



Retail Statement – Sensitivity Assessment

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Client:

China Town Development Company Limited

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Appendix 1 – Retail Impact Tables - Sensitivity

1.0 Introduction

- 1.1 This Statement has been prepared to provide additional information, including a sensitivity assessment, relating to the Retail Impact and Sequential Test Assessment submitted in support of the hybrid planning application for the mixed use redevelopment of the site, formerly known as Tribeca Fields within Liverpool City Centre (application ref. 15O/1998).
- 1.2 This Statement has been prepared following discussions with the Local Planning Authority and their retail planning consultants; GL Hearn. The following matters are considered within this Statement:
- Additional Information – Proposed Retail Uses
 - Sensitivity Assessment – Retail Impact
 - Possible Restrictions – conditions/s106

2.0 Additional Information – Proposed Retail Use

- 2.1 This section provides additional information relating to the proposed Chinese Bazaar development which is to be the focus for the majority of the proposed retail uses/floorspace.
- 2.2 As has already been set out within our original Statement; the new bazaar type development will provide small spaces/stalls to be occupied primarily by independent retailers selling products aimed at the Chinese community or Chinese products (e.g. souvenirs, kitchen products etc.) as well as foodstalls within a larger 'food court' and other complementing uses.
- 2.3 The vision for the bazaar is to have a wide range of small independent stalls/shops offering a wide variety of goods, that will be primarily owned and managed by Chinese individuals/businesses with the aim of delivering a 'cultural' and unique feel that is very different to any existing provision within the city/region.
- 2.4 The indicative floorplans for the proposed Chinese Bazaar element of the scheme are also helpful in understanding how the bazaar will operate and its possible layout. As can be seen on the floorplans, the proposed units are of a small scale and range between 31m² and 149m² (gross) in size. The majority of the units are no larger than 55m² which is well below the size of the majority of existing retail units within the Main Retail Area of Liverpool City Centre. The size of the units in itself will make the development unique and whilst there will need to be some flexibility including permitting units to be amalgamated, in order to help businesses expand, the applicant is happy for the maximum unit size to be restricted as previously highlighted. A copy of the indicative layouts is provided at Figures 1 and 2.

Figure 1 - Indicative Chinese Bazaar sub-level 1 Layout

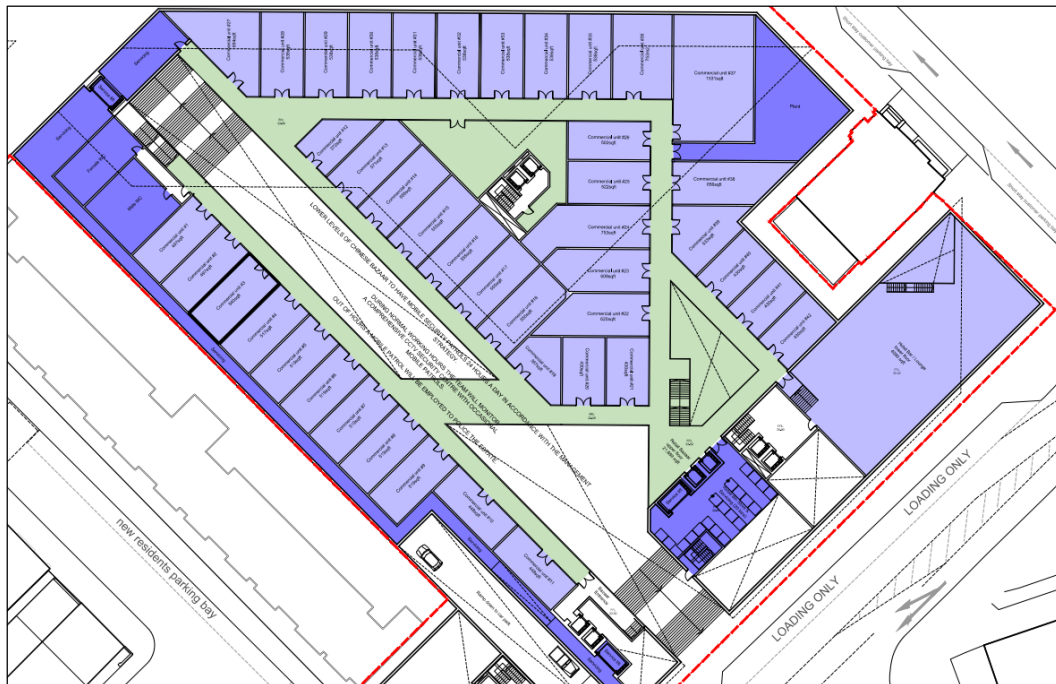


Figure 2 - Indicative Chinese Bazaar sub-level 2 Layout



- 2.5 The proposed bazaar is intended to primarily serve two distinct customer bases and will provide a niche independent retail offer within the city. The first customer base is the local Chinese community and other residents wishing to purchase specialist Chinese themed goods such as those that will be sold within the bazaar. The other primary customer base will be visitors and

tourists to the City Centre and in particular Chinatown with the new bazaar and development as a whole being a destination within its own right for visitors/tourists.

3.0 Sensitivity Assessment

3.1 At the request of GL Hearn; the Council's retail planning consultants, we have prepared a sensitivity assessment relating to the Retail Impact of the proposed retail development. This assessment deals with the following matters which are explained in turn:

- Gross/Net Retail Floorspace
- Retail Sales Densities
- Trade Diversion

Gross/Net Retail Floorspace

3.2 The original retail assessment assumed a net retail floorspace at 70% of gross floorspace. At the request of GL Hearn, this has been increased within the Sensitivity Assessment to 85% which provides a total of 4,250m² of net retail floorspace.

3.3 We are of the opinion that this net/gross split is too high as, even if a greater number of 'stalls' form part of the retail floorspace, there will still need to be a degree of back of house/storage to serve such stalls. In addition to this, it is unlikely that the small stores proposed, which are generally smaller than 50m², would have a back of house as small as 7.5m² given the nature of the proposed units which are intended to be operated by small businesses who are unlikely to have access to off-site storage facilities. Nevertheless, this 85% net to gross figure has been relied upon as a worst case scenario and is shown in Table 7 at Appendix 1.

Retail Sales Densities

3.4 At the request of GL Hearn, the assumed Sales Densities relating to the convenience and comparison floorspace has been increased to £5,000 per m². We consider this figure, as an average, is too high as the majority of the floorspace will be occupied by small independent retailers which generally have a lower turnover than larger, multi-national retailers. However, there is some merit in testing the retail impact at this figure as it provides, very much a worst case scenario and takes account of the fact that a small proportion of the floorspace across the development may be operated by larger retailers, e.g. through the provision of a small

convenience type store, and also those small independent retailers which may sell higher value goods (e.g. Jewellery) and therefore have a higher turnover and sales density than a shop selling lower value goods (e.g. homewares).

- 3.5 In addition to the amended sales densities, the turnover efficiencies relied upon in the original assessment have been updated in accordance with the Retail Planner Briefing Note 12.1 addendum from the base year (2015) to the design year (2020). These changes are all shown in Tables 6 and 7 at Appendix 1.

Trade Diversion

- 3.6 The Trade Diversion figures have not been amended. The trade diversion figures for both convenience and comparison goods are the same as the trade diversion figures relate to diversions from retail areas/destinations (e.g. Liverpool City Centre) rather than specific named retailers. This is because the household survey associated with the Liverpool Retail Study, only identifies individual units where they are either larger foodstores or standalone retail units (e.g. Out-of-centre DIY stores).
- 3.7 As such, smaller stores such as individual comparison stores or small convenience stores generally are grouped within a larger concentration of retail units. As such the impact and trade diversion are presented as a whole on these retail destinations.
- 3.8 In addition to this, given that the majority of the retail floorspace is to be provided within the Chinese Bazaar, the convenience and comparison goods element of this will draw trade from other similar concentrations of such uses and from smaller retail units, again where individual stores are not named.
- 3.9 Given the unique nature of the Chinese Bazaar it is expected that the majority of the turnover will be drawn from outside of Liverpool which will include trade being drawn from other similar stores/provision within the region and further afield, from the visitor/tourist market and, a reduction on the reliance on special forms of trading (e.g. Internet Shopping) for specialist Chinese goods and from the visitor/tourist market. The small amount of retail development which forms part of the ground floor uses within other phases will predominantly draw its limited trade from the City Centre.

Effect of Sensitivity on Impact Assessment

- 3.10 Before moving on to set out the implications on the impact on defined centre of this sensitivity work, it is important to note that all of the figures presented are an overestimation of actual levels of impact. This is because, in order to allow for the greatest level of flexibility for the proposed retail floorspace, this assessment assumes that 100% of the retail floorspace could be used for the sale of convenience goods and 100% of the floorspace could also be used for the sale of comparison goods. As such, effectively the assessment considers the level of impact of a development twice its size.
- 3.11 The amended Table 8 sets out the impact of the proposed floorspace taking into account the amended sensitivities. As can be seen, the impact on Liverpool City Centre equates to 1.4% (2.2% cumulative) and on London Road around 3.4% (4.3% cumulative). There are no other impacts on defined centres within Liverpool. Total impacts of 2.2% and 4.3% on the City Centre and District Centres do not equate to a significant adverse impact.

4.0 Planning Controls on Retail Floorspace

- 4.1 This section of the report considers the potential to attach planning controls to any planning permission by way of planning condition or legal agreement in order to provide the local planning authority with certainty regarding the future use of the retail floorspace and its impact on town centres.
- 4.2 As highlighted within the original submission documents, the applicant is willing to accept a restriction on the maximum size of any retail unit within the development. To ensure sufficient flexibility for the applicant it is proposed that the maximum unit size is restricted to no more than 375m² (gross external area).
- 4.3 There has been discussions regarding the potential to restrict the proportion of national multiple retailers from the development, particularly the Chinese Bazaar element of the scheme. The size of the proposed units will in itself help to restrict the occupation of the units by national multiple retailers with the units proposed within the Chinese Bazaar providing between 31m² and 149m² of gross floorspace based upon the indicative floorplans. This is well below the floorspace requirements of the major national multiple retailers, the majority of which are already represented within the Main Retail Area, and as such would not be suitable to accommodate these national multiple retailers.
- 4.4 Nevertheless, as the Chinese Bazaar will be predominantly occupied by small independent operators, the applicant is happy for some form of restriction to be included as is deemed appropriate by the local planning authority. The applicant would be happy for a restriction allowing a maximum of 25% of the gross retail (Use Class A1) floorspace to be occupied by national multiple retailer.

5.0 Conclusions

- 5.1 This Retail Statement has provided a sensitivity assessment to the previously submitted Retail Impact Assessment (R001m) following discussions with the local planning authority's retail planning consultant; GL Hearn. This statement has also provided further background information relating to the proposed Chinese Bazaar element of the proposed development.
- 5.2 Taking into account the sensitivity assessment carried out in terms of retail impact, this report confirms that the proposed development will not have a 'significantly adverse impact' on the vitality and viability of any defined centre and therefore accords with the provisions of NPPF Paragraph 27 and UDP Policy S12.