix B Cumulative impact tables

COMBINED CUMULATIVE IMPACT - SCENARIO 1

| | Comparison | | | | Convenience | | | | Combined | | | | Cumulative impact | Growth from 2015 |
|--------------------------------------|---------------|---------------|-----------|-------------------------|---------------|---------------|-----------|-------------------------|---------------|---------------|-----------|-------------------------|-------------------|------------------|
| | 2015 turnover | 2020 turnover | Diversion | Post-diversion turnover | 2015 turnover | 2020 turnover | Diversion | Post-diversion turnover | 2015 turnover | 2020 turnover | Diversion | Post-diversion turnover | | |
| <i>Aviva</i> | | | -£38.81 | £38.81 | | | -£9.09 | £9.09 | | | -£47.90 | £47.90 | | |
| <i>Jarman Fields</i> | | | -£27.58 | £27.58 | | | -£15.92 | £15.92 | | | -£43.50 | £43.50 | | |
| <i>Lidl</i> | | | -£1.39 | £1.39 | | | -£6.33 | £6.33 | | | -£7.72 | £7.72 | | |
| Hemel Hempstead | £198.69 | £242.91 | £24.66 | £218.25 | £44.42 | £46.84 | £2.95 | £43.89 | £243.11 | £289.75 | £27.61 | £262.14 | 9.53% | £19.03 |
| Local centres Hemel Hempstead | £22.98 | £28.09 | £0.32 | £27.77 | £29.38 | £31.11 | £2.08 | £29.03 | £52.36 | £59.20 | £2.40 | £56.80 | 4.05% | £4.44 |
| Out-of-centre stores Hemel Hempstead | £61.06 | £74.65 | £11.24 | £63.41 | £141.34 | £149.02 | £23.12 | £125.90 | £202.40 | £223.67 | £34.36 | £189.31 | 15.36% | -£13.09 |
| Berkhamstead | £26.37 | £32.24 | £0.76 | £31.48 | £35.37 | £36.99 | £0.74 | £36.26 | £61.74 | £69.23 | £1.50 | £67.74 | 2.16% | £5.99 |
| St Albans | £17.30 | £21.15 | £2.31 | £18.83 | | | | | £17.30 | £21.15 | £2.31 | £18.83 | 10.93% | £1.54 |
| Watford town centre | £81.62 | £99.79 | £8.09 | £91.70 | | | | | £81.62 | £99.79 | £8.09 | £91.70 | 8.11% | £10.08 |
| Watford retail parks | £18.43 | £22.53 | £2.04 | £20.49 | | | | | £18.43 | £22.53 | £2.04 | £20.49 | 9.07% | £2.06 |
| Luton | £6.07 | £7.42 | £0.93 | £6.48 | | | | | £6.07 | £7.42 | £0.93 | £6.48 | 12.60% | £0.42 |
| Tring | £0.52 | £0.63 | £0.02 | £0.61 | | | | | £0.52 | £0.63 | £0.02 | £0.61 | 3.28% | £0.09 |
| Central London | £8.63 | £10.56 | £0.09 | £10.47 | | | | | £8.63 | £10.56 | £0.09 | £10.47 | 0.84% | £1.83 |
| Other | £62.35 | £76.23 | £3.80 | £72.43 | £64.78 | £67.73 | £1.88 | £65.85 | £127.13 | £143.96 | £5.69 | £138.28 | 3.95% | £11.15 |

Notes

1. Diversion (i.e. new trade) to new stores/development appears as negative. Forecast turnover only appears as 'post-diversion turnover'.
2. Post-diversion turnovers for 'Out-of-centre stores Hemel Hempstead' does not include new developments.

COMBINED CUMULATIVE IMPACT - SCENARIO 2

| | Comparison | | | | Convenience | | | | Combined | | | | | |
|--------------------------------------|---------------|---------------|-----------|-------------------------|---------------|---------------|-----------|-------------------------|---------------|---------------|-----------|-------------------------|-------------------|------------------|
| | 2015 turnover | 2020 turnover | Diversion | Post-diversion turnover | 2015 turnover | 2020 turnover | Diversion | Post-diversion turnover | 2015 turnover | 2020 turnover | Diversion | Post-diversion turnover | Cumulative impact | Growth from 2015 |
| <i>Aviva</i> | | | -£35.46 | £35.46 | | | -£9.09 | £9.09 | | | -£44.55 | £44.55 | | |
| <i>Jarman Fields</i> | | | -£19.24 | £19.24 | | | -£15.92 | £15.92 | | | -£35.16 | £35.16 | | |
| <i>Lidl</i> | | | -£1.39 | £1.39 | | | -£6.33 | £9.09 | | | | | | |
| Hemel Hempstead | £198.69 | £242.91 | £21.92 | £221.00 | £44.42 | £46.84 | £2.95 | £43.89 | £243.11 | £289.75 | £24.87 | £264.88 | 8.58% | £21.77 |
| Local centres Hemel Hempstead | £22.98 | £28.09 | £0.29 | £27.81 | £29.38 | £31.11 | £2.08 | £29.03 | £52.36 | £59.20 | £2.37 | £56.83 | 4.00% | £4.47 |
| Out-of-centre stores Hemel Hempstead | £61.06 | £74.65 | £10.02 | £64.63 | £141.34 | £149.02 | £23.12 | £125.90 | £202.40 | £223.67 | £33.14 | £190.53 | 14.82% | -£11.87 |
| Berkhamstead | £26.37 | £32.24 | £0.64 | £31.59 | £35.37 | £36.99 | £0.74 | £36.26 | £61.74 | £69.23 | £1.38 | £67.85 | 1.99% | £6.11 |
| St Albans | £17.30 | £21.15 | £2.07 | £19.08 | | | | | £17.30 | £21.15 | £2.07 | £19.08 | 9.77% | £1.78 |
| Watford town centre | £81.62 | £99.79 | £7.22 | £92.57 | | | | | £81.62 | £99.79 | £7.22 | £92.57 | 7.24% | £10.94 |
| Watford retail parks | £18.43 | £22.53 | £1.82 | £20.71 | | | | | £18.43 | £22.53 | £1.82 | £20.71 | 8.07% | £2.28 |
| Luton | £6.07 | £7.42 | £0.83 | £6.59 | | | | | £6.07 | £7.42 | £0.83 | £6.59 | 11.20% | £0.52 |
| Tring | £0.52 | £0.63 | £0.02 | £0.61 | | | | | £0.52 | £0.63 | £0.02 | £0.61 | 2.88% | £0.10 |
| Central London | £8.63 | £10.56 | £0.08 | £10.48 | | | | | £8.63 | £10.56 | £0.08 | £10.48 | 0.74% | £1.84 |
| Other | £62.35 | £76.23 | £3.37 | £72.86 | £64.78 | £67.73 | £1.88 | £65.85 | £127.13 | £143.96 | £5.25 | £138.71 | 3.65% | £11.58 |

Notes

1. Diversion (i.e. new trade) to new stores/development appears as negative. Forecast turnover only appears as 'post-diversion turnover'.
2. Post-diversion turnovers for 'Out-of-centre stores Hemel Hempstead' does not include new developments.