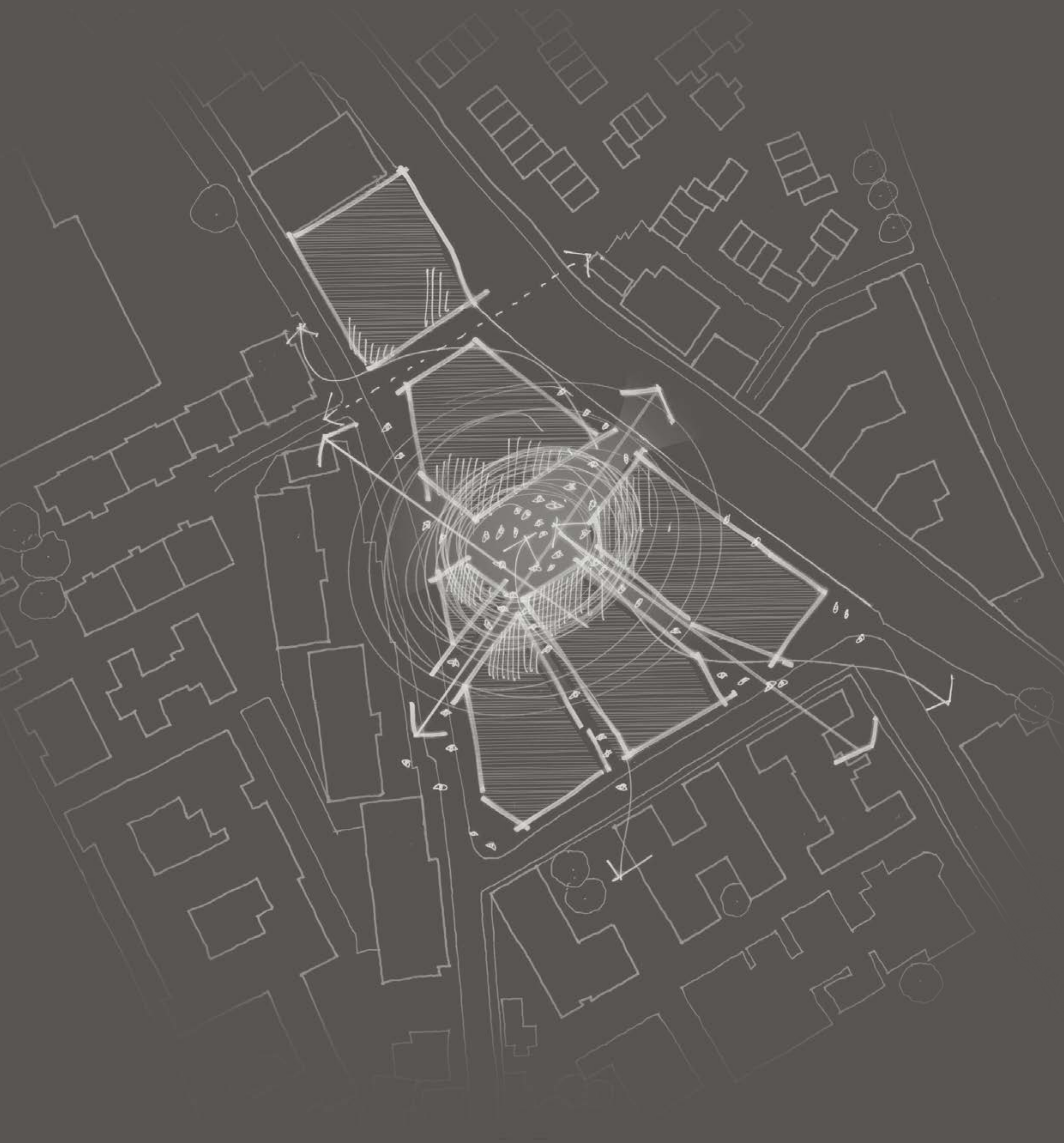
Transformation of the Ugly Brown Building

DP9

Retail Impact Assessment

September 2017



Transformation of the Ugly Brown Building

2-6 St Pancras Way, London, NW1 0TB

Retail Impact Assessment

Reef Estates Ltd

Content

1.0 Introduction

1.1 We have been instructed by Reef Estates Ltd to undertake a Retail Impact Assessment in respect of the proposed redevelopment of 2-6 St Pancras Way (‘The Transformation of the Ugly Brown Building’) for a mix of business floorspace, residential, retail, leisure, hotel and storage uses.

1.2 The proposals are described in detail in the accompanying Design and Access and Planning Statements. In summary, they provide for a new headquarters building for Ted Baker and additional business floorspace totalling 55,079 sq m GIA B Class floorspace; 69 new residential units; a Ted Baker themed hotel comprising 4,625 sq m GIA C1 floorspace; a Gym, comprising 1,367 sq m GIA D2 use; and 5,805 sq m GIA ancillary retail A1-4 floorspace, comprising a mix of cafes/restaurants and ancillary retail uses.

1.3 The development comprises three plots, and will come forward on a phased basis. Plot B will be the final phase of the development, and is expected to complete by 2026.

1.4 The GLA in its pre-application response dated 16 May supports the principle of the development. The hotel use is supported as being in line with London Plan Policy 4.5. The retail /café/ restaurant uses are also supported in principle, but having regard to the scale of retail floorspace proposed, the GLA has requested that a retail impact assessment is undertaken.

1.5 During pre application discussions, the LPA has indicated that it broadly supports the scale and mix of uses. The provision of additional employment floorspace is strongly supported, as is the provision of new homes, including affordable housing.

1.6 Given the clear policy support, and objective, to retain and expand established employment uses, the principle of the B Class space accords with the development plan, and while technically a ‘town centre use’, there is no requirement to justify the principle of the employment use, or consider alternative more central locations for this element of the proposals.

1.7 The mix of additional ‘town centre uses’ is recognised as being ancillary, and creating active frontages, serving existing and future workers, visitors and local residents, and supporting wider placemaking objectives.

1.8 However, as the proposals include town centre uses which in aggregate exceed the 2,500 sq m threshold set by the NPPF, and the site is not within a defined centre or specifically allocated for such uses, we have agreed to prepare a Retail Impact Assessment (RIA) as required by national and local planning policy

1.9 This RIA is structured as follows:

- In Section 2 we describe the proposed town centre uses, and the existing town centre uses serving the area;
- In Section 3 we identify the national, regional and local plan policies which are apply to the proposed town centre uses
- In section 4, we consider the need for the proposed town centre uses
- In Section 5 we address the sequential approach.
- In Section 6 we consider the impact of the proposed town centre uses.
- In Section 7 we set out our conclusions.

2.0 The Proposed Town Centre Uses

2.1 The site is located to the East of the Kings Cross regeneration area, and is physically separated from this area by the Regents Canal. Camden town is located to the West. The site is currently occupied by a data centre and office uses (including the head offices of Ted Baker). The wider area is characterised by a Royal Mail distribution centre; builders merchants; student housing and other residential and commercial uses.

2.2 There are no local retail or service uses or other local facilities in the vicinity of the site, despite the extensive local residential and working population. The existing buildings on the site, and wider area, are generally unattractive. The area lacks diversity, and active frontages, and access to the canal is limited.

2.3 The closest retail facilities are a very small parade of local shops/A2 uses located at Crowndale Road, circa 3-4 minutes walk to the south, which includes a very small Londis supermarket and post office; and a small parade of local shops circa 6/7 minutes' walk to the north on Royal College Street.

2.4 Camden Town is defined as a Major Town Centre in the London Plan. It contains a total of circa 50,000 sq m GIA of retail floorspace, in circa 650 units, comprising a mix of convenience and comparison retail, and Camden Markets which draw from a London wide catchment and beyond. The Centre has an extensive mix of retail and service uses, but is not within convenient walking distance of the application site for everyday goods and services.

2.5 To the East, on the other side of the Canal, the Kings Cross regeneration area includes Granary Square, offering a range of restaurants, and the Coal Drops Yard development which is currently under construction and due to open in 2018. The total Kings Cross area has consent for circa 46,000 sq m of A1-3 floorspace, reflecting its role as a main transport interchange and to serve the needs of visitors, workers, leisure and educational uses. However, Kings Cross is not designated as a 'Centre' in policy terms.

2.6 In addition to being physically separated from the application site by the Canal, and more than 5 minutes' walk away, the Kings Cross area, (and the new Coal Drops Yard in particular), are primarily focused on specialist, niche and fashion retailers and flagship restaurants, targeting those working and Studying at Kings Cross, and the large number of visitors to the area, rather than everyday goods and services needs of local residents and workers.

2.7 The precise mix of the proposed town centre uses is to be determined, and will be subject to occupier demand. As the proposals will come forward on a phased basis, with the final phase not due for completion until 2026, it is not practicable to identify potential tenants, and it is important to retain flexibility to respond to changing requirements. However, the focus will be on providing everyday local goods and services, and cafés/restaurants to serve local residents and workers, and to reactivate the canal side area during the day and in the evenings. Such uses are increasingly recognized as being essential to placemaking and creating attractive residential neighbourhoods and successful workplaces.

2.8 While a flexible consent is sought, no single A1 retail or A3 use will dominate, and we anticipate that of the 5,805 sq m GIA proposed, no more than a maximum of 60%, or, 3,483 sq m GIA would be occupied by A1 uses. While flexibility of unit sizes and configuration is required, the nature of the development, on three separate plots, also precludes incorporating large anchor units, although it is anticipated the proposals could include a small high quality supermarket.

2.9 The scale and format of the A1-4 uses proposed will ensure that the proposed town centre uses will remain ancillary to the office/residential uses on the site, and do not achieve the critical mass which would be required to attract either a large foodstore, a flagship restaurant, or a mix of 'higher end' comparison retailers likely to compete with Camden Town or the new Kings Cross development.

2.10 However, the proposals will provide a sufficient scale and mix of units to meet the everyday convenience retail requirements of the extensive local residential/worker population, together with cafes/restaurants/bars, and a mix of non-food retail and services, designed to meet what we consider is a key local deficiency in this area. This will enhance the quality of life and amenity of existing local residents/workers, and enhance the attractiveness of the new employment and residential space.

3.0 Planning Policy

National Planning Policy Framework (NPPF)

3.1 Paragraph 11 of the National Planning Policy Framework (NPPF) requires that planning applications are determined in accordance with the Development Plan unless material considerations indicate otherwise. The Development Plan for the Site comprises the Consolidated London Plan, 2015 and the Camden Local Plan 2017.

3.2 The NPPF sets out the Government's commitment to securing economic growth in order to create jobs. The Planning system should encourage and not act as an impediment to sustainable growth, and local authorities should plan proactively to meet the development needs of business. Planning Policies should be positive and promote competitive town centre environments and set out policies for the management and growth of centres, including allocating a range of sites to meet needs for retail, leisure and other uses in full.

3.3 Paragraph 24 states that LPA'S should apply a sequential test to planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up to date Local Plan.

3.4 Paragraph 26 states that when assessing applications for development involving main town centre uses outside of town centres, which are not in accordance with an up to date Local Plan, Local Planning Authorities should require an impact assessment if the development is over a proportionate, locally set floorspace threshold (if there is no locally set threshold, the default threshold is 2,500 sq. m).

3.5 Where an application fails to satisfy the sequential test, or is likely to have significant adverse impact on existing, committed and planned public and private investment in a centre, or the vitality and viability of a town centre, Paragraph 27 indicates it should be refused. However, as a matter of planning law, it will always be necessary to reach an overall planning balance, having regard to all the material considerations in each case.

3.6 Paragraph 203 indicates that local planning authorities should consider whether otherwise unacceptable development could be made acceptable through the use of conditions. Paragraph 206 states that planning conditions should only be imposed where they are necessary, relevant to planning and to the development to be permitted, enforceable, precise and reasonable in all other respects.

3.7 As such, the imposition of any restriction on the A1-4 uses proposed would require clear justification, to demonstrate that without such conditions the proposals would fail the sequential test or lead to significant adverse impacts.

Planning Practice Guidance (PPG)

3.8 The PPG clarifies how the impact and sequential tests should be used in decision taking. For the sequential test, the application of the test should be proportionate and appropriate for the given proposal. The PPG sets out a checklist of considerations which should be taken into account in determining whether a proposal complies with the sequential test. This comprises two elements.

a. first, with due regard to the requirement to demonstrate flexibility, has the suitability of more central sites to accommodate the proposal been considered, and;
b. second, is there scope for flexibility in the format and/or scale of the proposal?

3.9 The PPG goes on to consider how locational requirements should be considered in the sequential test, and advises that the sequential test should recognise that certain main town centre uses have particular market and locational requirements which can only be accommodated in specific locations.

3.10 This guidance builds on the Tesco Stores Ltd v Dundee City Council and the Zurich v North Lincolnshire Council cases, and has more recently been interpreted in a number of planning appeals which make it clear that the relevant test is to consider 'The Proposal' which in this case is the development as a whole. It is not appropriate to seek to disaggregate individual elements of the proposal, such as the proposed A Class uses, to consider whether these could be accommodated elsewhere.

3.11 As Lord Hope confirmed in the Dundee case, 'it is the proposal for which the developer seeks permission that has to be considered when the question is asked whether a suitable site is available within or on the edge of the town centre.'

3.12 The same considerations apply in this case. The proposed A Class uses, hotel and gym are an integral part of the mixed use proposals, which are intended to meet a location specific need/demand from existing and future residents and workers in the vicinity, and to provide active ground floor frontages and meet placemaking objectives. These needs cannot be met by seeking to disaggregate the town centre uses and locate them in nearby local centres or Camden town centre, given their distance from the site.

3.13 The PPG advises that the impact test should be undertaken in a proportionate and locally appropriate way, drawing on existing information where possible. The PPG makes clear the test only applies to proposals exceeding 2,500 sq. m of floorspace, unless a different locally appropriate threshold is set. When setting locally appropriate thresholds, the NPPG advises it will be important to consider, inter alia, the scale of the proposals relative to town centres, and the existing viability and vitality of existing town centres and whether they are vulnerable.

3.14 While the total Class A floorspace proposed in this application exceeds the 2,500 sq m threshold, the retail and restaurant components will give rise to different impacts, and in practice, no single component of the A1-4 uses is likely to materially exceed the threshold at which an impact assessment may be required. This in itself gives a measure of confidence that there are unlikely to be any significant impacts, particularly given the proposed phasing of the development.

The London Plan

3.15 The London Plan sets the strategic policy context. This identifies that London has an estimated need for an additional 0.9-2.2m sq m of additional comparison goods. The plan makes no forecasts for additional A1 convenience goods needs, or the need for A2-5 cafes/restaurants/bars and other service uses, but it is evident that sustained population growth and increased consumer spending in these sectors will fuel the need for additional provision.

3.16 Policy 2.15 states that development proposals in town centres should conform with Policies 4.7 and 4.8 and, inter alia; sustain and enhance the vitality and viability of the town centre, support and enhance the competitiveness, quality and diversity of town centre retail, leisure and other services, and be in scale with the centre.

3.17 Policy 4.7 states that in taking planning decisions on proposed retail and town centre development:-

a. The scale of retail, commercial and culture and leisure development should be related to the size, role and function of a town centre and its catchment
b. Retail, commercial and leisure development should be focussed on sites within town centres, or if no in centre sites are available, on sites on the edges of centres that are, or can be, well integrated within the existing centre and public transport; and
c. Proposals for new, or extensions to existing edge or out of centre development will be subject to an assessment of impact.

3.18 Policy 4.8 advocates a proactive approach to planning for retailing, including; bringing forward capacity for additional comparison goods retailing, particularly in larger centres; supporting local convenience shopping and local goods and services; and supporting markets and other measures to improve their management, and enhance their offer.

Local Planning Policy

3.19 The Camden Local Plan was adopted in June 2017. This sets out a number of strategic objectives, including, inter alia; strengthening Camden’s economy, in terms of business and employment, the knowledge economy, shopping, and providing increased access to jobs; and supporting the existing and future successful development of town and neighbourhood areas and the retail areas in central London.

3.20 Policy G1 supports growth, by supporting development which makes the best use of its site, and expecting a mix of uses where appropriate. Paras 2.12-13 promote the provision of mixed use developments, recognising the placemaking benefits of a range of activities. The proposals clearly accord with this important policy objective.

3.21 Policy E1 relates to Economic Development, and inter alia; supports Camden's industries by safeguarding existing premises and supporting proposals for the intensification of sites and premises where these provide additional employment. It also recognises the importance of other employment generating uses, including retail.

3.22 Policy E2 supports the higher intensity redevelopment of premises or sites that are suitable for continued business, provided the level of employment space is increased or retained, and the scheme includes other priority uses such as housing. Again, the proposals are clearly aligned to these key policy objectives. Having regard to Policy E2, while the B class floorspace proposed is technically a 'town-centre use', it is clearly not relevant to apply a 'sequential approach' or consider the impact of this element on established town centres.

3.23 The main retail policy relevant to the proposals is Policy TC1. This indicates the Council will focus new shopping and related uses in designated growth areas and existing centres. However, the policy also supports neighbourhood centres, specialist shopping areas, and supports the limited provision of small shops outside centres to meet local needs. The Policy states that this retail floorspace is expected to be supported by a range of other town centre uses, including food and drink and entertainment uses.

3.24 Policy TC1 applies a sequential approach to retail and other town centre uses outside these areas, and indicates that development outside existing centres will only be considered where there are no in centre or edge of centre locations.

3.25 The Council requires a retail impact assessment for large retail development proposals, defined as 2,500 sq m or more, which are not in accordance with the general policy approach and would be in an edge or out of centre location, or be in an existing centre and have the potential to have a harmful impact on other centres.

3.26 The Plan refers to the GVA Retail and Town Centre Study, 2013 (The Retail Study), which indicates a need for around 30,000 sq m of new retail floorspace in the Borough by 2031, in addition to that to be provided at Kings Cross and St Pancras and other identified commitments..

3.27 While Policy TC2 seeks to protect existing centres, the role for local shops cafes and small shopping and service parades outside defined centres is recognised, and Policy TC2 seeks to protect such uses, unless there is alternative provision within 5-10 minutes' walk. As this report demonstrates, there are no local facilities in this area, despite the large and growing residential and working population, the range and quality of local shopping facilities within a 5-10 minute walk is limited.

3.28 Policy TC4 sets out the Councils policy towards town centre uses, and the use of planning conditions and obligations to manage potential harm to amenity and the local area. Policy TC5 promotes the provision of small and independent shops. Given the intention to include a range of unit sizes, including small shops, the proposals accord with the overall policy objective to encourage local shopping facilities.

4.0 The Need for the Proposed Town Centre Uses

4.1 The 2013 Retail Study includes town centre health checks and capacity forecasts for the Borough, and individual centres.

4.2 This identifies a borough wide capacity for circa 32,343 sq m net of additional convenience and comparison goods floorspace by 2031, after taking account of known commitments, including Kings Cross. This equates to circa 43,000 sq m gross A1 floorspace.

4.3 The Retail Study does not quantify floorspace needs for A2-5 floorspace. However, as a rule of thumb, we would expect adding A2-A5 needs would increase these global estimates by circa 30-40%, suggesting a global need for circa 55-60,000 sq m. This excludes hotel (C1) and gym (D2) requirements.

4.4 In addition to the global estimates, the Retail Study also identifies baseline forecasts for each centre. Camden Town is the closest centre, where the study identifies a total A1 floorspace need of 14,571 sq m net, which equates to circa 19,000 sq m gross. Again, allowing for other A class uses, this suggests a need for between 25-26,000 sq m gross Class A floorspace by 2031.

4.5 These baseline projections ignore the potential for additional inflow, including spending associated with the employees within the new office floorspace. As this report demonstrates, this will make a significant contribution to supporting the ancillary retail, café/restaurant and service uses in the development.

4.6 The application site is located centrally within Zone 1 of the Retail Study area, which includes Camden Town. The population of this zone is estimated at 40,368 people in 2018, which is forecast to increase to 41,286 by 2023.

4.7 Over this timescale, convenience spending is expected to increase from £1,585 per capita to £1,718. This generates a total Zone 1 spend of £63.968m in 2018, increasing to £67.373 in 2023- a total growth of £3.4m. The comparable spend figures for comparison goods are £2,512 per capita in 2018, increasing to £2,827 by 2023, generating a total spend of £101.4m in 2018 increasing to £116.73m by 2023 ie growth of £15.32 m.

4.8 On this basis, total growth in retail spending in Zone 1 between 2018 and 2023 amounts to circa £18.72m. Assuming an average occupancy of 2 people per unit, the 69 residential units within the scheme itself will generate circa £627,000 per annum of A1 retail spending, in addition to spending in cafes/restaurants and on local services.

4.9 This ignores additional local workforce spending. Using the HCA employment assumptions, we estimate that the B1 and A1-4 floorspace are likely to generate circa 4,000 FTE employees on site. The Hotel and gym will create additional employment and generate additional local demand for café/restaurants, and retail and service uses.

4.10 Using the Experian methodology for the London Plan, it would be reasonable to assume that 10% of workers annular retail spend would take place near their place of work. Taking the forecast average Zone 1 spend per capita of £4,545 in 2023 derived from the Retail Study, this generates a potential workforce spend of £454 per capita.

4.11 This would therefore generate circa £1.81m of additional spend on retail goods, and additional spend in cafes/restaurants and on local services, and further reinforce the localised need.

4.12 To put the proposals into context, of the total 5,805 sq m GIA, we anticipate that at the most, not more than 60%, or 3,483 sq m GIA would be occupied by A1 retail uses, with the remainder being a mix of A2-4 uses. After allowing for storage/back of house etc, adopting a 65% net/gross ratio, the proposals are unlikely to comprise more than circa 2,264 sq m A1 net sales floorspace.

4.13 The turnover expected will, to some degree, depend on the retail mix and likely occupiers. However, on the basis that the scale and mix of unit sizes envisaged will not attract a large format superstore, or prime high street fashion multiple retailers, we consider that sales per sq m are unlikely to exceed circa £6,500 per sq m, for either a comparison retail offer or a local convenience offer, or as is most likely, a mix of both.

4.14 This suggests an absolute maximum potential turnover of about £15m pa in any realistic scenario/retail mix. As such, over the period up to 2023, and certainly by completion in 2026, the proposals would be supportable based on locally generated expenditure growth alone.

4.15 In practice, as the GVA analysis demonstrates, existing foodstores and retail centres are achieving very high levels of turnover, and there is substantial 'leakage of spend to locations outside the borough, which all reinforce the quantitative need.

4.16 In addition to the quantitative need for the ancillary Class A uses proposed, they will also contribute to a qualitative need within the area. The Local Plan recognises the role for new local facilities, particularly where there are no suitable facilities within a 5 minute walk. The application site is within a changing employment and residential area, with no quality local shopping facilities.

4.17 The nearest local centre, is located on Crowndale Road, located about 450 metres, or 4 minutes walk from the site. Of the 14 units profiled on Crowndale Road in Camden's 2007 Retail Survey, 7 were shops, 1 chemist, 1 café, a dentist, a care centre, 1 office unit, a dry cleaners and a laundrette. This unit allocation remained the same in 2008.

In 2009 the dry cleaners became vacant and in 2010 a shop and the carers also fell vacant. The number of shops dropped down to 4 in 2012 but climbed back to 6 by 2014 and has remained constant since then. In 2016 there was a 100% occupancy rate, with new office units increasing to 4 and a new café opening. Since then the centre has maintained a very low vacancy rate.

4.18 Current uses include a Londis supermarket, small local convenience stores, local cafés, a family defence law firm, off-license, hairdresser, dry cleaner, laundrette, a dentist, and office space. The quality of the offer, and frontages is fairly poor, with shops fronts starting to age and in need to modernization. As such, in addition to its distance from the site, both the range and quality of uses in the centre are deficient.

4.19 Royal College Street parade, situated where Royal College Street meets Camden Road, is circa 600 metres, of a 6 minute walk from the site. The local centre is of similar quality to Crowndale Road with low end shops and limited retail opportunity. The units profiled in the 2007 survey comprised 25 shops, 6 local cafes, 2 pubs, 3 hot food restaurants/takeaways, 2 estate agents, a bookmaker, 6 residential units, 2 office units, a sauna house and 7 empty units.

4.20 The cafes, estate agent and pub have stayed in the same place every year since then, but most other units have seen a change in use at one point or another. The number of shops has fluctuated, reaching 31 units in 2009, then staying at between 20-23 from 2010 onwards. There are two independent supermarkets on the parade but they are both small and offer a limited range of goods

4.21 There have always been several empty units on the parade since the first data set in 2007. The lowest number of empty units was 5 in 2009, and the most was 12 in 2014, with a quick turnover of tenants in the area. The most recent data from 2016 shows that there were six vacant units or units being redeveloped. While the centre is performing a local function, as a consequence of its distance from the site, and limited range and quality of offer, this does not adequately serve the localised need we have identified.

5.0 The Sequential approach

5.1 For the reasons outlined in the previous section, given the explicit policy support to retain and expand the current employment uses on the site, there is no requirement to consider alternative more central employment sites.

5.2 There is a need for improved retail and service uses in this location, to meet the everyday needs of existing and future residents and workers. This need can only be met by development within the immediate locality where the need arises. It would not be served by additional development in Camden Town, or other defined town centres.

5.3 The mix of uses proposed will also perform an important place making role, and create active frontages. It will also enhance the quality and attractiveness of the employment floorspace to potential occupiers and workers, which accords with important policy objectives. Finally, it is an integral part of the commercial mix of uses which underpins the viability of the development.

5.4 For all these reasons, adopting the correct policy approach, there is no basis to require consideration of how these elements could be 'disaggregated' from the proposed employment and residential uses. The proposed office floorspace, which is strongly supported by policy, is also theoretically a 'town centre' use, as is the hotel which has been supported. The proposal is a genuinely mixed-use development, and the ancillary A1-4 uses are an integral part of that mix.

5.5 Notwithstanding the above, we have considered whether there are any alternative sites which are suitable, viable and available in any nearby centres which could meet the same need.

5.6 The nearest local centres, described in the previous section, would not qualify as 'town centres' in policy terms, and are in reality just small local parades. Relocating the proposed A1-4 uses to these centres would not meet the localised need in this area. However, we have reviewed both centres and can identify no quality vacant units or sites which could accommodate circa 5-6,000 sq m GIA A1-4 floorspace.

5.7 The nearby Kings Cross development, and in particular the Coal Drops Yard scheme, can theoretically accommodate this scale of retail floorspace. However, this is not particularly well connected to serve the local need, and as the marketing material shows, is targeted at a completely different market sector, including more aspirational fashion and homewear/lifestyle retailing, targeting visitors to the Kings Cross Area.

5.8 In any event, the Kings Cross area is not a defined 'centre' in policy terms, and the quantitative capacity projections detailed above are all in addition to the committed floorspace at Kings Cross.

5.9 There are a number of potential sites identified in Camden Town, which could be capable of accommodating additional A1-4 uses. We have reviewed the sites identified in the Retail Study and the Local Plan. Based on this review, we have concluded there are no sites suitable, viable and available which could accommodate the proposal as a whole.

5.10 There is no policy basis to require 'disaggregating' the A1-4 uses and relocating them to Camden Town. In any event, this would not serve the localised retail needs, or the wider placemaking objectives of the proposed development. Furthermore, as a Major town centre, the main focus of new retail development in Camden would be on higher order comparison retail uses, rather than everyday local retail and service uses as proposed.

5.11 In these circumstances, to the extent that it can be applied to the proposals, which meet a specific local need, they accord with the sequential approach. There are no suitable, viable and available sites within or on the edge of any defined town centre which could accommodate the proposals, even applying a significant measure of flexibility.

6.0 Impact

6.1 As detailed earlier, while the exact mix of uses and retail mix remain flexible to respond to demand, in any feasible scenario, we would not expect the total retail turnover of the proposals to exceed about £15m at the design year, which we have taken to be 2023 to allow for construction and for the scheme to let and achieve a stable trading pattern.

6.2 The impact of the development will depend on the mix of uses. A proportion of trade will come from workers and new residents within the development, which will clearly have no impact on established facilities. However, assuming a mix of convenience and small scale comparison retail uses, for the sake of robustness we have assumed that the trading pattern of the development will reflect current shopping patterns.

6.3 We have tested two alternative scenarios, reflecting the range of possible retail uses. Scenario 1 assumes that all the A1 retail floorspace is occupied by convenience retailers. Scenario 2 assumes a 100% comparison retail scheme. In practice, the impact is likely to be somewhere between the range indicated.

Scenario 1-Convenience based retail offer

6.4 In this scenario, we have assumed a turnover of £13m, and apportioned the likely trade draw pattern having regard to current shopping patterns and convenience shopping facilities within Zone 1 based on the GVA study and our own professional judgements.

6.5 The GVA Study identifies that foodstores in Camden town account for 7% of convenience spend generated within Zone 1. Kentish Town accounts for only 0.4%, and Tottenham Court Road/Holburn between them account for circa 18%. The Study indicates that other unspecified out of centre stores in Camden account for just under 45% of Zone 1 spend, and 30% of spend takes place outside the zone.

6.6 Having regard to these current trading patterns, and the location of the site and nearby centres, we anticipate circa 25% of trade will come from foodstores in Camden town, with circa 5% from Holburn/TCR and Kentish Town; with the remaining 60% of sales split equally between unspecified out of centre stores/parades within Camden, and from outside the Borough. These impacts are assessed against the total turnover of each centre in 2023, taken from the GVA study. The results are summarised in Table 1 below.

Table 1: Convenience Impact (Scenario 1)

	% of Proposals Turnover	£ Trade Diversion	Total Centre T/O 2023 (£m)	% Impact
Camden Town	25	3.75	488.33	0.76
Kentish Town	5	0.75	57.654	1.3
Tottenham Court Road	5	0.75	463.351	
Holborn	5	0.75	68.49	1.0
Other Camden	30	4.5	N/A	-
Other outside Camden	30	4.5	N/A	-
	100	15		

6.7 This demonstrates that the impact of the proposals in this scenario will be negligible. The only defined town centre which will experience any material impact is Camden town, but the predicted impact of 0.76% will be imperceptible, particularly given the current strong trading position of convenience retailers in the centre. In these circumstances the proposals would have no material impact on any nearby town centre.

6.8 It is conceivable that the local facilities proposed could have some impact on the closest local centres. However, these serve a very localised catchment, and have a very limited convenience offer, which is not quantifiable based on the Retail Study. The Camden Retail Frontages surveys show that both centres have low vacancy levels and are characterised by a diverse mix of retail/service uses. As such, any impact on their convenience retail offer would not materially affect their vitality and viability.

6.9 In any event, neither centre has the status of a 'town centre', and any localised impact on these parades would need to be balanced against the contribution which the proposed new facilities will make to meeting local needs and improving the range and quality of local shops available within a 5-10 minute walk. In line with planning policy.

Scenario 2. Comparison based retail offer

6.10 We have also tested the hypothetical scenario of a 100% comparison retail offer. The GVA study shows that comparison shopping patterns are dominated by the presence of the West End. Camden town only accounts for 4.3% of Zone 1 comparison retail spend, and only 14% of spend is retained within the Borough. 64.(% of comparison spend takes place in the West End. This pattern may change to some degree as a consequence of new developments in Camden Town and the Kings Cross Regeneration.

6.11 Reflecting these patterns, we anticipate that circa 30% of the proposals turnover would be drawn from Camden Town, as the closest town centre. Reflecting current shopping patterns, a small proportion of trade would be drawn from TCR and Holburn. While the retail offer will be complementary to the new Kings Cross development, reflecting its' proximity we have assumed a small proportion, circa 5% of trade, will be drawn from this development, although this is not a defined 'town centre' in policy terms The remaining trade will be diverted from a diverse range of other centres, particularly arising from spending by workers on the site, and visitors to the area.

6.12 This analysis is summarised in table 2 below. This shows that the proposals will have a negligible impact on any nearby centre. The impact on Camden town, at 0.7% will be imperceptible and more than offset by forecast growth in the centres' turnover. The GVA Study demonstrates that Camden is a strong, vital and viable town centre. Even if all the potential comparison retail turnover of the proposed development was diverted from Camden Town, the conclusion would be the same.

6.13 Any impact on Kings Cross is not strictly a material consideration, as it is not a defined 'centre'. However, when set against the GVA forecast of the developments turnover at 2023, of just over £100m, the impact of the proposals, at circa 1.5%, will be negligible.In the comparison scenario, the impact on local centres will be even lower, as neither centre has any significant level of comparison goods retailing.

Table 2: Comparison Impact (Scenario 2)

	% of Proposals	£ Trade Diversion	Total Centre T/O 2023 (£m)	% Impact
Camden Town	25	3.75	488.33	0.7
Tottenham Court Road	5	0.75	463.351	0.16
Holborn	5	0.75	68.49	1.09
Kings Cross	10	1.5	100.375	1.49
London West End	10	1.5	-	-
Other	50	7.5	-	-

7.0 Conclusion

7.1 The retail elements of the proposals are an integral, and ancillary element of this mixed-use office and residential development. They are designed to serve the needs of current and future residents and workers. They also play an important place making function, and create active frontages which will enhance the quality of the office and residential uses.

7.2 The area is very poorly served by everyday local shopping facilities. The nearest local parade at Crowndale Road has a very limited, poor quality offer. There are no good quality local retail and services within an easy walking distance of the site. here is a clear qualitative and qualitative need for the scale of retail floorspace proposed, over and above current commitments including the Kings Cross redevelopment.

7.3 The A1-4 uses are an integral part of the proposal. As such, there is no policy basis to require the 'disaggregation' of these uses, or to seek to locate them elsewhere, particularly as this would not serve the local need in this area. The nearest local parades are not 'centres in policy terms, but in any event there are no sites within these centres capable of accommodating the proposal.

7.4 We have assessed the impact of the proposed A1-4 uses, based on alternative scenarios, and this exercise demonstrates that they will have a negligible impact on any nearby town centre. The proposals will provide additional local choice and competition, and create additional local employment.

7.5 In these circumstances, we consider the A1-4 elements of the proposal accord with the relevant national, regional and local planning policies for town centre uses.