



# WELWYN GARDEN CITY SOCIETY

[www.wgcsoc.org.uk](http://www.wgcsoc.org.uk)

## **Briefing paper on Broadwater development**

### Introduction

It is not yet known what plans are due to be presented to councillors on Thursday 19 August. It is believed that they will relate solely or mostly to the north end of the site where Tesco intend a supermarket to be placed. This is a source of concern in itself as there is an implication that the development of houses on the remainder of the site may be postponed for a considerable time.

### Justification for the supermarket

In earlier discussions, it was suggested that the building of flats and /or houses on the site could only be justified by the presence of a large supermarket. The Society is now less convinced of this proposition as it is assumed that flats and houses would be sold to new residents and it is unlikely that the sale prices of these units would be at less than cost (ie that they would be sold with a subsidy from supermarket profits).

There may be some justification that a supermarket was needed in order to ensure that the listed buildings were maintained for the long term but they bought the site knowing that they were listed and that was a liability they were aware of from the start.

A study previously carried out, and available from Department of Communities and Local Government, stated:

“In addition to the need for strong physical links with the town centre, edge-of-centre development should be of an appropriate scale relative to the centre, and complement the existing retail offer. Local authorities need to help 'create' linkages to ensure edge-of-centre stores complement rather than supplant the convenience shopping role of these centers.”

Can Tesco explain how their planning proposal will, be of an appropriate scale, and will complement not supplant the existing retail offer? How will Tesco and the local authority work together to enhance the linkages to the proposed site?

Is Tesco concerned at the impact its store may have on the existing town centre and what measures is it willing to take to ensure that the well being of existing town is safeguarded?

### Current proposition

Currently, the proposition that has been explained to the Society is that the supermarket will attract extra shoppers to the existing town centre which thereby will be enhanced. We are not convinced by this because, as yet, the plan to improve the link across the railway line is not evident. Indeed, Tesco's proposals appear to be woefully inadequate in that regard.

### The bridge across the railway line

Current proposals assume that a new set of steps and lifts would be built on Tesco land to the existing bridge across to the existing town centre. This is hardly credible as it fails to take into account the extra pedestrian traffic from any new supermarket, any extra traffic from beyond Broadwater Road that any new supermarket may attract and who may wish to cross to the existing town centre, the extra residents on the Broadwater site itself or the number of existing town centre visitors who may wish to cross over to the proposed new Tesco store during railway peak periods.

It is the Society's view that this bridge, even if its full width is restored across its entire length, would be an accident waiting to happen with the potential volume of people using it.

(Note that the argument that any new supermarket will bring more visitors to the existing town centre is at odds with the clear need to ensure that volumes across the bridge are minimal to ensure that it does not have to be upgraded.)

### Statistics

The Society would like to see the assumptions of demand for a new supermarket of some 50,000 sq ft (larger than Asda but smaller than the Tesco Hatfield site which is 63,000+ sq ft) in Welwyn Garden City in relation to the population of the town. Councillors will be well aware that there are a number of different estimates for the future population – one notably contained in the East of England plan which has been cancelled by the new government.

We would like to understand the volumes of people and cars upon which the Tesco supermarket has predicated its estimates of how many people would travel across to the existing town centre and what volumes of people would be using the existing bridge to the town centre. We would also like to understand the phasing of this movement.

What is Tesco's justification for a supermarket of the size proposed?

We would like to see the number of car park spaces and supermarket sizes compared between Tesco Hatfield and these new proposals.

Has Tesco carried out an impact assessment to determine the cumulative impact any new store will have on existing retailers, and footfall to the existing town centre? What is the Tesco's forecasting accuracy in such assessment's elsewhere.

### What exactly is proposed for the Broadwater site?

The Society is opposed to any development on the east side of the railway line which in any way rivals the existing town centre. For that reason, we want clarified the number and spaces allocated to coffee shops and restaurants in the current proposals. The Society could not determine how many were involved. If there is any other retail space proposed then this should be clarified.

Could Tesco explain why the Shredded Wheat main hall for which the original designs showed a swimming pool are now intended to have a supermarket, with a swimming pool sited elsewhere?

Will the Tesco supermarket car park be provided free of charge to people who use it?

For any new buildings included in the Tesco proposals, could they demonstrate how these fit with the WGC ethos? Do these buildings seek to link architecturally with any other parts of the town and, if so, which ones?

#### Space allocated to young people

The Supplementary Planning Document (December 2008) indicated that space should be allocated for young people but The Society could not see this in the current proposals

#### Impact on Tesco Hatfield

What effect will the new proposed Tesco supermarket have on the Tesco Hatfield supermarket? Where does Tesco see the fall off in volume from Hatfield being filled from? What is the company's estimate for their future trading before both sites become over-trading again as is claimed by Tesco?

Could Tesco confirm what they mean by over-trading? And at what time during the day/week is this taking place at Tesco Hatfield? And does this mean that the car park there is full? Would Tesco supply full details of their overtrading at Tesco Hatfield?

#### Care Home

What discussions have taken place and with whom over this?

#### Meeting with Welwyn Garden City Society

Is Tesco willing to meet with representatives of the Society and members at a public meeting, properly chaired by the Society, over their proposals?

#### Appendix.

This covers some extracts from published papers

Welwyn Garden City Society  
15 August 2010.

## **Appendix.**

Extract from a paper called “The impact of large foodstores on Market Towns and District Centres” published by the Department of Communities and Local Government.

Attention is drawn in particular to paragraph 31.

The definition of “overtrading” is also covered.

### **“The Impact of Large Foodstores**

**20.** Town centre foodstores tend to underpin the role of smaller market towns and district centres. The effect of competition between retailers within town centres is not normally a material planning consideration. Therefore, the study has focused on the impact of edge-of-centre and out-of-centre foodstores on established centres.

**21.** Our research identified impacts on market share of between 13%-50% on the principal food retailers in market towns and district centres as a result of large foodstores in edge-of-centre and out-of-centre locations. The decline in market share for the town centre convenience sector as a whole ranged from 21% in St Neots to 64% in Fakenham, and 75% in Warminster.

**22.** These levels of impact on market share have directly and indirectly led to the closure of some town centre food retailers; increases in vacancy levels; and a general decline in the quality of the environment of the centre. For example, in Fakenham the number of convenience retailers in the town centre declined from 18 to 13; vacancies increased by 33%; and there was a noticeable deterioration of the built environment of the town centre following the opening of an out-of-centre foodstore.

**23.** Contrary to the widely held perception, our research indicates that impact is not confined solely to other supermarkets. Edge-of-centre and out-of-centre large foodstores sell an increasingly wide range of convenience and comparison goods, and often include other services including Post Office, pharmacy, dry cleaner and cash point.

**24.** Our research shows that the impact of large out-of-centre and edge-of-centre foodstores is not limited to convenience retailing, but can also adversely affect comparison and service uses. For example, in Fakenham the reduction in turnover of six comparison retailers ranged from 3.7% to 18.9%.

**25.** Even in areas with a well developed provision of large out-of-centre and/or edge-of-centre superstores, the addition of a further new superstore can give cause for concern. The long term cumulative impact of a succession of new foodstores can serve to undermine a store or centre over a number of years.

## **The Practical Consequences of Impact**

### **(a) Retail Impact**

**26.** Our research shows that the development of large non-central foodstores can lead to a decline in the turnover of town centre foodstores (38% impact in the case of Tesco in Cirencester). This can and has led to the closure of some town centre food retailers.

**27.** There is no available 'benchmark' to determine what percentage decline in turnover will lead to an unacceptable fall in profitability. It will depend on the particular circumstances of individual retailers. A significant fall in turnover can have a disproportionately high impact on

the profitability of stores, influencing the ability of retailers to reinvest in store improvements/ refurbishment, and ultimately to continue trading. In other circumstances, reduction in turnover has no adverse consequences.

**28.** Impact is likely to be most significant for stores which are trading at marginal levels of profitability. Experience shows that foodstore retailers will review store performance, and where stores are performing below a particular turnover/ profitability threshold, these stores will be closed. For example, in 1994 Safeway announced the closure of some 17 town centre stores nationwide as part of a company-wide review of stores.

**29.** Even where town centre food retailers suffer an impact, but do not subsequently close, there may still be a concern that this will lead to a general decline in activity elsewhere in the centre, and adversely affect the vitality and viability of the centre. This is likely to be most apparent in centres where the centrally located foodstore is the key anchor retailer in the market town or district centre.

**30.** Our research shows that market towns and district centres generally have small catchments, which will only support a limited number of large foodstores. Therefore the development of an out-of-centre or edge-of-centre foodstore represents a loss of potential investment in the town centre. New town centre foodstores can act as a catalyst for further investment in town centres.

**31.** Where there is no capacity for additional retailing, the opening of an edge-of-centre or out-of-centre superstore is likely to lead to 'disinvestment' in the town centre (ie failure to reinvest in store refurbishments, etc). This has implications for the future viability of the individual retailer, and investment in the town centre as a whole.

**32.** Our research shows that even the potential threat of an out-of-centre foodstore can adversely affect retailer confidence. In one of our case study towns, there was evidence to suggest this was a prominent factor in some retailers' decision to continue trading in the town.”

The full document can be found at:

[Impact of Large Foodstores on Market Towns and District Centres](#)

## **“Over trading”**

### ***Case study: Kidlington – Issues of overtrading***

The concept of overtrading has been the subject of significant debate, and was a key issue in the proposal to extend a busy out of centre Sainsbury Superstore on the edge of Kidlington in Oxfordshire. At the planning inquiry, it was agreed that the store was trading significantly above the company average, and was experiencing congestion and overcrowding, both of which were felt to be indicators of overtrading.

After a series of legal challenges, it was agreed that overtrading can be a measure of both qualitative need, and quantitative in as far as it can be an indication of an imbalance between demand and supply of floorspace in an area. However, the term overtrading is still frequently misunderstood, and where existing services are claimed to be overtrading this should be backed up by corroborating evidence such as overcrowding and congestion rather than simply by comparison with a retailer's company average turnover.