





# Tudeley Village

**Commercial and Retail (Town Centre) Floorspace Assessment**

**March 2023**

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## INTRODUCTION

* 1. Marrons have been instructed by Turnberry Consulting to assess the commercial floorspace component of the proposed new settlement at Tudeley Village.
  2. The purpose of this assessment is to provide further detail and assistance in assessing the type and quantum of commercial floorspace proposed at Tudeley Village, and assess whether it is proportionate to the number of new homes planned, as well as providing the opportunity of maximise the internalisation of trips.
  3. At the outset we note the Planning Inspector’s Initial Findings in his examination of the Tunbridge Wells Borough Local Plan in respect of the retail aspects of the proposed commercial floorspace provision at Tudeley Village. Specifically, we note that the Inspector drew upon the Council’s underlying retail evidence - Tunbridge Wells Commercial Leisure & Town Centre Uses Study Update, in questioning whether *‘such high level, aspirational assumptions about the scale of commercial floorspace that could be supported…’*(paragraphs 18 – 19).
  4. However, in preparing this assessment it has become clear that there is an error in the Council’s retail capacity evidence, specifically in respect of comparison goods floorspace capacity available to Tudeley Village. The effect of this error is to understate potential comparison goods capacity which may have impacted the Inspectors Interim conclusion.
  5. We provide further detail in the following sections of this Report.

## THE SITE AND SURROUNDING AREA

* 1. The Development Strategy appended to our client’s Regulation 19 representations confirms that the commercial floorspace to be provided within Tudeley Village totals 11,000 sq m, and that this will comprise 8,750 sq m of what is termed ‘retail’ or town centre floorspace, with the remaining 2,500 sq m allocated to ‘office’ floorspace.
  2. Our client has also prepared a series of village centre plans which outline the likely composition of the commercial floorpsace within each of the 3 neighbourhood centres, and main village centre – totalling 10,997 sq m (gross).
  3. More specifically, and relevant to the evaluation of retail capacity, as summarised in Appendix 1 of this note, the proposed commercial floorspace is intended to comprise:
     + Retail, service and leisure provision (town centre uses) totalling 8,419 sqm; and
     + Other employment floorspace (office and R&D type uses) totalling 2,578 sqm.
  4. Of the retail, service and leisure floorspace, this is intended to comprise a mix of uses necessary to serve the day to day needs of residents including:
     + Shops
     + Supermarket
     + Bakers, delicatessen
     + Café
     + Dentist
     + GP practice
     + Gym
     + Veterinary practice
     + Day nursery
     + Pharmacy; and
     + Financial services
  5. This list is not intended to be definitive or exhaustive, but to provide a good indication of the breadth of uses that will be accommodated within the Village Centre and smaller neighbourhood centres proposed, which are not simply limited to retail occupiers, but which are typical of the uses expected to be found in any district or service centre, and which will strongly support the internalisation of trips.
  6. It is important to also note, based upon the centre plans provided – as summarised in Appendix A, that the retail component (i.e. comparison and convenience goods shops) is only intended to total 5,824 sq m (gross).
  7. The exact mix of convenience and comparison floorspace provided in due course will depend on the mix of retail occupiers, but based upon the indicative plans it is proposed there would be at least 1,883 sq m (gross) convenience goods floorspace, with the remaining 3,941 sq m (gross) occupied by comparison goods retailers. Some of these smaller shop units may well be occupied by other convenience goods retailers including butchers, greengrocers etc as necessary. The largest convenience goods unit is intended to be the single supermarket within the Village Centre, totalling approximately 1,475 sq m gross. This would provide for a small format foodstore. To put that figure into perspective, a typical format Aldi store totals 1,878 sq m gross (1,315 sq m net).
  8. The other shop units will range in size from between 50 and 180 sqm each, meaning they are intended to serve the localised catchment of Tudeley Village, and cater for day to day shopping needs. Examples include facilities like a pet shop, ironmongers, butchers, chemist, and newsagent. There are no proposals to include any large scale units as larger, far less frequent comparison goods purchases will be undertaken in surrounding larger centres as appropriate for the proposed settlement hierarchy.

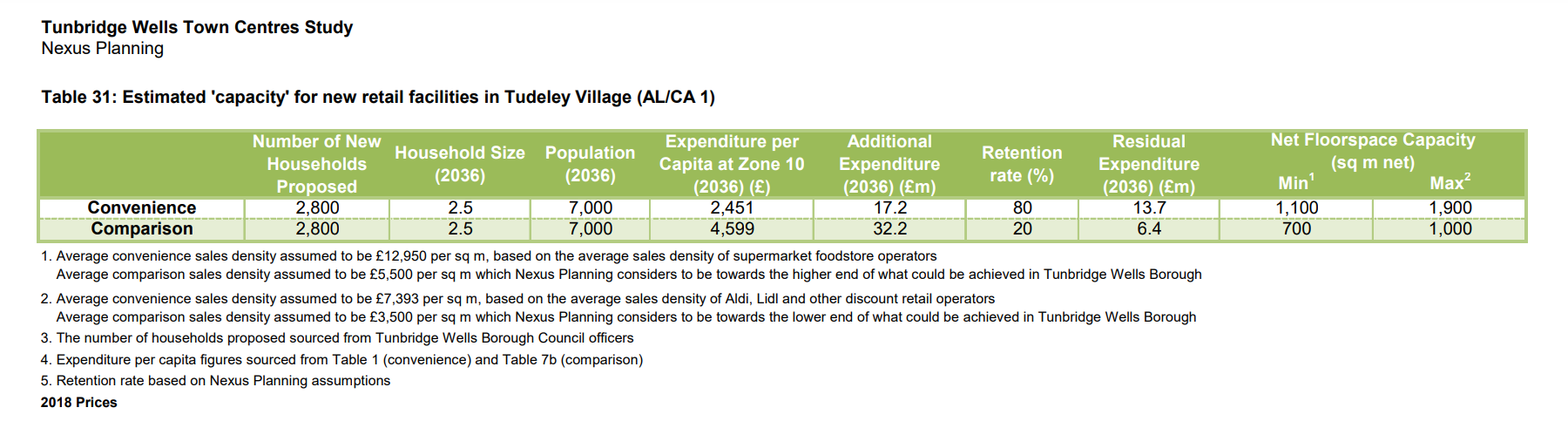
**Gross to net floorspace calculation**

* 1. It is important to note, the retail floorspace figures that have been identified represent the gross external area of the proposed floorspace. It is therefore necessary to adjust to net retail trading floorspace when compare that provision with the Council’s published retail evidence.
  2. In this respect it is standard practice to reduce the gross external area (GEA) figure by 5% to first establish the gross internal area (GIA). In calculating the net trading floorspace, a further reduction of approximately 15% - 20% is made to the GIA to allow for back of house space (including for example toilets, staff room, office, and storage)[[1]](#footnote-1). By applying these calculations, the net retail (or trading floorspace) of a unit typically accounts for 76% of the gross external area. These figures are an average, and will depend on the nature of the specific retail operation. Supermarkets for example will tend to require greater back of house floorspace – the net retail (trading area) of a typical Aldi foodstore for example is 70% of the gross external area.
  3. On the basis of the above, the net trading floorspace of the proposed comparison and convenience goods floorspace at TGV are intended to total 4,426 sq m (representing approximately a minimum of 1,431 sqm convenience goods, with up to 2,995sq m comparison goods). These are the correct figures to use if carrying out any direct comparison with the Council’s retail capacity evidence, Further, as Marrons have identified and the Council itself acknowledges, the Council’s retail capacity evidence referred to by the Inspector contains an error in the calculation of comparison goods floorspace capacity for Tudeley Village.

## RETAIL CAPACITY EVIDENCE

* 1. The retail capacity assessment for Tudeley Village as set out within the Council’s Retail, Commercial Leisure and Town Centre Uses Study Update (and relied upon by the Inspector in their interim findings) identified a convenience goods retail need of up to 1,900 sq m (net) and suggested there was a comparison goods retail need for up to 1,000 sq m (net), so combining to a total of 2,900 sq m of net floorspace capacity. This is set out in the following table extract.

**Table 1: Extract of Table 31, Tunbridge Wells Retail, Commercial Leisure and Town Centre Uses Study Update**



* 1. However, Table 31 included an error in its calculation of comparison goods floorspace capacity. The table refers to a minimum and maximum floorspace capacity in both comparison and convenience goods with reference in footnotes 1 and 2 below the table. Both footnotes set out the parameters of two sets of sales densities, to be applied to the residual (or retained) expenditure values in order to establish respective floorspace capacities (the minimum and maximum values).
  2. The Council’s calculation was correctly applied for convenience goods floorspace, but not for the comparison goods element. Applying a comparison goods sales density of £3,500 per sq m to a residual (or retained) expenditure value of £6.4m equals 1,840 sq m, not the figure of 1,000 sq m inserted in Table 31.
  3. The effect of correcting this error, is that there is in fact a combined convenience and comparison goods net retail (trading) floorspace capacity to 3,696 sq m which is close to the amount proposed for TGV.
  4. Moreover, given the small scale nature of the proposed retail uses at Tudeley Village the lower sales densities tested within the Council’s evidence are considered appropriate and reflective of the type of retail operators expected to trade from such a location. It is generally only retailers operating within higher order (larger) centres that will achieve higher sales densities.

**Table 2: Corrected Retail Capacity Table (Table 31, Tunbridge Wells Retail, Commercial Leisure and Town Centre Uses Study Update)**



* 1. The proposed quantum of retail (comparison and convenience goods) floorspace within Tudeley Village therefore aligns very well with the Council’s evidence, and only provides an additional 730 sq m (i.e. 4,426 sq m net proposed less capacity of 3,696 sq m net).
  2. However, it should also be recognised that retailers will draw trade from beyond their natural core or primary catchment area – with typically 20 to 25% of trade drawn from outlying areas. This reflects purchases from those visiting or working in the area, or simply passing by.
  3. If this assumption were to be factored into the above capacity calculation, the level of retail floorspace capacity would increase from 3,696 sq m to approximately 4,620 sq m – a level exceeding the convenience and comparison floorspace proposed at Tudeley Village.
  4. Furthermore, the retail capacity assessment undertaken by the Council’s consultants assume that 80% of convenience goods expenditure will be retained within Tudeley Village, and only 20% of comparison goods expenditure. Whilst the level of convenience goods expenditure retention is considered reasonable, it could be argued that the assumed level of comparison goods retention is low. Indeed, as we test in the table below, if comparison goods retention were to increase to 28%, this would provide sufficient capacity to balance with proposed levels of convenience and comparison goods floorspace (without accounting for trade from outlying areas).

**Table 3: Sensitivity test – Increasing Comparison Goods Retention Rate**



* 1. It is also clear, even on the basis of this higher retention scenario, that only 46% of retail expenditure will be retained within Tudeley Village, with the remainder available to be spent in surrounding larger town centres.
  2. Finally, the above calculations assume an average household size of 2.5 people per household (as assumed in the Council’s retail assessment). As we detail below it is clear that the nearby development at Kings Hill accommodates an average household size of 2.8 people per household. The effect of increasing the household size within the above calculations to 2.8 would be to increase total retail expenditure by a further +£5.9m.

## RETAIL IMPACT

* 1. Based upon the above analysis it is clear that the proposed retail (convenience and comparison goods) floorspace will not have any material negative impact on surrounding centres. As demonstrated, the retail expenditure generated by new residents will total between £49m and £55m dependant on the assumed average household size of Tudeley Village. By way of comparison it is likely that the retail elements of the proposed commercial floorspace will generate in the region of £23m turnover, with the above calculations relying solely on expenditure from the new residents of Tudeley Village. This means that between £26m and £32m will be available to existing surrounding centres.
  2. Furthermore, whilst it is the intention of the proposed retail floorspace to draw or internalise trade from residents living within Tudeley Village, it is clear that any trade which was drawn from outside of Tudeley Village will be more than offset by Tudeley residents spend in surrounding larger centres in any event.
  3. This means that Tudeley Village will be a net contributor of retail expenditure to surrounding retail centres, particularly for the larger, less frequent, comparison goods purchases.
  4. The commercial and retail floorspace is also to be provided across four centres – meaning that no one centre will have a significant critical mass to attract trade beyond the local area of Tudeley Village - the largest being the Village Centre totalling approximately 6,249 sq m (gross), of which approximately 2,991 sq m (gross) is anticipated to comprise convenience and comparison goods retail.
  5. Of the remaining town centre uses, these are considered to be compatible with the intended focus of providing for the day to day needs of the local population of Tudeley. The indicative plans indicate the provision of a number of café’s in each of the centres, a dentist, financial services (bank/ post office/ building society for example), gp surgery, gym, veterinary practice and day nursery, none of which are considered to attract footfall beyond the local area, but importantly will enable local residents the opportunity of undertaking daily tasks locally.

## SUITABILITY OF PROPOSED TOWN CENTRE PROVISION

* 1. It is important that the proposed town centre/ retail provision is proportionate to the needs of residents of Tudeley Village, and is of a sufficient size and offer to facilitate the internalisation of shopping and service related trips.
  2. As detailed above the level of retail (comparison and convenience goods) floorspace proposed is justified on the basis of reasonable levels of retained expenditure from Tudeley residents.
  3. The remaining town centre uses proposed across both the Village Centre and neighbourhood centres are intended to meet the day to day needs of residents, and provide curated spaces designed to maximise the internalisation of shopping, leisure and service based trips within the local population.
  4. The level of proposed retail and town centre floorspace is considered to be commensurate with the likely population of Tudeley, without causing negative impact to surrounding larger centres. By way of comparison we have set out several examples below of new settlements, and their composition.

**Kings Hills, West Malling**

* 1. Kings Hill is situated within Tonbridge and Malling Borough, which has developed over the past thirty years. The community of Kings Hill currently comprises (2021) 3,394 households, having grown in size from 2,778 homes in 2011. Over this time the population of Kings Hills has grown from 7,770 people in 2011 to 9,515 in 2021, and on this basis consistently accommodated an average household size of 2.8 people per household.
  2. Kings Hill includes a retail centre which now includes three supermarkets (including the recent addition of an Aldi), as well as a number of other shops, leisure and service related uses. In addition Kings Hills comprises a significant level of commercial floorspace.
  3. Valuation Office data published in 2020 confirms that the retail centre (excluding the recently constructed Aldi store, and surrounding larger commercial floorspace offering) comprised 11,000 sq m, of which 8,700 sq m (gross) related to comparison and convenience goods floorspace provision. The new Aldi store is approximately 1,800 sq m (gross), meaning total convenience and comparison floorspace provision within Kings Hill currently totals 10,500 sq m, whilst total town centre uses total some 12,800 sq m.
  4. The level of retail and town centre related floorspace contained within Kings Hill is proportionally far greater than proposed at Tudeley Village (proposed retail and town centre uses total 8,419 sq m gross).

**Sherford New Community**

* 1. Sherford is a new community located to the east of Plymouth within South Hams[[2]](#footnote-2). Key aspects of the new community include the provision of 5,500 new homes providing for a population of 15,000 people (average household size 2.7), plus a further 1,500 homes post 2026. Sherford is also set to accommodate 84,000 sq m of commercial and employment floorspace.
  2. Whilst of a larger scale than Tudeley Village, it is clear that the scale of commercial floorspace proposed as Sherford is proportionally far greater than proposed at Tudeley.

**Whitehill and Bordon**

* 1. Whitehill and Bordon is a new settlement in East Hampshire, which will comprise 3,350 homes and create nearly 100,000 sq m of new commercial, retail and leisure floorspace[[3]](#footnote-3). It is also planned to create 5,500 jobs[[4]](#footnote-4).
  2. Whilst the scale of residential development at W&B is not too dissimilar to that of Tudeley Village, it is clear that the planned level of commercial floorspace is significantly greater.

**Poundbury**

* 1. In 2018 Dorset Council completed an economic impact assessment of Poundbury[[5]](#footnote-5) which reported that Poundbury was home to some 4,600 people, and provided employment for 2,400 people.
  2. By 2025 Poundbury is set to provide for approximately 2,700 homes, and have created 3,500 jobs[[6]](#footnote-6).
  3. As at 2022, the Valuation Office confirms that Poundbury provides commercial floorspace totalling 41,000 sq m in a mix of shops, cafes, offices and factories. Of this figure some 8,000 sq m is in retail (shop) use. This figure is considered to be directly comparable to the 5,824 sqm (gross) of shop units proposed at Tudeley Village.
  4. Poundbury is of a comparable size to the volume of homes proposed at Tudeley Village, whilst providing both a greater proportion of retail and commercial floorspace.
  5. On the basis of the above examples, the commercial floorspace proposed at Tudeley Village should be considered as a minimum in order to maximise its contribution to the local economy, as has been proven at Poundbury, and ensure the internalisation of trips is maximised.

## EMPLOYMENT GENERATING FLOORSPACE

* 1. As detailed above the proposed commercial floorspace will contain a mix of retail, leisure and service uses, as well as traditional B class employment uses including office and research and development floorspace. All of the commercial floorspace will generate employment, with the exact amount dependant on the end-occupier.
  2. However, and for the purposes of estimating likely gross on-site job creation, we have drawn upon the HCA Employment Density Guide (2015) as a source of employment densities across a variety of uses. In establishing likely job creation we have assumed that the retail and town centre uses will achieve a broad employment density representative of all A-Class uses and totalling between 15 – 20 sq m (net internal area) per job (assumed to be an average of 18 sqm). Job creation within the former B-Class uses (office and research development) is assumed to average 13 sqm (net internal area) per job, reflecting the proportion of R&D floorspace relative to office floorspace proposed.
  3. As summarised in the table below, this would suggest that the proposed commercial floorspace at Tudeley Village will create in the region of 500 FTE gross on-site jobs. It is important to note that in addition, there will also be wider supply chain benefits within the local and wider area associated with businesses operating within Tudeley.



* 1. By way of comparison, and as detailed above Tudeley Village is likely to accommodate approximately 7,000 – 7,800 people (dependant on household size). Labour market profile data for Tunbridge Wells (ONS) indicates that 48% of the resident population are in employment. This would suggest that between 3,300 and 3,700 residents of Tudeley Village will be in employment.
  2. On this basis the proposed commercial floorspace would broadly provide for employment needs of 15% of residents – noting that no account is made of other employment generating uses within Tudeley Village including for example schools.
  3. It is also important to note that the nature by which we work has evolved, with many more people now working from home than before the COVID pandemic. Analysis of Census data shows that in 2011, 14% of Tunbridge Wells Borough residents worked from home, whilst in 2021 this rate increased to 43%. It is not necessarily reasonably to assume that 43% of Tudeley Village residents will work from home given that the latest Census was undertaken during the pandemic, however it is indicative of how future work patterns could change in the longer term.
  4. It is therefore reasonable to assume that between 30% and 58% of Tudeley Village residents could potentially work locally - either at home or within the planned commercial floorspace. It is also likely that of the remainder who may seek to work elsewhere, a proportion will work on a hybrid basis, working from home several days per week.

## SUMMARY AND CONCLUSION

* 1. The purpose of this assessment is to provide further detail and assistance in the justification of the type and quantum of commercial floorspace proposed, and assess whether it is proportionate to the volume of new homes to be provided at Tudeley Village, and as well as being aligned with the aim of internalising trips.
  2. In summary:

**Retail capacity within Tudeley Village** – the Council’s retail capacity evidence contains an error which understates comparison goods capacity. After correcting this error, total convenience and comparison goods floorspace capacity increases to 3,696 sq m net. Sensitivity testing shows that between 4,400 sq m and 4,600 sq m can be justified by either a slight adjustment to comparison goods retention (20% to 28%)/ or by assuming an element of trade will be generated beyond the core or primary catchment area – both assumptions are reasonable.

**Household size** – the Council’s retail capacity evidence assumes that Tudeley Village will accommodate an average household size (people per household) of 2.5. If this were to increase to 2.8, as is the case in nearby Kings Hill, this would further increase resident retail expenditure, and as such retail capacity.

**Proposed Commercial Floorspace** – whilst it is proposed to provide 11,000 sq m (gross) of commercial floorpace, this will comprise a number of different uses, including:

* Retail (convenience / comparison goods) = 5,824 sqm (gross)/ 4,426 sq m (net)
* Other town centre uses = 2,595 sqm (gross)
* Traditional B Class uses = 2,578 sqm (gross)

**Compatibility of Proposed Retail Floorspace** – In comparing the proposed retail (convenience / comparison goods) floorspace with the Council’s (corrected) capacity assessment - totalling up to 4,600 sq m net when sensitivity tested, it is necessary to compare against the proposed net retail floorspace of 4,426 sq m (5,824 sqm gross). On this basis the proposed retail floorspace is fully justified based upon the available expenditure within Tudeley Village.

**Impact on Surrounding Centre** – On the basis that the majority of expenditure generated by residents of Tudeley Village will flow to surrounding larger centres it is not anticipated that Tudeley Village will negatively impact those more established centres, but instead will be a net contributor of spend, with between £26m - £32m flowing into surrounding centres.

**Compatibility of Proposed Commercial Floorspace** – it is clear, based on a comparison of other new settlements/ urban extensions that Tudeley Village is providing a relatively low level of commercial floorspace. However, this reflects an appreciation that there is a balance between maximising internalisation of trips and creating a wider employment draw or destination – Kings Hill for example is a significant employment destination within West Kent. Nonetheless, we estimate that the proposed commercial floorspace will provide for c.500 jobs, which accounts for approximately 15% of residents in employment within Tudeley Village. Furthermore, account must be taken of the increase rate at which people are working from home, which would suggest that between 30% and 58% of Tudeley Village residents will remain within the Village to work/ work from home. The level of commercial floorspace proposed is considered prudent and proportionate in the face of rapidly changing work place patterns.

* 1. In conclusion, the proposed level of commercial floorspace is sufficient to meet the day to day needs of residents whilst also providing local employment opportunities, both of which will maximise opportunities to internalise trips.
  2. It is also clear that the level of retail floorspace proposed will not detrimentally impact on surrounding centres, given that the majority of Tudeley Village resident expenditure will flow to surrounding larger centres. Given the levels of commercial floorspace evident within other new settlements, we would recommend that the level of commercial floorspace proposed is treated as a minimum.

**APPENDIX 1 – PROPOSED COMMERICAL FLOORSPACE, TUDELEY VILLAGE**

**Appendix 1 – Proposed Commercial Floorspace, Tudeley Village**



1. HCA Employment Density Guide, 2015 [↑](#footnote-ref-1)
2. https://www.southhams.gov.uk/article/3474/Sherford-New-Community [↑](#footnote-ref-2)
3. http://whitehillbordon.com/about/ [↑](#footnote-ref-3)
4. https://issuu.com/easthampshire/docs/wb\_brochure\_0919 [↑](#footnote-ref-4)
5. https://poundbury.co.uk/wp-content/uploads/2019/08/Poundbury\_Impact\_June\_2018\_update.pdf [↑](#footnote-ref-5)
6. https://poundbury.co.uk/wp-content/uploads/2019/08/Poundbury-Factsheet-2019.pdf [↑](#footnote-ref-6)