

**Retail Assessment:
of potential locations for a food store in or adjacent
to Ashford town centre**

On Behalf of Ashford Borough Council

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20 Grosvenor Hill
London
W1K 3HQ

Tel: 020 7499 8644
Fax: 020 7495 3773
www.savills.com

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1.0 INTRODUCTION

- 1.1 Savills were invited to respond to a brief prepared by Ashford Borough Council dated May 2007. The brief sought advice in relation to the potential to accommodate a modern food store in or adjacent to Ashford town centre in the context of the emerging local development framework. In particular, the Town Centre AAP Preferred Options Report was published in April 2006 and Paragraph 3.2.5 indicates a desire to further enhance the role of Ashford town centre with further retail development.
- 1.2 In advance of considering the suitability of individual sites a review of both the quantitative and qualitative need for additional food store provision is undertaken (Section 2). The identified requirement is then assessed in the context of current retail formats to determine specific site requirements (Section 3).
- 1.3 Section 4 provides a brief review of planning policy to provide the most appropriate context for the assessment of individual sites. It then goes on to assess a long list of potential sites. To provide a commercially realistic assessment, comments from a number of the leading national multiple food retailers were obtained on the long list of sites, which has allowed a shortlist of sites to be drawn up and ranked in terms of their suitability.
- 1.4 Accordingly, Section 5 sets out our conclusions and the next steps that might be followed by Ashford Borough Council (ABC) in securing a suitable allocation in the AAP.

2.0 ASSESSMENT OF RETAIL NEED

- 2.1 This section assesses the need for a modern food store in the town centre in both quantitative and qualitative terms. The quantitative assessment has regard to the Council's Retail Study (2003) produced by consultants CBRE, in addition to the retail assessments submitted alongside proposals for an extension to the Tesco store at Kingsnorth and a replacement / enlarged Sainsbury's store at The Warren. Savills has previously advised ABC in respect of food store proposals at Kingsnorth and The Warren and has consolidated this in an updated review of capacity.
- 2.2 Planning Policy Statement 6 (Planning for Town Centres) (PPS6) identifies that need can be demonstrated both in quantitative and qualitative terms. As such, a quantitative assessment is undertaken having regard to estimates of available spending and existing food store provision. The qualitative assessment is undertaken having regard to the distribution, scale and quality of facilities currently available within the town centre.

Quantitative Need

- 2.3 A conventional assessment of convenience goods capacity is based upon the following steps:
- An assessment of available convenience goods spending within the catchment area having regard to growth in spend per head and population;
 - An assessment of the market share of existing stores within a defined catchment area by reference to a household survey;
 - An estimate of the turnover of existing stores based upon company average turnovers;
 - An estimate of expenditure capacity based upon the deduction of projected turnovers from company average turnovers; and
 - A reduction in the headline capacity figure to account for planned development commitments.
- 2.4 This approach was broadly adopted by CBRE when it undertook a capacity assessment for English Partnerships and Ashford Borough Council in its report in 2003. The CBRE assessment included a household survey over an extensive catchment area (**Appendix 1**). The assessment indicated that a number of the large out of centre food stores were over trading in comparison to their company average and this surplus spending could be made available to support additional food store provision in more appropriate locations. The report concluded that there would be

capacity for additional food store provision within the Ashford catchment area. This is summarised in Table 2.1 below.

Table 2.1: CBRE Convenience Goods Capacity Assessment – 2000 Prices

Year	Expenditure Capacity £ million	Floorspace Requirement sq m net
2006	37.9	3,850
2011	55.8	5,650
2016	75.2	7,550
2031	142.9	14,450

Note: Based on Table 3.1 page 13 of CBRE 2003 in 2000 prices

- 2.5 The two key variables in this assessment are population and the growth in spend per head. Within the urban area of Ashford, represented by Zone 1, CBRE estimated an annual population growth rate of 3.7% per annum. In the wider area, broadly consistent with the district boundary (Zone 2), a lower annual growth (0.2%) was used. In aggregate, the population within the combined area would grow at 1.1%.
- 2.6 More recently published information suggests that spending per head on convenience goods has increased. The CBRE assessment was based upon the best available information at the time (Data Consultancy Information Brief 99/02). This suggested that spending was increasing at 0.1% per annum. Since then MapInfo (formerly The Data Consultancy) has periodically produced updates. Information Brief 06/02 suggests that convenience goods spending is now increasing at 0.8% (Table 2: OEF Forecasts). It was this document that was used in the various Savills Reports in updating the assessments of expenditure capacity. More recently MapInfo has produced its latest Brief 07/02 which now suggests convenience goods spending has increased further to 1% per annum. If the revised population forecast and spend per head figures are adopted there is an increase in available capacity (Table 2.2). The full capacity analysis is attached at **Appendix 2**.

Table 2.2: Revised Estimates of Convenience Goods Capacity – 2003 Prices

Year	Development Commitments £ million	Revised Expenditure Capacity Less Development Commitments £ million	Floorspace Requirement sq m net
2006	0	34.6	3,459
2011	47.9	13.8	1,383
2016	0	35.0	3,503
2021	0	49.7	4,969

Notes: Population - assuming population growth in Zone 1 at 3.7% per annum and Zone 2 at 0.2% per annum based upon CBRE 2003 population forecasts and growth in convenience goods spending at 1% per annum based upon MapInfo Brief 07/02.

Development Commitments: (1) Ashford Barracks - £12.5m; (2) Cheesemans Green - £25.1m; (3) Sainsbury's The Warren - £5.8m; (4) Tesco Kingsnorth - £4.5m.

2.7 The disparity in the capacity estimates between Table 2.1 and 2.2 can be explained by:

- A change in price base between 2000 and 2003 .
- The use of a substantially higher convenience goods growth rate in Table 2.2 (1.0% pa as opposed to 0.1% pa).
- An allowance for development commitments totalling £47.9m in Table 2.2 (reducing capacity in 2011)

2.8 In convenience goods capacity assessments it is conventionally assumed that existing retailers do not need to achieve growth in their own sales densities over time. As such all growth in spending can support new floorspace. This contrasts with the approach adopted in relation to comparison goods where it is often assumed that existing retailers need to secure a minimal increase in sales density ranging from 1.5% to 2.5%.

2.9 Clearly if the above assessment was undertaken with existing retailers achieving growth in their own sales densities, capacity would be far lower. It might be reasonable to assume that existing retailers should be able to achieve about half the annual growth in spend per head (1% pa), i.e. retailers should be able to achieve 0.5% pa growth in their own sales density. In this case only growth generated by the residual of spend per head (0.5%) and population growth can be used to justify new floorspace. Conversely, if additional facilities were provided Ashford might increase its market share within its catchment area further enabling an increase in floorspace provision. There arises two issues:

- (1) the need for existing retailers to achieve growth in the sales efficiency; and
- (2) the potential increased market share of Ashford.

2.10 These may in fact neutralise one another. As such it might reasonably be concluded that the assessment set out in Table 2.2 provides a broad brush assessment indicating that there would be potential for increased food store provision within Ashford over the plan period to 2021.

- 2.11 The assessment above has had regard to known development commitments that are summarised in Table 2.3 below. At the time of writing, the Sainsbury's application at The Warren did not have planning permission and therefore is not a development commitment in terms of PPS6. Nevertheless, it is understood that permission is shortly to be granted and an allowance has been made to extend the shelf life of this report.

Table 2.3 - Food store development commitments

Scheme	Net Convenience Floorspace sq m	Turnover £m
Ashford Barracks	1,120	12.5
Cheesemans Green	1,890	25.1
Tesco Extension Kingsnorth (1)	626	4.5
Sainsbury's Extension, The Warren (1)	1,228	5.8
Total	4,914	47.9

Notes: (1) Assumes a 50% discount on company average sales density being applied to the extended sales area

- 2.12 The household survey in CBRE 2003 suggested that existing stores accounted for 98% of the available market share in Zone 1 and 83% within Zone 2. This suggests that the existing provision accounts for the greater proportion of available spending having regard to shopping trips that are linked to other activities such as school runs and trips to work. Nevertheless, it is conceivable that additional provision within Ashford could increase the market share within Zones 1 and 2 to some limited extent.

Qualitative Need

- 2.13 In terms of retailer representation, Table 2.4 below summarises existing provision.

Table 2.4 - Main food store representation in Ashford

Retailer	No. of Stores	Location
Tesco	2	Kingsnorth and Willesbrough
Sainsbury's	1	The Warren
Asda	1	Outlet Centre
Morrisons	0	
Waitrose	2	Tenterden and potentially Ashford Barracks
M&S	1	County Square

Notes: In addition there is a Tesco Express store at Mace Lane

- 2.14 This suggests that Ashford already has a reasonable representation of the main food store operators. This provision is likely to improve with the implementation of the

Ashford Barracks scheme which is anticipated to be a Waitrose store, and also Cheeseman's Green, which might enable a non-Tesco store to improve customer choice within Ashford. In geographical terms **Appendix 3** shows the existing provision. This shows that most parts of the district are well served. However, the south western quadrant currently appears under provided for. Nevertheless, the future urban expansion in this area (Chilmington Green) is likely to result in further food store provision.

- 2.15 Given the potential expenditure growth that is likely to occur in Ashford, coupled with the existing and proposed distribution of food stores, it might be argued that an adequate distribution already exists. However, this is likely to result in residents having to travel some distance within specific neighbourhood areas in order to have access to modern shopping facilities. Therefore, there may be a qualitative argument that provision could be improved to further enhance the volume of trade retained by Ashford stores while still enabling existing stores to maintain healthy levels of turnover.
- 2.16 The existing town centre convenience offer is far more limited with four relatively small outlets: Marks & Spencer, Iceland, Farmfoods and Lidl (**Appendix 4**). All four of the stores are located within the town centre inset plan, but only Marks and Spencer and Iceland are within the ring road. Other specialist outlets include Three Cooks Baker and Holland & Barrett.
- 2.17 Table 2.5 shows that the scale of convenience store representation within the town centre is limited, only the M&S unit provides a large format store that is capable of providing a range of both fresh vegetables and meats as well as prepared meals. Whilst the provision within the M&S store may increase over time there will always be an overall ceiling given the company's need to maintain both its convenience and comparison goods offer. This might result, in the longer term, in this retailer requiring an enlarged store so that it can provide its entire product range. Alternatively the company might seek to expand its M&S Simply Food format on existing retail parks that benefit from unrestricted retail consents.
- 2.18 In fact there is a growing trend for retailers to combine both the convenience and comparison goods offer to maximise market share. M&S was the first company to operate a dual format. This is now being followed by the John Lewis Partnership which is incorporating its Waitrose store format within some of its existing department stores. Tesco has now developed its own department store format, which includes a convenience goods offer up to 4,500 sq. m. net.

- 2.19 This suggests that the level of provision within the town centre is currently limited when compared to those evolving formats. However, the Wilkinson's unit in the Park Mall Shopping Centre was previously occupied by Sainsbury's suggesting that modern food retailers find it difficult to operate from smaller town centre sites when compared with out of centre formats. Nevertheless, the restriction placed on the availability of out of centre sites is forcing retailers to develop new formats in town centre locations.

Table 2.5: Food Store Provision in Ashford

Store	Address	Sales Area (sq. m)	Open Date
Ashford Town Centre			
Iceland	64 High Street	465	1990
Farmfoods	2 New Street	348	2001
Lidl	New Street	557	1999
M&S	46 County Square	500	1979
Out of Centre Stores			
Asda	Kimberley Way	3,274	1999
Co-op (South East)	83 Hunter Avenue	123	n/a
Sainsbury's	Simone Weil Avenue	4,268	1992
One Stop	39-41 Beaver Lane	134	n/a
Tesco	Park Farm Estate	4,727	1997
Tesco Express	Mace Lane	215	2003
Tesco Extra	Crooksfoot	4,182	1992
Welcome (South East)	98 Faversham Road	186	2002
Welcome (South East)	Brookfield Court	217	n/a

Notes :Based on retailer returns to IGD, 2007

3.0 RETAIL FORMATS

Modern Shopping Patterns

- 3.1 In order to accurately assess the requirement for a food store in Ashford town centre, it is necessary to have an understanding of the convenience retail sector within the UK. Accordingly, we provide commentary on the different market segments and the individual retailer's response in terms of a specific retail trading format.

Convenience Retailing Overview

- 3.2 The convenience retail sector is a significant and highly competitive market with sales amounting to £123.5 billion in 2006. This equates to approximately 16% of total consumer expenditure in the UK, which is an increase of 16.8% in real terms since 2000. During this period, real prices for food declined by 7.3% and the number of product lines supplied by the four largest grocery retailers (Asda, Morrisons, Sainsbury's and Tesco) increased by 40% (Competition Commission, 2007). In order to maintain market sales and sales volume most retailers are broadening their offer.
- 3.3 Although food, drink and tobacco remain the core products of the supermarket, the main operators within the convenience sector have expanded their product range to include a strong non-food offer. Sales of non-food products has increased by an estimated 89% between 2000 and 2004 (Intel, 2005), largely as a result of substantial space expansions in categories such as health and beauty, clothing and home entertainment. This has resulted in an increase in the floorspace requirements of the main convenience retailers within their larger formats.
- 3.4 Another major change in the convenience sector is the new store formats that have arisen, especially with Sainsbury's and Tesco expanding into the convenience 'top-up' sector. By the end of 2006, Sainsbury's owned 287 convenience stores, and Tesco had a network of some 1,150 stores. Both companies have achieved this growth by acquisition of smaller store chains. For example, Sainsbury's bought Jackson's and Tesco the Europa portfolio. This has resulted in both companies having representation in a number of local shopping parades in contrast to their previous town centre and out of centre focus. Somerfield has grown its convenience presence via the purchase of 140 Texaco and 22 FuelForce forecourts. These new formats have enabled the main supermarket operators to increase their market share of the total convenience sector.

Market Segmentation

3.5 In broad terms, the food retailing market is split into four distinct types:

1. Superstores used for a bulk shop;
2. Discount retailers and secondary supermarkets;
3. Convenience stores and specialists; and
4. E-commerce.

Superstores

3.6 Superstores are almost exclusively operated by the leading four retailers, namely: Asda, Morrisons, Sainsbury's and Tesco. In 2006, the four retailers accounted for nearly three-quarters of all grocery sales at supermarkets and convenience stores (Competition Commission, Groceries Market investigation Report, January 2007).

3.7 Superstores are generally places where consumers undertake their main food shop. They are large format stores, which range in size from 3,000 sq. m at the lower end of the scale, to 11,000 sq. m for the largest stores. These larger stores sell both a comprehensive convenience and comparison goods offer. Without exception these stores have dedicated private car parking provision. Historically Waitrose has not had an aggressive expansion programme when compared with its rivals. In particular it has not developed a large store format with integrated petrol filling stations. However more recently, it has developed a food hall format in conjunction with the John Lewis department store expansion programme. Previously the John Lewis Partnership had a very strict catchment area criteria such that it focused principally on city centres. Now there is a more expansive programme where department stores, incorporating food halls, are now being promoted in far smaller and regionally based centres, the closest example is Crawley.

3.8 Following this trend, Tesco is now developing its own department store format which will again incorporate a convenience goods offer. To date no stores have been developed in the UK although there are proposals in a number of centres (e.g. West Bromwich) based upon successful experiences in Europe. These stores typically include multiple trading floors with the food hall at ground floor with one or possibly two levels of trading for comparison goods. This will include clothing and footwear similar to a number of other food store formats but also an extensive range of electrical and home furnishing products similar in many ways to the format developed by M&S.

Discount Retailers and Secondary Supermarkets

- 3.9 The middle tier of supermarkets includes Somerfield and the Co-op, as well as the discount retailers such as Aldi, Lidl and Netto. Stores are generally smaller, ranging between 500 sq. m and 1,500 sq. m in size. They offer a smaller range of products and less choice than the superstores and only a limited range of ancillary comparison goods. Previously Co-op had operated a number of large format stores combining both a convenience and comparison goods offer. Many of these stores are now being closed with business now focusing on a day to day top up food shopping role provided by its "All Days" retail format. These stores are typically located on main arterial routes within existing shopping parades. These stores can provide a main food offer, albeit it is limited. They are generally less busy at peak periods and are an attractive alternative to the superstore for basket shoppers.

Convenience Stores and Specialists

- 3.10 The convenience stores trade from much smaller floor plates, typically around 200 sq. m. They are located in city centres, neighbourhood centres, local parades and stand alone units. The sector can effectively be split into two principle groups: major supermarkets trading their small 'express' formats and independent retailers.
- 3.11 Outlets such as Tesco Express, M&S Simply Food and Sainsbury's Local have set new standards for convenience stores but need high footfall to be successful. Neighbourhood and local centres or non-retail areas generally do not have sufficient passing trade to support such a format so stores are typically located in well populated district or town centres or prime locations on busy arterial routes. Many of these stores do not have any dedicated car parking and rely solely on pass-by trade.
- 3.12 This sector performs an extremely important role in the market, which has been emphasised in recent years through changes in demographic trends. There has been a large rise in city centre living, which has accentuated the need for such stores. There is also a stronger emphasis on food for convenience and prepared meals with more single person households.
- 3.13 In contrast, independent stores typically rely upon the convenience of their premises in relation to the immediate resident population as they have to operate a low turnover, high margin model.

E-commerce

- 3.14 E-commerce cuts across the three sectors described above but is still only a small percentage of the overall convenience market. Tesco is the most successful operator generating sales of over £1 billion in 2006.
- 3.15 There is potential for further growth within this sector although, due to the problems associated with shopping for convenience goods over the internet (i.e. replacement of products not available with the supermarket's choice) the internet is not expected to become a significant threat to the traditional supermarket. In many cases the internet distribution network is run in conjunction with the local store rather than from a centralised distribution network. As such in many respects the internet offer is complementary to rather than competitive to the existing representation as the sales continue to go through the local store.

Summary

- 3.16 The convenience sector within the UK referred to above, includes a number of different segments and operations which each perform slightly different, but equally important roles. Each format meets a different need, with superstores continuing to be used for the bulk food shop, discount retailers offering a product for specific demographics and convenience operating as a top-up facility providing shopping for convenience (e.g. basic essentials).

Ashford's Food Store Requirement

- 3.17 Based upon the review above there are potentially three store formats that could be accommodated in Ashford namely:
- A large format store up to 11,000 sq m selling both convenience and comparison goods;
 - Small format stores focusing predominantly on convenience goods with a sales area of 2,000 sq m and;
 - Top up food stores focusing on basket trade.
- 3.18 In relation to top up food stores these can often be accommodated within existing retail units in town centres and shopping parades; as such they do not serve a strategic shopping function and fall outside of quantitative assessment undertaken in

this report. Accordingly, it is considered that the food store search that is needed in Ashford is for either:

- A large format store with a gross area in the order of 11,000 sq m selling a comprehensive range of both convenience and comparison goods with in the order of 400 spaces; or
- A small format food store with a net convenience sales area in the order of 2,000 sq m with in the order of 200 spaces.

4.0 ASSESSMENT OF POTENTIAL SITES

Background

- 4.1 There are a number of emerging policy documents that provide an important background to any assessment of potential food store sites. They are:

Core Strategy

- 4.2 The revised Core Strategy was submitted to the Secretary of State on 3 November 2006. This was followed by a final six-week consultation period. The Public Examination has now been completed with the Inspector's Report awaited, which is expected in early 2008.

- 4.3 Policy CS3 notes that the town centre should accommodate up to 8,000 new jobs and 2,500 new dwellings by 2021, through the provision of 94,000 sq m of new retail/leisure floorspace, 76,200 sq m of new office development and new education facilities.

- 4.4 Policy CS5 of the Core Strategy identifies two urban expansion areas:

- Cheeseman's Green/Waterbrook – up to 6,610 dwellings (4,310 by 2021); and
- Chilmington Green – 6,700 dwellings (3,400 by 2021).

- 4.5 The expansion areas will give rise to substantial population growth in Ashford, which will assist in supporting the development of additional food store provision both locally as well as in the district generally.

The Ashford Town Centre Area Action Plan (TCAAP)

- 4.6 A Preferred Options Report (POR) has been published and has been subject to a period of consultation which took place in June 2006. A revised Area Action Plan is currently being prepared. Specific sites that have been assessed include:

Park Mall

- 4.7 The redevelopment of the shopping centre would facilitate the regeneration of the northern part of the town centre, and could be suitable for a food store anchor. Any redevelopment scheme could include the Edinburgh Road multi storey car park,

which has been partially earmarked for redevelopment in the Council's Parking Strategy.

Vicarage Lane Car Park

- 4.8 This key site, could create a vital link from the High Street to the Memorial Square Quarter and Commercial Quarter. The vision for the site is a leisure-led scheme with night time uses, aimed at complimenting the retail offer of the town centre. However, any redevelopment could incorporate a mix of uses, including retail, although large format retailing might not be appropriate.

Elwick Road Site

- 4.9 The Elwick Road site forms part of the Southern Expansion Quarter (Preferred Option TC8), which is outlined as a significant opportunity to extend the existing town centre.
- 4.10 In the Southern Expansion Quarter, an allocation of up to 1,200 residential units, 25,000 sq. m of net new office floorspace and 12,000 sq. m of net new retail / leisure floorspace are proposed in the period to 2021. It is therefore possible that the site could accommodate a large format food store with surplus net floorspace provided for non-food retailing.

Former Powergen Site

- 4.11 The former Powergen site is also part of the Southern Expansion Quarter and will be redeveloped in conjunction with the completion of the Victoria Way link road providing a new east to west link. The site is close to the town centre and linked via a pedestrian footbridge. The parking strategy outlines this site for a potential multi-storey car park development to serve the needs of town centre shoppers. Therefore the site has a clear role in accommodating complementary town centre uses.
- 4.12 However, a residential led development is also envisaged, the TCAAP POR suggests that this site could be appropriate for mixed use development including retail.

Dover Place and Tannery Lane

- 4.13 The Royal Mail Sorting Office located off Station Road between Dover Place and Tannery Lane forms part of the Commercial Quarter. The site is earmarked primarily

for new office space with residential development along the river frontage. Therefore retail use is likely to be ancillary in scale.

Car Parking Strategy – Ashford’s Future Parking Strategy, November 2006

- 4.14 Ashford’s Future Parking Strategy report brings together the key findings of a number of studies and recommends a future parking strategy to support Ashford’s Masterplan for Growth (GADF), and the Transport Strategy. The report forms an important evidence base for the TCAAP.
- 4.15 In summary, the Parking Strategy consists of three strands:
1. Three new “Park and Shop” car parks with parking provided on site at County Square, Station Road and Park Mall;
 2. Three new strategic multi-storey “Park and Walk” car parks accessible to major approach routes and with high quality direct walking routes into the centre, at Victoria Road, New Street and Mace Lane; and
 3. Three new strategic “Park and Ride” sites to be constructed at The Warren, Waterbrook and Chilmington.
- 4.16 To recognise the Council’s desire to reduce the volume of traffic on the ring road there would be merit in combining the proposal for new car parks (Park & Shop and Park & Walk) with additional retail floorspace.
- 4.17 In addition a number of existing car parks are identified as potential development sites for alternative use. These are:
- Vicarage Lane surface car park;
 - Edinburgh Road car parks (some parking retained);
 - New Street (Lidl) (some parking retained);
 - Station Road (some parking retained);
 - Henwood;
 - New Street (Farmfoods); and
 - Ashford Library.

Search Method

- 4.18 Initially, it was necessary to identify a long list of potential sites in, and immediately adjacent to the town centre that could accommodate a modern food store. Sites have

been chosen on the basis that they could accommodate a store of at least of 2,500 sq. m (net sales area).

4.19 The adopted local plan proposals map was the starting point for identifying sites. These include:

- S1 - Land south of Elwick Road
- S3 - Station Road
- S4 - Vicarage Lane car park
- S5 - New Street (north side)
- S9 - Victoria Road/Beaver Road

4.20 S5 has also been considered despite being developed for retail use (New Street Retail Park) in 1999 (See **Appendix 5**).

4.21 A site visit to Ashford town centre allowed a number of additional sites to be identified.

4.22 The long list of sites was drawn up as follows, with the location of the sites illustrated on the plan at **Appendix 6**.

1. New Street (South Side) - Lidl
2. BT Telephone Exchange, Regents Place
3. Wilkinson Unit, Park Mall Shopping Centre
4. Mace Industrial Estate
5. Vicarage Lane Car Park
6. Former Powergen Site, Gasworks Lane
7. Land south of Elwick Road and County Square
8. Dover Place and Tannery Lane
9. New Street (North Side) Retail Park
10. Charter House
11. Ashford School, East Hill
12. Station Road East – AMF Bowling
13. Land at Victoria Road

4.23 A physical assessment of the sites was undertaken in relation to the following:

- Size and ability to accommodate specific store formats with requisite car parking;
- Proximity to the town centre core shopping area;
- Existing pedestrian linkages;

- Access from ring road; and
- Proximity to listed buildings or buildings of local importance

4.24 A proforma of each site was drawn up, which are attached at **Appendix 7**. This enabled an informed judgement to be made as to which sites should make the shortlist. Sites were removed for one or more of the following reasons:

- their unsuitability for retail use or ability to accommodate a modern store and requisite parking provision (Sites 9, 10 and 12);
- unavailable due to current proposals for alternative uses (Site 13); and
- non-viability due to buildings of local importance requiring demolition and occupiers requiring relocation (Site 11).

4.25 A shortlist of sites (see plan at **Appendix 8**) was produced and representatives of the five major retailers were contacted (Asda, Morrisons, Sainsbury's, Tesco and Waitrose). Details of the sites were forwarded to the retailer direct or their agent together with a structured questionnaire (**Appendix 9**) to obtain their views as to their suitability.

4.26 Table 4.1 provides a summary of the main responses from the retailers contacted:

Table 4.1: Summary of Retailer Responses

Criteria for new store openings:				
<ul style="list-style-type: none"> • New stores with a net sales area in excess of 2,500 sq. m; • Will consider multi-storey car parking provided good vehicular access can be maintained; • Car parking at 1:20 minimum (Morrisons minimum of 450); and, • Will consider combined convenience and comparison offer (except Morrisons). 				
Site	Site Area	Car Parking Capacity	Integration With Other Retailers	Consolidated Response
1	T	T	R	T
2	T	T	R	T
3	T	T	R	T
4	R	R	T	T
5	T	T	R	T
6	R	R	R	R
7	R	R	R	R

Notes: Survey of Tesco, Asda, Sainsbury's and Morrisons. Sainsbury's were unable to respond due to ongoing discussions in relation to an outstanding application at The Warren.

Site Assessments Shortlist

4.27 Through further analysis and discussions with the retailers, Site 1 (Lidl) and Site 2 (BT Telephone Exchange) were removed from the detailed site analysis. This was primarily due to the size of the sites and the complexities involved in relocating the current occupiers. This was particularly the case with the BT site.

4.28 Accordingly, the “sieving” process was focused on six sites. The sites have been assessed under a number of criteria as follows:

- Store format: Food Only (up to 4,500 sq. m) or Mixed Offer (over 4,500 sq. m);
- Land ownership: Single or multiple;
- Linkage to other retail activities; and
- Compatibility with the Council’s emerging parking study.

4.29 Each site is ranked under the above factors and illustrated in Table 4.2 below:

Table 4.2: Rankings Table

Criteria	Wilkinson Unit, Park Mall Shopping Centre (3)	Vicarage Lane Car Park (5)	Mace Industrial Estate (4)	Former Powergen Site (6)	Elwick Road Site(7)	Dover Place & Tannery Lane(8)
Store format	FOOD ONLY	FOOD ONLY	MIXED OFFER	MIXED OFFER	MIXED OFFER	MIXED OFFER
Single land ownership	R	T	T	R	R	T
Linkage to retail activity	R	R	T	T	R	R
Compatibility with Parking Study	R	T	R	R	R	T
Potential Store Area sq. m (GIA)	3,300	4,300	10,000	7,000	10,000	7,000
RANK	1	4=	5	3	2	4=

4.30 Further commentary on each of the options is explored below.

Wilkinson Unit, Park Mall Shopping Centre

- 4.31 The former Sainsbury's unit, has been occupied by Wilkinson's since 2001. The unit and the wider shopping centre is owned by UBS. Informal discussions have been carried out with UBS who have suggested that the unit might become available for re-occupation by a food store.
- 4.32 The size of the store at present (3,300 sq. m GIA) would rule this option out for some of the operators, but it could accommodate a smaller format store for others, particularly Sainsbury's and Tesco. The potential cost of redevelopment to increase the amount of floorspace might be significant. It looks unlikely that a further floor of retailing could be accommodated without costly alterations to the existing car park deck. This would preclude a mixed convenience and comparison offer but still enable a good food offer in excess of 2,500 sq. m.
- 4.33 On the plus side, the store benefits from a dedicated parking provision and its central location would help improve the vitality and viability of the northern part of the town centre, and counter balance recent and planned development in the south of the town. In the short term, the unit could be refurbished without significant cost provided that the existing occupier could be relocated.
- 4.34 In the longer term, Park Mall could be an obvious redevelopment site where it might be possible to accommodate larger floor plates. However, to do this a better link needs to be made with the existing High Street. Currently Park Mall only has a very narrow frontage to the High Street. To enable better integration it will be necessary to incorporate additional shop units along the High Street to improve the scheme's main entrance and possibly create a second entrance to achieve a circular route. To increase the retail floorspace it might require significant alteration to the existing ground floor servicing of units at the northern end of the site. The amount of new space required might not be sufficient to outweigh the costs involved. An alternative would be to crossover North Street and potentially incorporate the Charter House site. This represents a significant opportunity, but one that is out of scale with current requirements given the recent County Square expansion.

Mace Industrial Estate

- 4.35 This site could accommodate a store of over 10,000 sq. m (GIA) and would therefore be a viable option for all of the major operators. It has the largest floor plate size of the shortlisted sites. As the site is on the northern side of the town centre, it would help correct the current direction of growth towards the south of the town and would

comply with the Council's parking study. A Plan showing a potential scheme is attached at **Appendix 10**.

- 4.36 However, there are a number of hurdles to overcome before this site can be considered a viable option for a food store of such a magnitude. The site is out of centre in PPS6 terms and does not provide particularly good links to the town centre at present. Discussions with the retailers has highlighted that there will need to be alterations to the ring road to accommodate an "all-movement junction" providing for a controlled right hand turning movement. Again, this is compatible with the parking study but is itself dependent on other changes being made elsewhere on the road network.
- 4.37 Perhaps the most problematic element of this option is the multiple land ownerships that exist on site. A Land Registry search has identified that the site is under four separate ownerships with a number of separate leases running on the industrial and retail buildings. Further analysis will need to be carried out on highways in addition to high-level discussions with the landowners to determine if a relocation strategy could be a realistic option. For this reason the site is only considered a viable proposition in the longer term.

Vicarage Lane Car Park

- 4.38 This site is allocated in the Local Plan for mixed uses, including retail and evening economy, and could accommodate a store in the region of 4,500 sq. m. The site is excellently located in relation to the core shopping area and benefits from existing links to the wider town centre.
- 4.39 However, the proposed floor plate can only be achieved with some significant demolition of existing buildings on the eastern edge of the High Street. This is likely to be problematic due in part to the presence of the Baptist Church along the Station Road frontage. The proposal avoids any listed buildings (**Appendix 15**) but would require the demolition of a number of buildings to provide a sufficiently unencumbered floor plate. Nevertheless, it is possible that some of the more interesting building facades could be retained.
- 4.40 The plans at **Appendix 11** illustrate the potential design of the new store, which could include a residential "wrap" to reduce the visual impact on the adjacent memorial gardens. Car parking would be accommodated on the land of the existing bingo hall via an upper floor deck.

- 4.41 To accommodate a large format store an ambitious development proposal is needed. A large store will require at least 400 car parking spaces and this scale of development is likely to be incompatible with adjacent uses and the Council's car parking strategy. Accordingly, the site is not considered suitable for a large store. Alternatively, a smaller store could be provided but this is unlikely to be commercially attractive. While detailed design might provide a suitable solution, deliverability will always be dependent upon several land ownerships which will mitigate against an early delivery when compared with other sites in and adjacent to the town.

Former Powergen Site, Gasworks Lane

- 4.42 The 3.2 ha site to the south of the railway line could accommodate a large store with a minimum floor plate of 7,000 sq. m. While a larger store could be developed, the depth of the site between the railway line and the new Victoria Way road link will limit the overall store size. Car parking could be provided in a multi storey deck, which would compliment the Council's Car Parking Strategy, which highlights the site for a potential "Park and Walk" multi-storey car park. Plans illustrating a proposed scheme are attached at **Appendix 12**.
- 4.43 The viability of this scheme depends on the outcome of plans to extend Victoria Road towards Leacon Road and the potential to improve pedestrian links with the town centre. Provided that suitable pedestrian links to the town centre can be achieved and vehicular access can be provided, the site is likely to be very attractive to retailers. The major determining factor will be the speed of delivery relative to opportunities that might exist on the adjacent Elwick Road site that is closer to the town centre and has the potential to provide a stronger trading location.
- 4.44 It is understood that the site is in single land ownership and does not suffer from any further major constraints which would prevent development in the short to medium term. The site is subject to a planning appeal for a mixed use scheme, which includes a food store of 3,716 sq. m.

Land South of Elwick Road and County Square (SEEDA Site)

- 4.45 This 2.6 ha site is allocated in the Local Plan and is suitable to accommodate a store of around 7,000 sq. m. Examples of the options being explored are attached at **Appendix 13**. These are principally focused on accommodating additional comparison goods floorspace. However, given the recent expansion of County Square there may be some delay before significant demand exists that would warrant

further comparison floorspace. Therefore a large food store providing a mixed food and non food offer might present a more viable solution in the short term.

- 4.46 Based on the proposed shop unit sizes, it is likely that a large format store could be accommodated by the use of mezzanine levels. Moreover, the provision of travel generating uses and additional car parking provision in this location might be inconsistent with the Council's parking strategy.
- 4.47 The level of operator demand will determine if part of the site would be developed in isolation of other elements. If that were possible, and no other significant infrastructure costs were imposed, the site might represent the best opportunity for accommodating a large format store adjacent to the town centre.
- 4.48 As with the Powergen site, this is an attractive option for the retailers. Provided that satisfactory vehicular access could be provided to the food store it could be developed as a very visible and profitable store.

Dover Place and Tannery Lane

- 4.49 This 4.3 ha site is also allocated in the adopted Local Plan (Site 3). Although half of the site is cleared and potentially ready for development, much of the site is occupied by the Royal Mail, whose operation would require relocation to an alternative site. The existing policy of the saved Local Plan and the ATC AAP both promote the site for office use where the scale of retail use will only be ancillary to the main employment use.
- 4.50 The site could accommodate a store in the region of 6,250 sq. m although this quantum could be increased if car parking is provided on an upper deck, or if the occupier is willing to trade from a mezzanine floor and the store footprint could be reduced. Plans illustrating a possible scheme are attached at **Appendix 14**. Feedback from our discussions with retailers indicate a mix of views. While the site is close to the town centre, the existing routes do not have many active retail frontages and development, regardless of land assembly issues, may be further delayed by changes to the ring road layout.
- 4.51 The edge of centre site offers adequate links for pedestrians to the town centre, although pedestrians would need to cross two main roads. The site is in multiple land ownership, with an initial Land Registry search identifying at least three owners.

5.0 CONCLUSIONS

- 5.1 Savills have undertaken an assessment to determine the potential to accommodate a food store either in or on the edge of Ashford Town Centre.
- 5.2 The report has firstly considered the quantitative need for additional food store provision. A revised assessment has been based on the CBRE study with updated expenditure data. When an allowance has been made for existing and planned development commitments there would be potential for a large store (in excess of 2,500 sq. m net) by 2016.
- 5.3 The qualitative assessment shows that while there are a number of large modern stores in Ashford, the provision in the town centre is limited. Other than the M&S unit there is no quality top-up food shopping facility, let alone a main bulky food store.
- 5.4 A review of the existing food store market shows two important trends. Firstly, that the main stores are aggressively seeking to extend representation to maximise their market share. Secondly, in order to maximise market share, retailers are developing new formats to fit stores to available sites. At one end of the spectrum Tesco, Asda, M&S and Waitrose are combining large format food stores with a comprehensive comparison goods offer. At the other end of the spectrum retailers are developing convenience store formats that focus on a top up food shopping role and rarely have dedicated surface level car parking.
- 5.5 The review of planning policy has highlighted the Council's desire to reduce the volume of traffic on the inner ring road to enable the southern end expansion of the town. In addition it is proposed that a number of existing car parks will be redeveloped for a mix of uses and that new car parks will be developed to enhance the accessibility of the town. These car parks are proposed in locations that seek to minimise the level of new traffic on the ring road.
- 5.6 A total of 13 sites for a new food store have been considered. Seven of these were eliminated simply because they were not large enough or were not readily available given alternative development options. A total of 6 sites have been short listed for more detailed consideration. In particular the views of retailers were obtained to determine the level of commercial interest.
- 5.7 In simple terms the sites have been divided between those that can only accommodate a food only offer (with a gross external area (GEA) up to 4,500 sq. m

providing net sales up to 2,500 sq. m) and a full food and non food offer (a store with a GEA in excess of 7,000 sq m).

- 5.8 If the **Wilkinson's** unit could be reoccupied for a food only offer this would make an ideal town centre site. Further investigations with UBS, the freeholder, and Wilkinson the leaseholder, would need to progress to determine its feasibility. The **Vicarage Lane** car park could also accommodate a food only store but would require significant land assembly and there may still be issues in providing a suitable design solution given the proximity of a number of sensitive neighbours.
- 5.9 The western part of the **Elwick Road Site** has good potential to accommodate a full food and non food offer as well as providing a multi storey car park. Current plans are for units to be occupied by comparison goods retailers. However given the recent County Square extension it is unlikely that there will be significant comparison goods demand in the short term. Therefore a large format superstore might be an intervening opportunity enabling the early delivery of the Council's parking strategy and changes to the ring road.
- 5.10 The **Former Powergen Site** is less well linked to the town centre although equally capable of accommodating a full food and non food offer. The site requires the provision of the new Victoria Way before it would be accessible by car. When this is complete the site is likely to become commercially attractive to retailers as it will provide an opportunity to have close proximity to the town centre without suffering directly from potential congestion problems associated with the ring road.
- 5.11 **Dover Place / Tannery Lane** and **Mace Lane Industrial Site** are similar in many respects. Both are capable of accommodating a large full offer store. However both are constrained by multiple land ownerships. A food store use will be able to out bid the current use but there may be difficulties in finding suitable alternative accommodation for displaced occupiers. Therefore it may be easier to relocate the smaller unit sizes at **Mace Lane** when compared with the larger footprint of the Post Office Depot on the **Dover Place/Tannery Lane site**. The **Dover Place/Tannery Lane site** could accommodate either surface level or multi level car parking. However, provision at this location may be at odds with the parking strategy. In contrast, the **Mace Lane** location has been identified as a location for a new parking facility. Therefore the **Mace Lane Site** appears more in line with the Council's parking strategy.
- 5.12 In conclusion therefore, the **Wilkinson's Unit** is the most suitable site for a food only store. In respect of larger stores the western part of the **Elwick Road Site** has the

best linkage with existing retail uses. However the **Former Powergen Site** is likely to be more attractive to retailers in providing a predominately car based facility if the Victoria Way link can be provided.

- 5.13 Given the scale of development that has been and is proposed to be built in the southern part of the town centre there would be merit in giving consideration to sites to the north to provide an element of balance and ensure the levels of vitality are maintained in the town centre. Accordingly the redevelopment of the Park Mall Shopping Centre and possibly the **Mace Lane Industrial Site** are worthy of more detailed consideration.