Assessing the Impact of Retail Developments in Aberdeenshire

A guide for Applicants – December 2004

Planning and Environmental Services, Aberdeenshire Council.

This Guide replaces that issued by Grampian Regional Council in November 1989. It applies only to Aberdeenshire Council. Enquiries relating to Aberdeen City Council area should be directed to their City Development department.

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1. INTRODUCTION

1.1. This guide has been prepared by Aberdeenshire Council principally to assist applicants seeking planning permission for large retail proposals who wish to, or are required to produce a retail impact assessment (RIA).

1.2. A RIA is a means of establishing the potential commercial impact of a proposed new retail development on existing and committed (i.e. not yet built but having planning permission) retail developments. While some proposals may be modest in strategic terms, the local impact can be substantial, particularly in the more rural parts of Aberdeenshire.

1.3. The main reason for the preparation of an RIA is to provide relevant information to assist in the determination of an application for planning permission for major retail development. This guide provides guidance to applicants on the expectations of Aberdeenshire Council and sets out the basis upon which assessment will be considered. A RIA will not, under any circumstances, be the sole basis upon which an application will be determined. The policies contained within the Structure Plan and Local Plan establish issues which will be considered and identify criteria, which will need to be met. Applicants are strongly recommended to refer to these policies and enter into discussions with Planning Officers from Aberdeenshire Council for advice as early in the development process as possible.

1.4. The guidance contained in this note has no statutory force and in no way subjugates the provisions of the Development Plan nor the rights and responsibilities of Aberdeenshire Council determining the application nor those of the applicant. Nevertheless, it reflects the spirit and intent of the Scottish Executive policy and Development Plan policy on retailing establishing a positive approach to ensure a balance is drawn between the introduction of large retail units and the maintenance of existing centres. It also recognises that in parts of Aberdeenshire it may be necessary to consider the potential impact of new retail developments which fall below the floorspace thresholds identified in National Planning Policy Guideline (NPPG) 8 Town Centres and Retailing.

Report Structure

1.5. This report is divided into 4 sections. This part sought to introduce the purpose and content of the report. Part 2 covers the relevant Structure and Local Plan policies respectively. Part 3 covers information relating to the retail impact methodology, and part 4 covers information requirements for smaller retail development proposals.

2. DEVELOPMENT PLAN POLICIES

Structure Plan Policies

2.1. The current Aberdeen and Aberdeenshire Structure Plan, North East Scotland Together (NEST) was approved by Scottish Ministers in December 2001. There are two policies, which are of particular relevance to applications for major retail development, policy 15 (Retailing and Town Centres) and policy 31 (Connecting Communities within the North East).

The sequential Approach

2.2. Policy 15 states that retail development should in the first instance be directed to town centres, where opportunities exist. Only if town centre sites are not available should edge-of-centre then out-of-centre sites in locations that are or can be made accessible by a choice of means of transport be considered. This is known as the sequential approach to selecting sites. This approach is set out in NPPG 8 (Town Centres and Retailing) and in the Aberdeenshire Local Plan (ALP). Guidance on the application of the sequential approach is provided in part 3 of this guide.

Retail Impact

2.3. NEST requires applicants of major retail proposals to assess the impact of the proposed development on the vitality and viability of existing town centres. Vitality is a measure of how busy, or lively a centre is, while viability is a measure of the town centres capacity to attract ongoing investment; together they provide an indication of the health of a town centre. There is an implicit recognition that only if retail development has an impact on the function of a town centre as a whole would it be legitimate to refuse it on these grounds; impact on similar shop types, impacts on levels of “overtrading” or provision outwith the centres is not relevant. Any level of impact may be grounds for refusal, but a test of reasonableness is applied as to whether the impact is acceptable in relation to the vitality and viability of any given centre and the development plan strategy of protecting and enhancing such centres. In this way the Structure plan places a more onerous requirement on developers than NPPG8 (Town Centres and Retailing) which makes reference only to the need for new out of centre development to co-exist with the existing centre and not undermine vitality and viability.

2.4. Cognisance must also be taken of the impact that retail proposals have on small village shops and isolated stores in remoter rural areas, which also perform a community role. The general objective of the structure plan to locate homes jobs and services in scale with each other and the role and function of each settlement dictates that larger retail proposals are only acceptable in the major towns but that small facilities (with a floor area of less than $500m^2$) will be acceptable within the smaller villages. While it is not the purpose of the planning system to protect individual businesses there may be rare circumstances where a specific proposals impact on such community assets will become a material consideration.

Accessibility

2.5. NEST makes reference to the need for retail proposals to have good access to the public transport network. The definition of what constitutes "good" will be a function of the scale of the development and the likely draw that it will have. It is not the purpose of this guidance note to identify an ideal public transport modal share for retail developments. The setting of modal share targets will be a function of a forthcoming review of the Local Transport Strategy. Policy 31 reinforces policy 15 in the context of transport identifying the particular importance associated with maintaining or enhancing the vitality and viability of the Aberdeenshire Town centres.

Finalised Aberdeenshire Local plan

2.6. The Finalised Aberdeenshire Local Plan was published for consultation in August 2002 and the inquiry into the plan is due to finish in January 2005. While the plan has not yet been adopted it does represent the most up to date statement of policy which is in accordance with the approved Structure Plan.

2.7. Policies Emp\5, Emp\6 and Emp\7 within the Finalised Aberdeenshire Local Plan give detailed expression to the policies within the structure plan to guide retail development to the most appropriate locations.

2.8. The Finalised Aberdeenshire Local Plan draws a distinction between retail development in the larger settlements, which have identifiable and discreet "town centres", and those in smaller towns. In both cases applicants are required to demonstrate a sequential approach to site selection. Convenience shops located and designed to serve only a local residential area are exempt from the sequential approach requirement.

2.9. The local plan also echoes the structure plan requirement of "no detrimental impact" on vitality and viability of town centres and the need for assessment of retail impact to determine this. The plan draws a distinction between formal retail impact assessment for large retail developments and "statements of anticipated impact" for smaller developments. The local plan also identifies that adverse impact may be mitigated through an appropriate developer contribution or other action to ensure that the development has no net detrimental impact.

Other Policy Considerations and Determination of Applications

2.10. In addition to the specific policies relating to retailing within the development plan retailing proposals will be required to accord with other more general policies such as those relating to accessibility and design. Even if a proposal is deemed to be acceptable in terms of its retail impacts it could be refused because of poor design or non-compliance with other policies in the plan. Paragraph 45 of NPPG 8 provides a useful assessment of the kind of issues, which a prospective developer should consider.

2.11. Other factors, which will be considered in assessing an application, include demonstration of a strategic need, the provision of competition and choice to consumers, impact on existing rural shops and potential impacts on the town centre unrelated to viability and vitality, such as road safety and the ability of the centre to accommodate additional variety of retail offer.

Pre Application Discussions

2.12. To avoid unnecessary work and potential delay, applicants are encouraged to begin discussions with Planning Officers from Aberdeenshire Council at an early stage, particularly where the development is large and is likely to generate significant traffic or is remote from public transport networks. These discussions will form the basis of an agreement on what information will be required in support of the application, for example a transport scoping study on its own or a full transport impact assessment.

3. Retail Impact Methodology

The Sequential Approach

3.1. Applicants for major retailing proposals are required to show that they have complied with the sequential approach for site selection and that they will not have an adverse impact on the vitality and viability of existing retail centres. NPPG 8 "Town Centres and Retailing" (Revised 1998) states:

> *"Planning authorities and developers should adopt a sequential approach to selecting sites for new retail, commercial leisure developments and other key town centre uses. First preference should be for town centre sites, where sites or buildings suitable for conversion are available, followed by edge-of-centre sites, and only then by out-of-centre sites in locations that are, or can be made easily accessible by a choice of means of transport."*

3.2. Applicants should be able to demonstrate that all potential town centre options have been thoroughly assessed before less central sites are considered for development. The onus of proof that more central sites have been assessed rests with the applicant. Advice in NPPG 8 suggests that the "flexibility and realism" required from developers requires that an alternative site may still be acceptable for the purposes of the sequential approach even if it cannot accommodate development on the same scale or form as originally proposed. A 'Format-driven' approach, in which developers have a preferred format, which in their view does not fit into existing town centres is not exempt from the sequential approach. Applicants should have regard to the format, design and scale of the proposed development in relation to the circumstances of the particular town centre.

3.3. Aberdeenshire Council generally takes the stance that any assessment should be made on the basis of the class of goods to be sold, rather than solely on the "built form" of the development. Thus if the class of goods which are proposed can be reasonably traded in the town centre greater flexibility will be expected from the developer in terms of the scale of the proposed development. Arguments that a site of exactly the correct size cannot be identified will be deemed not to be a material consideration in policy. The test for reasonableness will be a comparison of retail activities on comparable sized sites and locations within other centres. Retail development should be located in existing centres and be of an appropriate size for the town centre and its catchment area; proposals which are "out of scale" in this regard will be resisted.

3.4. The expectation is that the applicant will demonstrate rigour in their search for alternative sites, by a systematic assessment of sites in terms of the Development Plan. In practice this will involve:

- definition of the primary catchment area of the proposal;

- confirmation that the type of retailing proposed is or is not of an appropriate scale and type for the centre;
- identification and assessment of sites in or on the edge of the town centre, including other adjacent centres capable of serving broadly the same catchment;
- appraisal of the sites in terms of their suitability, viability and availability for the form of development proposed; and
- assessment of the sites on their ability to accommodate broadly the same form and amount of floorspace proposed by the developer with a degree of flexibility appropriate to the nature of the retailing characteristics of the centre.

3.5. The sequential approach applies equally to proposals for extending existing edge of centre and out of centre development that creates additional floorspace. These will be treated as if they were new development and on the basis of the trade of the store extension.

3.6. Retail warehouse proposals, where goods are stored and sold from the same location, are not exempt from the sequential approach. The Town and Country Planning (Use Classes) (Scotland) Order 1997 states that:

> *"Retail warehouses, where the main purpose is the sale of goods directly to visiting members of the public, will generally fall within the shops class irrespective of the proportion of floor space used for storage."*

Aberdeenshire Council will, however, demonstrate realism in the interpretation of the sequential approach to these kinds of developments recognising that the format for such proposals and the need for vehicular access may not make them appropriate within the defined town centres of the Aberdeenshire towns. In order to meet objectives to reduce the need to travel encouragement will be given to sites which add to an existing group of such developments within a "retail warehouse park"

3.7. In relation to factory retail outlets, the issues in terms of planning policy are whether trade in comparison goods would be diverted from existing town centres and whether they would be accessible by a choice of means of transport. While there are restrictions on who may shop in warehouse clubs or the range of goods that can be sold, these outlets often share many of the characteristics of very large retail outlets, and should be treated as such.

Definitions

3.8. The town centre is defined as a town or district centre which provides a range of facilities and services and which fulfils a function as a focus for both the community and public transport. A list of defined town centres within Aberdeenshire is provided in Appendix 2.

3.9. Edge of centre locations are defined as being those locations within easy walking distance of the town centre, with no physical constraints to pedestrian movements and good visible and physical linkages with the main shopping area. Edge of centre locations will be within the existing urban fabric, usually adjacent to the town centre. Where possible edge of centre stores should be designed with the store on the part of the site nearest to the centre, preferably with a direct street frontage so that the shop is welcoming to those arriving on foot.

3.10. Out of centre locations are clearly separate from a town centre, but not necessarily outside the urban area.

3.11. Out of town locations comprise of development on a green-field site, or on land not clearly within the current urban boundary.

Retail Impact Assessment

3.12. Retail impact assessment is a technique to assist in the determination of applications for planning permission for retail development. Retail Impact Assessment should be concerned with both quantitative measures of the impact of the proposal on the wider environment (Traffic Impact, employment etc) and the impact on the vitality ("the buzz") and viability of the town centre. Aberdeenshire Council favours the use of a Combined Retail, Economic and Transport (CREATE) Assessment for major retail proposals.

3.13. Retail impact assessment is only an aid to decision making. All retail applications should be consistent with the policies contained within the Finalised Aberdeenshire Local Plan and NEST. In order to determine major retail applications additional information will be required, both qualitative and quantitative, including information on the design and built form of the proposed development, the level of car parking, the provision of infrastructure, etc.

When is a Retail Impact Assessment Necessary?

3.14. Generally a retail impact assessment is necessary when a proposed development is of a scale sufficient to be likely to have an appreciable impact on the trade of existing or committed retail outlets or centres and the surrounding area. A retail impact assessment will normally be required for superstores, retail warehouses, retail parks, shopping complexes and shopping centres, which are individually or cumulatively over 2500m^2 in gross retail floorspace. Proposals that do meet this threshold but may have a significant impact on local centres may also be asked to undertake such an assessment. For smaller individual shops where it is unnecessary to undertake a retail impact assessment, a statement of retail impact may be required; this is discussed further in section 4. Only in exceptional circumstances would proposals within town centres require a retail impact assessment.

Retail Impact Techniques

3.15. There are various techniques in assessing retail impact but there are generally a number of common elements. These are:

- definition of a market area for the proposed development,
- identification of base and design years,
- identification of the current and forecast population within the market area,
- calculation of current and future per capita retail expenditure levels within the market area,
- assessment of current shopping patterns and turnover, and in base and design years,
- assessment of the level of expenditure likely to be attracted to the proposed development,
- assessment of the level of trade likely to be diverted from existing or committed retail units, and the likely impacts on the vitality of existing centres.

3.16. For large retail proposals a combined retail, economic and transportation assessment (also known as a CREATE assessment) may be the most appropriate way of presenting all the information required and enabling the linkages between these three elements to be clearly explored. Aberdeenshire Council promotes the use of this methodology. The framework for a CREATE assessment is outlined below in Figure 1.

3.17. Transportation impacts will be assessed by the Transportation Unit. This guide focuses on the retail economic impacts. For further advice on matter relating to transport contact the Transportation Unit.

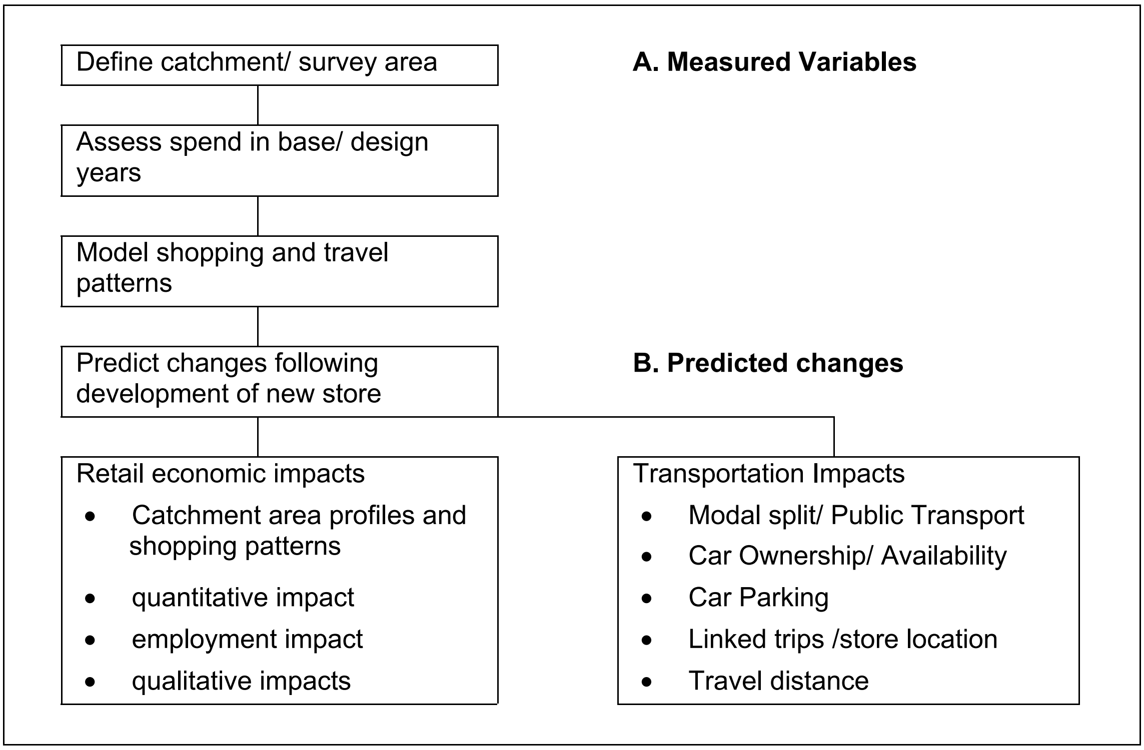

Figure 1 CREATE Framework (Adapted from: DETR / CB Hillier Parker, 1998 'The Impact of Large Foodstores on Market Towns and District Centres')

3.18. The method recommended by Aberdeenshire Council for determining retail economic impacts is as follows:

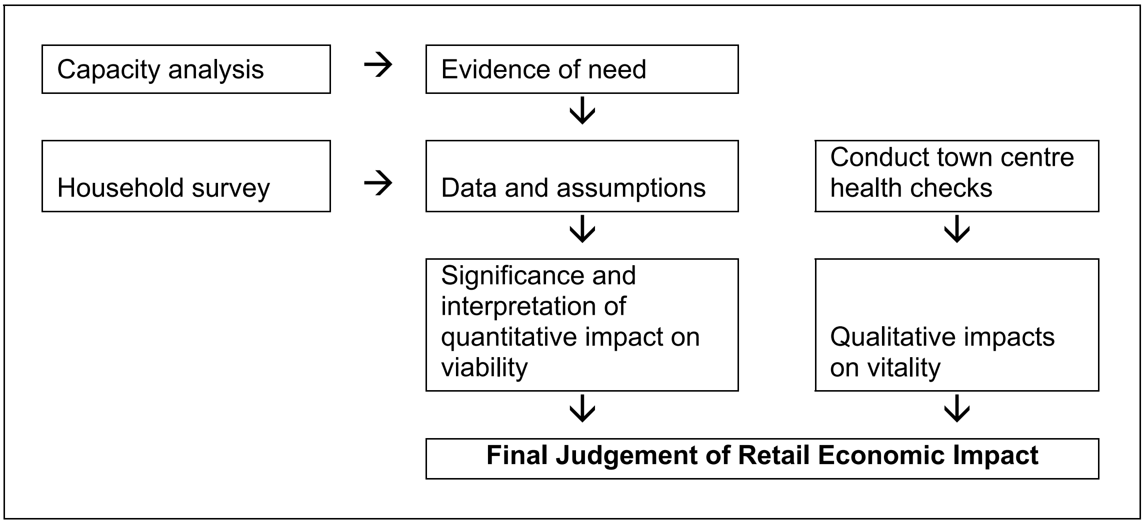

Figure 2 Method for determining retail economic impacts recommended by Aberdeenshire Council

3.19. Measurement of impact on viability is usually undertaken through the assessment of the level of aggregate personal disposable income on consumer goods (i.e. demand) diverted from existing or committed retail outlets or centres, while measurement of vitality is commonly achieved through the subjective assessment of a range of indicators of centre “health” and prediction of the impact of the proposal on these indicators.

Quantitative Assessment

3.20. Whilst methods of quantitative assessment can vary, the end result is an assessment of the likely economic impact of a proposal on existing and committed retail developments. Classic gravity models have so many drawbacks in methodology, data, forecasts and assumptions and have been so frequently criticised at inquiries that there can no longer be any confidence in the exclusive use of such models in RIA. The framework recommended does not rely solely on gravity-based modelling, but uses an expenditure-flow matrix, which is a more reliable means of estimating the patterns of expenditure flows from where people live to where they shop and accounts in a general and common sense way with the relationship between distance and accessibility to shopping centres. In order to predict retail impact, expenditure is projected for the design year and an impact matrix devised which assesses the effect of a proposed development on shopping patterns.

3.21. It is imperative that the most up to date and accurate retail information available is used. While the Aberdeenshire Towns’ Shopping Study provides core data for the assessment of retail impact there may be a need to supplement this with information from more up to date sources, or from primary survey work.

- **Determine whether there is a deficiency in provision and capacity for new development.**

3.22. Need comprises economic capacity arising from expenditure growth within the catchment of a proposal. In assessing need it is necessary to examine the nature and quality of existing shopping provision; are there qualitative deficiencies in types of provision, by sector or geographically? Do consumer demand surveys of customer views show that new development would meet the requirements of the local community? Is there evidence that existing shops are not meeting available demand? Is there a leakage of trade from the catchment area? Evidence of need does not automatically justify approval of an application for retail development (nor result in refusal should there be no “need”) but may be a material consideration in determining the significance of any impacts. Net additional employment created by a proposed development is not an indicator of retail need, but may also be a material consideration.

- **Define the catchment area.**

3.23. This will usually be determined by a survey of shoppers in the centre in which the retail proposal is to be located. If the proposal is to be situated outwith a centre or at an edge of centre site, the applicant must consider the likely catchment of the proposal with reference to travel distances determined from survey of comparable facilities elsewhere in the North East, in addition to determining the catchments of the adjacent centres. The catchment area needs to be sufficiently wide enough to ensure that the influence of the proposal can be assessed. The Aberdeen Towns' Shopping Study currently provides this information, however consideration must be given as to whether retail activity since 1999 is likely to have influenced the catchments of the proposal.

- **Determine base year expenditure flows.**

3.24. This is usually established from information published by the Unit for Retail Planning Information with some modifications made to represent local variation informed by household survey data where necessary. Figures should always be expressed on a constant price basis. The choice of "types of good" will generally be constrained by information available, but should be split at least into convenience and comparison. Valid reasons should be given for the choice of a goods or business basis of expenditure. Information on expenditure flow is currently available from the Aberdeen Towns' Shopping Study but as this information is becoming dated consideration must be given as to whether new survey is required.

- **Determine existing turnover of centres and leakage.**

3.25. This results in turnover / floorspace ratios for each centre in the catchment. This information is published the Aberdeenshire Towns' Shopping Study, but may require modification to reflect changes since the date of publication. This can be done using national turnover/floorspace ratios, but it is generally more reliable to calibrate it by reference to operators' existing unit performance, although this will vary between developments and between areas. Gross and net floorspace figures should be clearly defined and expressed in square metres. Turnover figures should relate to net floorspace and should specify whether or not VAT is included. Information obtained from retailers will be deemed to be confidential if so requested. Applicants should relate their assumptions and conclusions to the assumptions and conclusions of the Aberdeenshire Towns' Shopping Study. Where there is a difference of opinion over per capita expenditure figures, turnover/floorspace rations etc., the applicant is expected to substantiate their assumptions.

- **Determine design year expenditure flows by sub-area.**

3.26. This necessitates the projection of population and per capita expenditure, as well as projections of turnover in the design year. The population within each sub-area is established and forecast. The total available expenditure for each sub-area is then estimated by multiplying the per capita expenditure figure by the population figure for each goods type. It is recognised that smaller developments, and/or those with a discrete catchments may not need to be disaggregated to sub-areas.

- **Factor in floorspace of the proposed new development**.

3.27. This will produce an impact matrix including the estimated turnover of the proposed development.

- **Determine the level of trade diversion to the proposed development.**

3.28. The determination of the level of trade diversion to the proposed development is an important element of any RIA and is a close approximation of how shoppers will change their shopping behaviour after a new store opens. The assessment of trade diversion requires the amount of trade predicted to be lost from each centre to be expressed as a percentage of that centre's turnover. Estimations of trade diversion should be undertaken through the subjective allocation of the expenditure diverted from existing shops/centres to the proposed development. Assumptions used to calculate the level of trade diversion will need to be justified.

- **Determine the residual turnover of centres.**

3.29. The residual turnover of centres is expressed as turnover per square metre in the centres, which are predicted to experience trade diversion in the design year. Residual turnover should be compared to the minimum level of viability for a store or centre, the level below which closures are likely for a particular type of store.

- **Interpretation of the significance of quantitative impacts**.

3.30. The above method not only leads to an assessment of economic impact, but is structured so that assumptions are stated and considered at each stage. Therefore it is a useful basis for informed decision making. Throughout this process due regard should be had for the relative sensitivity of the methodology to changes in the assumptions made. Sensitivity analysis should be undertaken on the impact of different levels and rates of growth of per capita expenditure, the predicted turnover of the proposed development and the levels of trade diversion. The interpretation of the significance of qualitative impacts will be influenced by the qualitative appraisal of the centres.

3.31. Appendix 3 sets out various information available from the Aberdeenshire Council to assist with the preparation of a RIA.

Qualitative Retail Impacts

3.32. It is no longer adequate to assess retail impact simply in quantitative terms. Best practice advocates the use of town centre health checks as a means of evaluating the strengths and weaknesses of centres and their ability to withstand competition. A subjective and systematic approach to town centre health checks, which allows for comparisons between centres of similar size and function, and over time, is required to enable comparison of quantified impact and town centre vitality. Aberdeenshire Council undertook benchmarking exercises to this effect in 2003. The results of this benchmarking exercise are highlighted below in Table 1.

3.33. Indicators are used extensively to measure the health, trends or quality of many aspects of life, which are relevant to policy. The principles of this assessment are based on the methodology recommended by John England

(2000)[1] and require assessment on a scale of 1 to 5 of a wide range of qualitative indicators covering the diversity of uses, retailer representation, vacancies, commercial performance, pedestrian flows, accessibility, customer satisfaction, security and environmental quality. The scoring system tends to give the greatest weight to the indicators, which are generally regarded as being the most important measures of vitality and viability; such as diversity of uses, number and range of shops and retailer representation. Conversely, least weight is given to indicators, which are generally regarded as being of lesser importance. Other indicators such as vacant properties and environmental quality lie between these extremes. An appraisal sheet is included in Appendix 4.

3.34. The results of any town centre health check should be the subject of discussion with Planning Officers from Aberdeenshire Council, and individual scores should be discussed and agreed before they are aggregated and averaged to form a single "Vitality and Viability index".

3.35. Vitality and viability indexes will tend to range from below 2.5 for centres that are performing poorly, 3 for an average performance to 4 or more for a town centre that is performing well. The aggregated index is a means of assessing significance of impact and comparing different centres within Aberdeenshire.

3.36. Applicants should undertake a town centre health check appraisal in the form prescribed, to enable legitimate comparison between different town centres within Aberdeenshire over time.

3.37. For the smaller settlements which do not have a defined town centre applicants may be required to undertake a subjective assessment of the Town Centre. Planning Officers from Aberdeenshire Council will need to be consulted before this assessment is undertaken.

Interpretation of the Significance of Retail Impact

3.38. The final judgement on retail impact requires interpretation of the implications of a predicted level of impact in the context of the vitality and viability of the town centre. Calculation of the predicted trade diversion is only the starting point for an assessment. Because there is a direct relationship between quantitative impact and the vitality and viability of a centre, it follows that the significance of a particular level of impact on a particular centre can be judged by the model of significance of retail impact represented below. This is a graphical representation of the relationship between trade diversion and the vitality and viability index based on the town centre health check appraisal.

[1] England, J. (2000) *Retail Impact Assessment A Guide to Best Practice,* Routledge.

Figure 3 Model of significance of retail impact.

3.39. If the impact of a proposal is high, the significance of that impact will be much greater for a centre with a below average index of vitality and viability. Similarly if the vitality and viability of a centre is high, it will take a relatively large impact to be significant. The significance of a given level of impact remains a professional judgement of the planning authority but this judgement will be influenced by the tolerance of the vitality of a centre to retail impact as indicated by the health-check. As a general "rule of thumb" it is considered that a centre with an average vitality may be able to tolerate a diversion of up to 10% of its existing turnover without affecting its ability to continue to attract investment.

3.40. In the model there is an area of "greyness" where the level of significance can be considered to be marginal. Sensitivity analysis will shed some light on the true nature of the predicted impacts. The significance of a predicted level of retail impact will depend on local circumstances. In such cases more emphasis will be placed on qualitative factors in coming to a final conclusion on the significance of the impact.

3.41. Associated with this assessment an evaluation of the residual turnover of affected centres and the pattern of predicted impact on the viability of particular shop types will be assessed. Should the predictions lead to the conclusion that "anchor" stores would be likely to close as a result of the new development then this will be deemed to be an unacceptable impact on the town centre.

3.42. In all cases the assessment of significance will only be one of the factors that lead to a final conclusion. As discussed previously other components within the CREATE framework will also have a part in determining the acceptability or otherwise of the proposal.

Results of 2003 Town Centre Health Checks

Settlement	Score
Banchory	3.5
Inverurie	3.5
Ellon	3.0
Stonehaven	3.0
Peterhead	2.9
Turriff	2.9
Banff	2.5
Huntly	2.5
Fraserburgh	2.4

Table 1 Aberdeenshire Town Centre Health Checks (2003)

4. Information Requirements for Smaller Development Proposals

4.1. The impact of new retail development on an existing town centre will vary according to the ability of the centre to withstand some loss of trade. Larger centres will be able to withstand the impact of larger stores retailing outwith the centre, while smaller centres are more vulnerable to trade diversion. Paragraph 49 of NPPG 8 (Town Centres and Retailing) states that:

> *"Information may also be necessary for smaller scale proposals, including some within town centres where they could have a large impact on the centre and surrounding small rural settlements."*

4.2. While Aberdeenshire Council reserves the right to ask for a full RIA as it sees fit for developments which are likely to have a significant impact on town centres additional information may be required in the form of a broad brush statement of retail impact in support of an application for planning permission for developments below the threshold of $2500m^2$. A statement of retail impact should include:

- the type of retail operation proposed;
- the type of goods sold;
- an indication of expected sales figures;
- an indication of immediate and secondary catchment areas;
- information on the number of jobs to be created; and
- where an out-of-centre location is proposed, an explanation why an in-centre location has not been pursued, including an assessment of potential alternative sites.

In addition if developer may wish to provide an indication of the scale of impact they would anticipate from the proposal.

Detailed guidance is available from the appropriate development control team.

APPENDIX 1: LARGE RETAIL UNITS – DEFINITIONS

Formal retail impact assessments will be required for the following proposals or for significant extensions to proposals of these types:

Retail Parks	Off centre group of 3 or more stores selling primarily non-food goods, with a shared car park. One or more of the stores will have a minimum of 1,000 square metres net. Flexibility in format, even to splitting the whole into individual units, will be required to be demonstrated as part of the sequential approach.
Retail Warehouses	Single storey "warehouse" stores with or without limited mezzanine floor space selling bulky, non-food goods, with a minimum of 1,000 square metres of floorspace, occupying a warehouse type building and having on-site car-parking facilities. Such formats may not be suited to a town centre location.
Shopping Complex	A group of retail outlets designed and built as a unified whole under one roof. There will be at least one store, usually a superstore, together with a mixture of food and non-food shops, and supported by car-parking facilities. There will be limited flexibility in format associated with this type of development - subdivision and co-location is unlikely to be a viable option.
Superstores	Generally single level, self-service stores, offering a wide range of food and non-food merchandise, with at least 2,500 square metres net sales area and supported by car parking. Such formats may not be suitable for the centres of the smaller towns in Aberdeenshire.
Supermarket	Single level, self-service stores selling mainly food with a trading floorspace of less than 2500 square meters but more than 500 square metres. Such "basket stores" are eminently suited to a town centre location.

APPENDIX 2: LIST OF TOWN CENTRES

Area	Settlement
Banff and Buchan	Banff and Macduff* Fraserburgh*
Buchan	Mintlaw Peterhead*
Formartine	Ellon* Oldmeldrum Turriff*
Garioch	Blackburn Inch Inverurie and Port Elphinstone* Kemnay** Kintore Westhill
Kincardine and Mearns	Laurencekirk Portlethen Stonehaven*
Marr	Aboyne Alford Banchory* Huntly*

* Town Centre Health Checks have been undertaken for these towns.

** Although not defined as a main settlement in the Aberdeenshire Local Plan Kemnay has a defined town centre.

APPENDIX 3: AVAILABLE BACKGROUND INFORMATION

The 2004 Aberdeen and Aberdeenshire Retail Study provides data on expenditure flows, available expenditure levels and retail prospects for the main settlements in Aberdeenshire. This document is available at a cost of £90 for a complete set of documents.

The Council also pulls together a considerable amount of relevant socio-economic data, which will be of help in preparing a Retail Impact Assessment. The bulk of this is now found on the Council website at:

http://www.aberdeenshire.gov.uk/statistics

From here, you information can be viewed on downloaded on:-

- Population; total, by settlement, short term projections, etc
- Economic conditions, unemployment trends, rural facilities, etc.

As well as specific series or relevant output (which is regularly updated)

- Key Statistics (e.g. earnings, GDP, etc)
- Area and Town Profiles (for 12 of Aberdeenshire's towns)
- Land Development (including Housing Land Audit)

Two specific data sets, accessible via this web page are worth highlighting;

- Census of population (2001). This details (at the level of Aberdeenshire's 68 Wards) comprehensive data on population (age/sex, etc), household characteristics, mobility, health etc.
- North East Scotland Economic Review (2003 onwards). This is a "live" data set prepared under the auspices of the North East Scotland Economic Forum (NESEF) (available on http://www.neser.org.uk) and comprises around 60 socio-economic indicators relating specifically to Aberdeen and Aberdeenshire; it will be updated/added to on a quarterly basis.

Not covered in detail on the website (although summaries are lodged there) are two further related hard-copy publications.

- Strategic Forecasts. Provides detailed forecasts for the structure plan area of employment, population and housing. The most recently prepared edition was in 2001 (covering the period 2000 to 2016). Further such forecasts will be prepared and published during 2004, the first to be able to reflect 2001 Census results. This document is available at a cost of £20.

- Housing Schedules. Published annually, this document, on a site-by-site basis (with settlement maps) shows likely house building patterns across Aberdeenshire to 2011. This publication is available at a cost of £40.

Appendix 4: Results of Town Centre Health Checks

Indicator	Factor	Stonehaven	Peterhead	Inverurie	Ellon	Banff	Fraserburgh	Turiff	Huntly	Banchory
Retailer representation	Number of multiple retailers	3.0	4.0	4.0	3.0	2.0	4.0	2.0	1.0	3.0
	Variety of specialist independent shops	3.0	3.0	4.0	1.0	3.0	3.0	2.0	3.0	4.0
	Existence and quality of a farmers market	3.0	3.0	4.0	3.0	4.0	2.0	1.0	1.0	3.0
	Availability of food shopping	4.0	2.0	4.0	2.0	2.0	5.0	2.0	3.0	2.0
	Evidence of recent investment by retailers	3.0	4.0	4.0	2.0	2.0	1.0	3.0	2.0	4.0
	Retailer demand									
	Presence and number of charity shops	2.0	1.0	3.0	3.0	4.0	2.0	3.0	4.0	5.0
	Presence and number of low quality discount shops	3.0	3.0	4.0	4.0	3.0	1.0	4.0	4.0	5.0
Accessibility	Ease of pedestrian movement	3.0	5.0	3.0	3.0	1.0	2.0	3.0	2.0	3.0
	Provision of facilities for cyclists	3.0	2.0	2.0	1.0	3.0	1.0	1.0	1.0	2.0
	Traffic Impact	3.0	4.0	2.0	2.0	3.0	3.0	3.0	3.0	2.0
	Car parking	2.0	3.0	5.0	4.0	3.0	2.0	4.0	2.0	1.0
	Number of public transport routes	4.0	4.0	5.0	4.0	2.0	5.0	2.0	3.0	3.0
	Quality of public transport	3.0	4.0	4.0	4.0	2.0	3.0	2.0	2.0	4.0
	Ease of movement for the less mobile	2.0	3.0	3.0	1.0	1.0	2.0	3.0	2.0	2.0
Diversity of uses, number & range of shops	Diversity of uses	5.0	5.0	4.0	2.0	3.0	5.0	2.0	2.0	2.0
	Presence of financial and professional services	2.0	2.0	3.0	5.0	3.0	1.0	3.0	1.0	2.0
	Presence of cafes & restaurants	4.0	3.0	3.0	4.0	3.0	3.0	3.0	2.0	3.0
	Presence of pubs and clubs	2.0	4.0	4.0	2.0	3.0	2.0	2.0	2.0	3.0
	Presence of cultural & community facilities	3.0	2.0	4.0	2.0	2.0	1.0	3.0	2.0	3.0
Quality of town centre environment	Appearance of properties	3.0	3.0	4.0	3.0	2.0	2.0	4.0	3.0	4.0
	Overall cleanliness	3.0	4.0	4.0	4.0	4.0	3.0	4.0	4.0	5.0
	Quality of building	3.0	3.0	3.0	4.0	4.0	2.0	4.0	4.0	3.0
	Presence and quality of open space	3.0	3.0	3.0	3.0	3.0	1.0	4.0	2.0	4.0
	Availability of visitor infrastructure	3.0	2.0	2.0	2.0	2.0	3.0	2.0	4.0	4.0
Vacant properties	Vacancy rate	2.0	1.0	5.0	4.0	1.0	2.0	3.0	2.0	5.0
	Vacant floorspace	3.0	2.0	2.0	5.0	1.0	4.0	4.0	4.0	5.0

Indicator	Factor	Stonehaven	Peterhead	Inverurie	Ellon	Banff	Fraserburgh	Turriff	Huntly	Banchory
	Effect of vacant premises on the town centre	3.0	2.0	2.0	5.0	2.0	2.0	4.0	4.0	5.0
Safety and security	Feeling of security	3.0	2.0	3.0	4.0	4.0	2.0	3.0	4.0	4.0
	Recorded crime	4.0	2.0	4.0	4.0	1.0	1.0	5.0	2.0	5.0
Pedestrian flows	Volume of pedestrian flows	3.0	3.0	2.0	1.0	3.0	1.0	4.0	2.0	5.0
Commercial performance	Rental values	3.0	3.0	4.0	3.0	1.0	2.0	2.0	1.0	5.0
TOTAL		**3.0**	**2.9**	**3.5**	**3.0**	**2.5**	**2.4**	**2.9**	**2.5**	**3.5**

Each factor is scored on a scale of 1 to 5, with 1 being very poor compared to similar centres, and 5 being very good compared to similar centres. It is important that the role of the town centre be taken into account, and smaller centres do not necessarily imply a lower score. There are a total of 8 indicators, which are broken down into thirty-two contributing factors. While the individual factors are not weighted, the scoring system gives the greatest weight to the indicators that are generally regarded as being the most important measures of vitality.

Town Centre Health Check Methodology

Retailer representation

- Number of multiple retailers: Determine the number of comparison retail units that are National multiples in each town through site visits. Express the number of national multiple comparison retail units as a percentage of all retail units.

- Variety of specialist independent shops: Determine the number of specialist independent retailers in each town through site visits. Express the number of specialist independent retailers as a percentage of all units.

- Existence and quality of a farmers market: Score will be based on the presence and frequency of a farmers market.

- Availability of food shopping: Score will be based on the coverage of GOAD categories 1 – 5.

- Evidence of recent investment by retailers: A high score will be based on the presence of recently painted facades, new signage, quality of window displays and shops with visible recent improvements.

- Retailer demand: Information relating to this indicator has not at present been collected. This indicator would be determined through a survey of property agents in Aberdeenshire. [When this survey was conducted in September 2003 agents active in Aberdeenshire were unable to provide information on this topic. A null value has been used in the current analysis].

- Presence and number of charity shops: Determine the number of units within GOAD category 23 (Charity Shops) and express as a percentage of the total number of retail units. A negative scoring is applied to this factor as the presence of charity shops suggests that a centre is unable to support a full range of viable outlets paying market rent.

- Presence and number of discount shops: Through site visits determine the overall number of units which are discount shops, and express as a percentage of a total number of retail units. A negative scoring is also applied to this factor as the presence of low quality discount shops can usually be taken as a reflection of a centre which is performing at below average levels of trading.

Accessibility

- Ease of pedestrian movement: Judgements to be made on site visit. Factors contributing to a high score include; the presence of well-maintained pavements, clear signage, and wide pavements allowing ease of movement and the presence of appropriately placed pedestrian crossings.

- Provision of facilities for cyclists: Judgements to be made on site visit. Infrastructure contributing to a high score includes; the presence of on road cycle lanes and boxes at intersections and the presence of places to secure bicycles in appropriate locations. The presence of cyclists will contribute to a high score.

- Traffic Impact: Judgements to be made on site visit. Scores are based on the negative impact of traffic on the general pedestrian environment. A negative scoring is applied to this factor for example the presence of a busy main road, which divides the town centre, would contribute to a lower score, while streets with traffic calming measures in place would contribute to a higher score.

- Car parking: Calculation of a ratio of the number of town centre car parks to town centre shops.

- Number of public transport routes: Determine the number of public transport routes within each town centre.

- Quality of public transport: Judgement to be made based on the number of routes, the frequency of the service and the location of stops. The presence (or absence) of a taxi rank will also be considered. A higher score will be given where there are frequent services and the public transport sops are in good repair, undercover and display timetables.

- Ease of movement for the less mobile: Judgements to be made on site visit, based on the pavement type and condition, the use of drop curbs and the presence of shops with automatic doors, or ramps, where there are stairs.

Diversity of uses, number and range of shops

- Diversity of uses: The diversity of uses will be determined by the coverage of GOAD categories by trade group.

- Presence of financial and professional services: The presence of financial and professional services will be based on the number of units in GOAD categories 27, 28, 29 as a percentage of all retail units.

- Presence of cafes and restaurants: The percentage of cafes and restaurants will be based on the number of units in GOAD category 24 expressed as a percentage of all retail units in the town centre.

- Presence of pubs and clubs: Judgements to be made on site visit, based on the number of pubs and clubs identified within the town centre.

- Presence of cultural and community facilities: Judgements to be made on site visit, based on the number, type and range of cultural attractions and community facilities within the town centre.

Quality of town centre environment

- Appearance of properties: Judgements to be made on site visit, are the shops in the centre generally well kept (up to a score of 5), or are they in a state of disrepair (low score).

- Overall cleanliness: Judgements to be made on site visit. Presence of any of the following will contribute to a low score; litter, gum, overflowing rubbish bins, graffiti, and general clutter.

- Quality of building: Judgements on the built heritage to be made on site visit.

- Presence and quality of open space: Judgement to be made on site visits. Score will be based on its accessibility, location and amount of use.

- Availability of visitor infrastructure: Judgement to be made on site visits. Score based on the presence (or absence) of toilets, street furniture, pay phones, etc. Where there is visitor infrastructure in place a higher score will be provided if it is clean and in a good state of repair.

Vacant properties

- Vacancy rate: Determine the number of units in GOAD category 31 (Vacant premises) and express as a percentage of total number of units. Score from 1 to 5 based on whether the vacancy rate above or below the average for Aberdeenshire.

- Vacant floorspace: Determine the floorspace from OS data and express as a percentage of total floorspace.

- Effect of vacant premises on the town centre: Judgement to be made on site visits. Judgement will be based on the overall number of vacant properties and the condition of properties; are they in good repair or are they vandalised or boarded up? Are there obvious signs of the vacant property being for rent; are there agent's signs in the windows? Are the vacant properties close to one another, in one part of town; what is the effect of this?

Safety and security

- Feeling of security: Judgement to be made on site visits. Judgement will be based on factors such as the availability of CCTV, presence of beggars general feelings and perceptions of the town centre.

- Recorded Crime: Use of data from the Grampian police crime analyst. Total number of crimes within the defined town centre (on a postcode basis) divided by the total population of the settlement.

Pedestrian flows

- Volume of pedestrian flows: Identification of two linear points during site visit, one point to be identified as prime retail and the other off prime. Count of footfall on both sides of the street (in both directions) for a 5-minute period at 1100, 1200 and 1300. Add total footfall from each point, for each of the three 5 minute time period and determine the average footfall over a 5 minute period.

Commercial yield

- Commercial yield: The total net annual rateable value for retail units within the town centre is divided by the amount of retail floorspace in the town centre. The net annual rateable vale is assumed to be a proxy for commercial yield. [When this survey was conducted in September 2003 agents active in Aberdeenshire were unable to provide information on this topic. Further research will be undertaken to clarify average rental values]