

UDC Council Meeting on 20 April 2010

Planning Applications UTT/1323/09/FUL and UTT/1451/09/FUL

Thank you for the opportunity to address you in relation to the Tesco and Sainsbury's planning applications. The concerns of the Save Walden Town Centre group are both procedural and substantive.

Last December we submitted legal submissions detailing the inaccuracies in the applications and why they breach planning policy. We understand that not until after the Development Control Committee meeting on 7th April did the planning officers read these submissions, not in time to inform that meeting, and not in time to inform the retail studies commissioned by them. We hope that we may finally have a dialogue with the planning officers, but our representations have not been properly considered and we have grave concerns over the poor state of the recent Savills retail studies commissioned by UDC. These retail studies are shockingly poor, both in the lack of awareness of background studies that they show and in their willingness to accept the claims made by the supermarkets at face value. Other council planning departments are vastly more sceptical of the claims made by supermarket applicants than UDC or Savills have been.* Our group has much to offer UDC in detailing the many misrepresentations made by the supermarkets, particularly as we have vastly more professional experience of the competitive effects of supermarkets. Indeed, we have already done much of this work, but neither Savills nor the planning officers had read our submissions.

We oppose the proposed developments because:

1. National and local planning policies are directly opposed to out of centre supermarkets unless, broadly, there is a clear need and there will be no adverse impact on neighbouring town centres.
2. Most of the Sainsbury's site is designated as key employment land to be safeguarded from change of use.
3. Both supermarkets claim they will attract trade to Saffron Walden. These claims are rubbish: by far and away the biggest source of turnover will be existing businesses in Saffron Walden, Thaxted and nearby villages. Anyone in doubt should read the relevant government reports**. Supermarkets draw trade away from local centres.
4. The retail studies show that there is no need for more supermarket capacity – and indeed the Tesco submission explicitly says so;
5. Either development would have a non-food sales area equal to 80% of the total size of Waitrose. It is all too easy to visualise the many Saffron Walden stores which are likely to close as a result. And it isn't only direct competition – as people drive just to the out of centre supermarkets, town centre footfall drops and all businesses will be affected. Even Sainsbury's own misleading figures predict a 10% drop in town centre trade;
6. Both applications are therefore in direct breach of the applicable planning policies;
7. Sainsbury's have made extravagant claims about job creation whilst ignoring the jobs supermarkets destroy.*** Studies show that supermarket openings result in net job losses in a local area. Further, supermarket generally don't use local tradespeople, professional services or other local procurement, and therefore do not recycle their turnover locally;
8. Either development would lead to a huge increase in traffic, within Saffron Walden and in the neighbouring towns and villages through which cars and supply lorries would travel. Traffic and air pollution in Saffron Walden are already so bad that legal air quality standards are breached in 4 areas, even without further development.

For all of these reasons, legal and because of the inevitable adverse economic and social impacts on Saffron Walden, we hope that UDC will correctly apply the relevant planning policies and reject

both of these applications, as you did 10 years ago when Tesco last applied to build a rather smaller extension.

Thank you.

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20 April 2010

Notes:

*As an example of the misstatements used by Tesco, they claim that the non-food (comparison) goods sold in their proposed extension would have an annual turnover of £3.1m (or a sales density of roughly £3,000 per sq.m) and therefore would have limited impact on Saffron Walden. They base this figure on a projected convenience goods turnover of £11,582 per sq.m; they then apply a 50% discount because the sales density of comparison goods is less than for convenience goods; they then apply a further 50% discount to reach the £3,000 figure, claiming that extensions to stores trade at 50% of the sales density level of the main store.

This is simply not true. If one looks at the real figures, their convenience sales density is projected to be £13,558 per sq.m (which roughly accords with figures they have quoted in other planning applications, although is probably an underestimate given the relative wealth of Uttlesford). Other retail consultants then apply a 30% discount for comparison goods (ie their sales density is 70% of convenience goods, not 50%), giving a figure of £9,500 / sq.m – see for example the recent retail assessment for a Milton Keynes Tesco, which we have forwarded to the planning officers. There is absolutely no justification for then applying a reduction for an extension – indeed quite the contrary. Looking at other retail reports and talking to other supermarkets, one would expect a new extension to trade at above company average levels, not greatly below. If one applies the £9,500 / sq.m (which as we say is itself likely to be a considerable underestimate) to the proposed comparison goods sales area, that produces an annual comparison goods turnover of £9.5m, and this before one applies an uplift to take account of a refurbished store and a catchment area with well above the national average income.

In summary therefore, Tesco claim a projected comparison goods turnover of £3.1m when the real level is likely to be much more than 3 times as high. We sent the UDC planning officers a detailed e-mail on 18 February 2010 with these calculations and with links to the work done by Milton Keynes and Glastonbury councils on similar proposals. Despite this, the Savills retail report accepts the Tesco figures at face value, makes no attempt to analyse them and concludes that a £3.1m comparison goods turnover is unlikely to be significant. This absolutely goes to the heart of the impact assessment and is just one of many reasons why we have so little faith in the Savills retail studies.

** See “The Impact of Large Food Stores on Market Towns and District Centres” commissioned by the Government and the 2008 Competition Commission report into the supply of groceries in the UK and supermarket competition.

*** The only independent study of supermarket net job losses or gains, by the National Retail Planning Forum, found that each new supermarket resulted in a net job loss of 276 full time jobs.