

SAVE WALDEN TOWN CENTRE

Press Release
6 September 2010

Save Walden Town Centre Group compelled to commission its own expert retail appraisal

The Save Walden Town Centre Group is so concerned about the poor quality of the advice being given to Uttlesford District Council planners by its consultants that it has decided to commission its own expert retail appraisal of the Tesco planning application. The Group has launched an appeal to raise funds to pay for the independent report and will be grateful for all donations - the more money raised, the more extensive will be the report that is commissioned. Donations should be sent to Peter Riding, 30 Castle Street, Saffron Walden CB10 1BJ in favour of "Save Walden Town Centre".

Save Walden Town Centre spokesman, Paul Gadd, said: "In May this year Uttlesford District Council published the appraisals which their retail consultants, Savills, had prepared into the Sainsbury and Tesco planning applications. We believe that both of these reports have serious defects, particularly in accepting the claims made by Tesco and Sainsbury of the likely future growth of retail expenditure in Saffron Walden, and of the likely turnover of the new stores.

Despite these defects, the Savills appraisal of the proposed Sainsbury's development shows that it would have a major impact on the Saffron Walden town centre, significantly reducing town centre turnover and footfall and the "vitality" of Saffron Walden. Because the Savills appraisal accepts Tesco's claims for the extended store's future turnover and doesn't question the growth figures claimed by Tesco, it predicts that the Tesco expansion would not have a significant effect on Saffron Walden. We believe that the claims made by Tesco are completely unrealistic - and indeed in many cases are directly contradicted by other planning applications made by Tesco - and that the Tesco extension would have a huge impact on the Saffron Walden town centre.

In May we sent extensive submissions to Uttlesford District Council detailing the defects we believe are in the Sainsbury's and Tesco applications. Since then we have been trying to engage with Savills to discuss these defects. It is now clear, however, that we are not going to be allowed to meet up with Savills and so that is why we are now commissioning an independent retail appraisal and are looking for donations."

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Notes for Editors

1. Save Walden Town Centre believes that amongst the most significant misleading claims in the Tesco planning application are:
 - Tesco claim that non-food retail expenditure from the Saffron Walden area would have increased from an estimated £117m in 2008 to £141m in 2009 and to £177m in 2012. This is set against the biggest recession for years, and very small population growth, yet Tesco claim that average retail expenditure last year increased by 20% and will continue to increase by an average of 8% per year for the next three years. We cannot see how these figures can possibly be true;

- Tesco claim that based on their average store turnovers the extended store would increase its turnover by only £4.3m of food and related goods and by £3m of non-food goods. In other planning applications to other district councils, Tesco give completely different figures. In particular, if one applies the figures given by Tesco for a store which would be almost identical to the extended Tesco, the increases would be £5.6m and £9.7m * - and these figures are based on 2004 prices and therefore ignore 6 years of inflation; they also contain no uplift for the demographics of Saffron Walden, or the fact that new or newly refurbished stores are likely to have significantly greater sales than older ones.

** Based on Tesco stated average retail sales densities at 2004 prices of £12,538/sq.m for food and related goods and £9,704/sq.m for non-food goods.*

2. According to the Savills report, the total non-food retail sales of Saffron Walden in 2008 (the latest figures they give) was £48m. The increase in Tesco's non-food turnover would be more than 20% of the total Saffron Walden sales. Some of this increase will come from stores outside Saffron Walden, but it is likely that the majority will be drawn from existing Saffron Walden shops. Tesco claim that 50% of the extended store's trade will be diverted from the town centre, so one must assume that the real figure will be at least this and probably more. Even accepting Tesco's figure, this would mean 10% of total Saffron Walden turnover would be diverted to the extended Tesco. It should also be remembered that the total turnover of Saffron Walden includes many categories which Tesco will not sell, such as DIY and Decorating (which according to Tesco represents over £8m of sales), so the trade loss of stores affected by the extended Tesco would be vastly higher.
3. Experts calculate that a 10% reduction in turnover for a small shop equates to a 30% drop in their income due to their high fixed costs; this is likely to make the difference between survival and their being forced to close.
4. In 2000 the then proposed Tesco extension was rejected on appeal because of the significant impact it would have on the town centre. That appeal was decided on the basis of much lower percentage trade diversion figures than the ones we have calculated.

Further Information

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