Greater Cambridge Retail and Leisure Study 2021

Retail Preferred Options – Interim Findings

August 2021

urban shape
PLANNING CONSULTANTS

HATCH
REGENERIS

urbanshape.co.uk

Caroline Marginson BSc (Hons), MA MRTPI
Director
caroline.marginson@urbanshape.co.uk
020 3745 8987 | 07940 571 818

Registered in England number 10720180

Greater Cambridge Local Plan: Large Site Retail Need Figures

Urban Shape and Hatch are instructed by Cambridge City Council and South Cambridgeshire District Council (‘the Council’) to undertake a borough-wide Retail and Commercial Leisure Study.

The study will be used as evidence to inform the preparation of the Joint Cambridge and South Cambridgeshire Local Plan; and will also remain at the Council’s disposal to assist in the determination of planning applications for new development.

The report will provide the Council with an up-to-date and comprehensive understanding of the current health and performance of the retail and leisure offer within the existing network of town centres; will set out current and future needs for additional floorspace to the period 2040; and introduce recommendations and a robust strategy for existing and new centres.

As part of the preferred options stage, Urban Shape have been asked to prepare high-level calculations of the need for additional retail floorspace in areas of strategic housing growth. These will feed into the final stage of the work later this year (2021) as Strand 3 – the conclusions, recommendations and overall Greater Cambridge retail and town centre strategy.

The high-level calculations are based upon the proposed growth outlined in the Greater Cambridge First Proposals development strategy.

The Greater Cambridge Retail and Leisure Study – Large Site Retail Need to 2041

Initial calculations for additional retail need, based upon the proposed development outlined in the Greater Cambridge Local Plan development strategy are provided below. These are based on assumptions regarding how much development is anticipated to 2041.

For ‘Convenience’ goods - items bought frequently and quickly without too much thought - two scenarios have been used to provide minimum (30%) and maximum (70%) ranges, based upon sales retention rates (the % of localised sales).

- A convenience retention of 30% of spend assumes only localised top-up shopping provided. This could be a small top-up convenience store such as Tesco Express, Co-Op etc (c.150-200 sq m net). Other convenience units would be around 100 sq m gross.
- A convenience retention of 70% of spend assumes a greater proportion of food shopping is undertaken ‘on-site’ in a larger medium-large sized foodstore (c.800-1,000 sq m net). Other convenience units would be around 100 sq m gross.

The calculations for each large-scale development and retention scenarios for convenience is provided below, in Table 1.3.

Convenience Goods	NW Cambridge	NE Cambridge	Cambridge East	Cambourne
Population to 2041	2,600	8,400	7,400	5,600
Percentage of full build-out	68%	47%	41%	20%
Spend Generated (2030) £m	5.0	16.2	14.3	10.8
Convenience Retention Rate (30%) £m	1.5	4.9	4.3	3.2

Convenience Goods	NW Cambridge	NE Cambridge	Cambridge East	Cambourne
Floorspace (@ £10,000 / sq m net) Sq M Net	151	487	429	325
Floorspace (@ £12,000 / sq m net) Sq M Net	126	406	358	270
Convenience Retention Rate (70%) £m	3.5	11.3	10.0	7.6
Floorspace (@ £10,000 / sq m net) Sq M Net	352	1,136	1,001	757
Floorspace (@ £12,000 / sq m net) Sq M Net	293	947	834	631

Table 1.3: Convenience goods need for proposed large-scale developments to 2041.

For 'Comparison' goods – higher value, non-perishable items, purchased less frequently. A retention rate of 20% trade is assumed. This is based upon most expenditure is either via online shopping or larger centres, primarily in Cambridge City Centre and other local, out-of-centre retail parks. The calculations for each large-scale development for comparison shopping is provided below, in Table 1.4.

Comparison Goods	NW Cambridge	NE Cambridge	Cambridge East	Cambourne
Population to 2041	2,600	8,400	7,400	5,600
Percentage of full build-out	68%	47%	41%	20%
Spend Generated (2030) £m	9.5	30.5	26.9	20.4

Comparison Goods	NW Cambridge	NE Cambridge	Cambridge East	Cambourne
Comparison Retention Rate (20%) £m	1.9	6.1	5.4	4.0
Floorspace (@ £10,000 / sq m net) Sq M Net	473	1,527	1,346	1,018
Floorspace (@ £12,000 / sq m net) Sq M Net	315	1,018	897	679

Table 1.4: Comparison goods need for proposed large-scale developments to 2041.

From these calculations and the finding of the baseline Study, the initial approach for the delivery of these needs, in the large-scale developments, is as follows:

North West Cambridge

- The additional housing will only generate demand for a small top-up convenience store such as Tesco Express, Co-Op etc (c.150-200 sq m net) and 400 sq m of comparison floorspace.
- As outlined in the baseline Study, para 9.22 “Sainsburys Eddington…. Performance is likely to improve as further phases are completed, the store becomes more established, and when adjoining retail units are fully occupied and open.” and 9.29 “Based on a convenience goods floorspace of 1,600sq m net, we estimate that the store has an average convenience goods sales density of £6,063 per sq m net, compared to company average levels of £12,191 per sq m net. “. These findings indicate the foodstore can double its current sales and its current under-performance is in part due to Eddington still being under construction. It may therefore be more appropriate to concentrate foodstore provision in the existing planned centre. Similarly, comparison need will most likely be provided in the district centre in order to support the existing retail units.

North East Cambridge

- In line with the North East Cambridge's ambition to be an inclusive, walkable, low-carbon new city district, the site aims to provide a wide range of shops and services to meet the needs of its residents. It is therefore reasonable to plan for foodstore capacity using the high retention rate of 70%. This equates to a need of approximately 1,000sq m. This provision will be spread around the proposed district and local centres.
- The identified comparison floorspace needs (between 1,000 and 1,500sq m) will primarily be located at the district centre and across the local centres. The NEC Retail Statement 2021 [link] explains how the development's retail needs will be provided.

Cambridge East

- Assuming an average retention rate of 50%, Cambridge East will need to provide at least 650 sq m of foodstore floorspace. This would normally include a combination of different foodstore formats.
- The identified comparison floorspace needs (approximately 1,100 sq m) could be provided in a new district centre along with the foodstore.

Cambourne

- Assuming an average retention rate of 50%, Cambourne will need to provide at least 500 sq m of foodstore floorspace. This would normally include a combination of different foodstore formats.
- The identified comparison floorspace needs (approximately 850 sq m) could be provided in a new centre along with the foodstore.

The Greater Cambridge Retail and Leisure Study – Large Site Retail Need to full build out

Separate calculations for additional retail need, based upon the proposed development outlined in the Greater Cambridge First Proposals development strategy are provided below, in Table 1.5. They are based on assumptions regarding full build out of developments. As Cambourne is long-term broad location, with the majority scheduled to be built beyond 2041 this section will focus on the remaining sites which are expected to be in advanced stages of development

Convenience Goods	NW Cambridge	NE Cambridge	Cambridge East
Population (at full build)	3,800	18,000	17,900
Spend Generated (2030) £m	7.3	34.7	34.6
Convenience Retention Rate (30%) £m	2.2	10.4	10.4
Floorspace (@ £10,000 / sq m net) Sq M Net	220	1,043	1,037
Floorspace (@ £12,000 / sq m net) Sq M Net	184	869	865
Conv. Retention Rate (70%) £m	5.1	24.3	24.2
Floorspace (@ £10,000 / sq m net) Sq M Net	514	2,434	2,421
Floorspace (@ £12,000 / sq m net) Sq M Net	428	2,029	2,017

Table 1.5: Convenience goods need for proposed large-scale developments.

The calculations for each large-scale development for comparison shopping is provided below, in Table 1.6. They are based on assumptions regarding full build out of developments.

Comparison Goods	NW Cambridge	NE Cambridge	Cambridge East
Population (at full build)	3,800	18,000	17,900
Spend Generated (2030) £000	13,821	65,467	65,103
Comparison Retention Rate (20%) £000	2,764	13,093	13,021
Floorspace (@ £10,000 / sq m net) Sq M Net	691	3,273	3,255
Floorspace (@ £12,000 / sq m net) Sq M Net	461	2,182	2,170

Table 1.6: Comparison goods need for proposed large-scale developments.

From these calculations and the finding of the baseline Study, the initial approach for the delivery of these needs, in the large-scale developments, is as follows:

North West Cambridge

- The additional housing will only generate demand for a small top-up convenience store such as Tesco Express, Co-Op etc (c.150-200 sq m net) and 400 sq m of comparison floorspace.
- As outlined in the baseline Study, para 9.22 "Sainsburys Eddington…. Performance is likely to improve as further phases are completed, the store becomes more established, and when adjoining retail units are fully occupied and open." and 9.29 "Based on a convenience goods floorspace of 1,600sq m net, we estimate that the store has an average convenience goods sales density of £6,063 per sq m net, compared to company average levels of £12,191 per sq m net. ". These findings indicate the foodstore can double its current sales and its current under-performance is in part due to Eddington still being under construction. It may therefore be more appropriate to concentrate foodstore provision in the existing planned centre. Similarly,

comparison need will most likely be provided in the district centre in order to support the existing retail units.

North East Cambridge

- In line with the North East Cambridge's ambition to be an inclusive, walkable, low-carbon new city district with a lively mix of homes, workplaces, services and social spaces, site aims to provide a wide range of shops and services to meet the needs of its residents. It is therefore reasonable to plan
- for foodstore capacity using the high retention rate of 70%. This equates to a need of at least 2,000sq m. However, to avoid the need for car parking provision which large foodstores often require, this provision will be spread around the proposed district and local centres. The largest foodstore might be between 600-800sq m in size. This will also avoid attracting people from outside the area by car.
- The identified comparison floorspace needs (approximately 2,200 sq m) will primarily be located at the district centre and across the local centres. The NEC Retail Statement 2021 [link] explains how the development's retail needs will be provided.

Cambridge East

- Assuming an average retention rate of 50%, Cambridge East will need to provide at least 1,400 sq m of foodstore floorspace. This may include a combination of different foodstore formats. However, this would normally include at least one large foodstore, approximately 1,200 sq m in size. This is the same size as the Aldi foodstore on Newmarket Road. Two smaller top-up convenience foodstores (approx 200 sqm in total) will also be needed. Many of these shops would most likely be provided in a new district centre.
- The identified comparison floorspace needs (approximately 2,700 sq m) could be provided in a new district centre along with the foodstore.

Cambourne

- Provision will depend on the actual size of development planned at this broad location. This would normally include a combination of different foodstore formats and some comparison shops and services.