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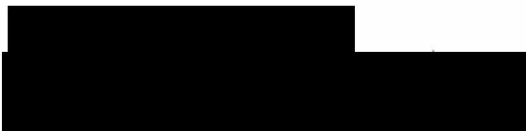
Dear Cuma,

**Beehive Centre, Cambridge, Proposal for Redevelopment
(Ref: 23/03204/OUT)
Consultant Review of Town Centre Use/Retail Planning Statement**

Urban Shape has been instructed by Cambridge City Council ('CCC') to provide retail consultancy advice in respect of the submitted planning application for the redevelopment of the Beehive Centre ('the Site') on the outskirts of Cambridge City (App Ref: 23/03204/OUT). The outline planning application, submitted by Railway Pension Nominees Limited ('the Applicant') seeks permission for the following development:

"The demolition and redevelopment of the Beehive Centre, including in Outline Application form for the demolition and redevelopment for a new local centre (E(a-f), F1(b-f), F2(b,d)), open space and employment (office and laboratory) floorspace (E(g)(i)(ii) to the ground floor and employment floorspace (office and laboratory) (E(g)(i)(ii) to the upper floors; along with supporting infrastructure, including pedestrian and cycle routes, vehicular access, car and cycle parking, servicing areas, landscaping and utilities.

In accordance with our instructions from CCC, we have carried out a review of the relevant supporting documentation that has been submitted in support of this application. In forming our advice, we have principally considered the 'Town Centre Use/Retail Planning Statement' ('TCRPS') (August 2023) prepared by Alder King, the 'Environmental Statement' and 'Planning Statement' (both August 2023) prepared by Bidwells and have referenced the series of plans accompanying the planning application.



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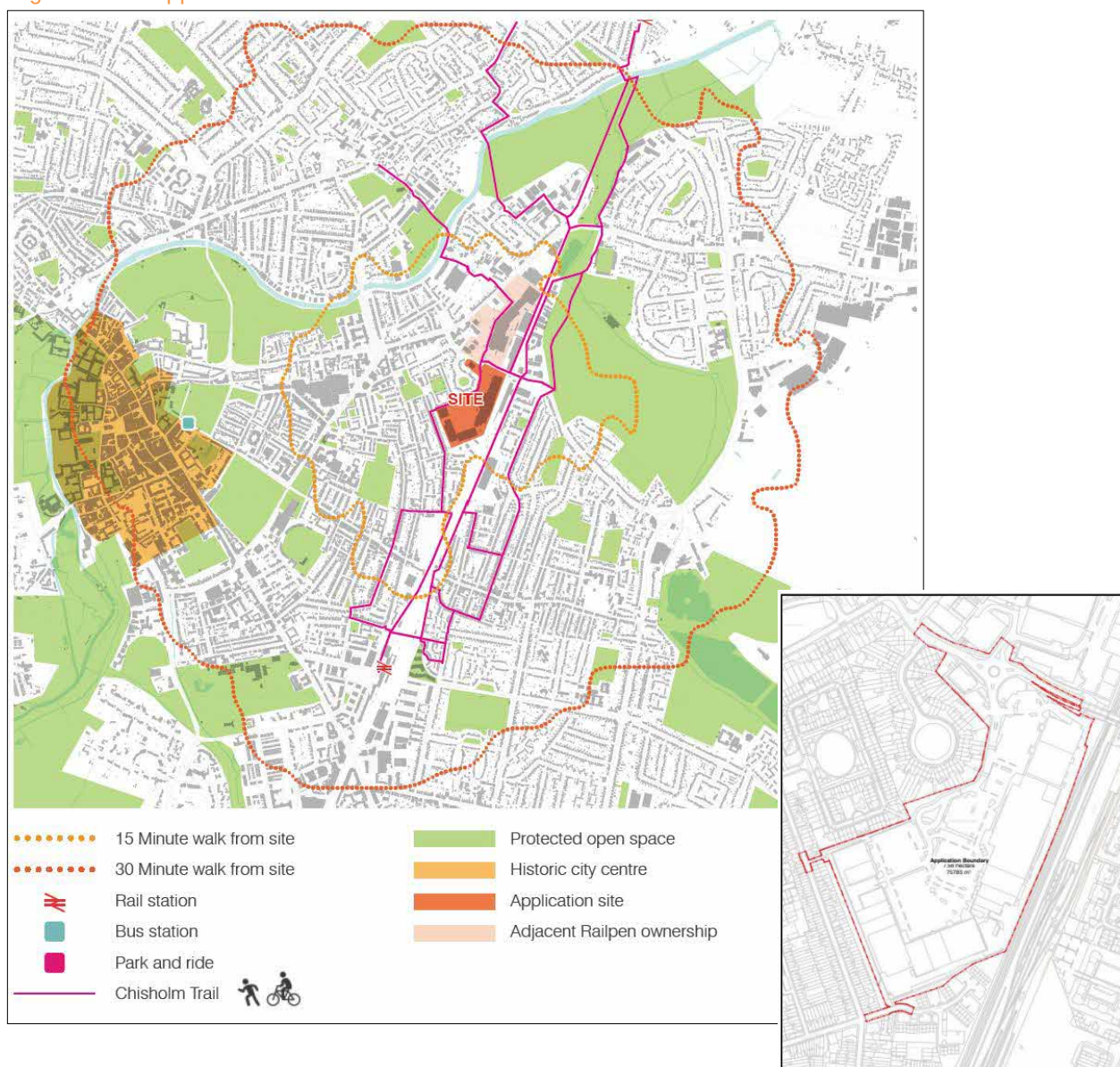


Our terms of reference are to carry out a review of the proposed floorspace including the reduction in retail use, and to assess the extent to which the proposals are acceptable within the relevant retail planning policy framework. Our review of the proposals set out in this report has been considered in the context of the development plan for the area, and other material planning policy considerations such as the National Planning Policy Framework (NPPF) and the Planning Practice Guidance (PPG). A summary of the salient parts of the development plan and other material planning policy considerations is provided in the next section of this report.

The Site and Proposed Development

The Site is approximately 7.85 hectares (ha) in size and comprises the existing Beehive Centre and associated ground level car park off Coldhams Lane, Cambridge. The application material states that the Site is approximately 20 minutes' walk to the east of the city centre at the closest points (Fig.1 below). The Site is out-of-centre for the purposes of the retail planning policy context.

Figure 1: The Application Site





Coldhams Lane runs along the northern boundary of the Site, beyond which is the Cambridge Retail Park. The railway line adjoins the Site's eastern boundary; and the residential areas of Sherwood Close and St Matthew's Gardens are immediately to the west of the Site, with further residential dwellings located immediately to the south, including York Street and Sleaford Street. The Beehive Centre comprises large retail units providing over 22,600 sq m of retail floorspace (Figure 2 below).

Figure 2: Current Occupiers at The Beehive Centre

Unit	Tenant	Floorspace of Unit (sqm)
Unit 1	Dreams Ltd	693
Unit 1a	Tapi Carpets & Floors Ltd	450
Unit 2a	Carpetright Plc	710
Unit 2b	Gymfinity Kids Ltd	1,948
Unit 3	Next	995
Unit 4	Go Outdoors	991
Unit 5	B&M	1,863
Unit 6a	Hobbycraft	679
Unit 6b	Pets at Home	1,149
Unit 7a&b	Cotswold Company	949
Unit 7c	Costa	139
Unit 7d	Subway	93
Unit 8	Marks & Spencer	1,355
Unit 9	Asda	6,525
Unit 10a	TJX UK	2,040
Unit 10b	Wren Kitchens	1,490
Unit 11	Porcelanosa	567
TOTAL		22,637

The Development comprises the demolition of all existing buildings on the Site and redevelopment to include a new local centre and office and laboratory space. Eleven new buildings for life-science, innovation and office uses are proposed, alongside the new Local Centre. The TCRPS states that the proposed local centre will comprise a mix of uses at ground floor level, including a convenience store(s), comparison units, cafes and restaurants, leisure facilities and health and wellbeing establishments. The Local Centre is intended to serve both the people employed within the application site and existing local residents in the immediate vicinity of the Site.

The illustrative scheme highlights the new Local Centre as including the following town centre uses:

- Class E(a) convenience floorspace – 1,542 sq m;
- Class E(a) comparison floorspace – 795 sq m;
- Class E(b) restaurants and cafes floorspace – 2,794 sq m.

In total, the application proposes a total floorspace of 5,131 sq m within Classes E(a) and E(b). This is a reduction of c.17,500 sq m of Class E(a) and E(b) floorspace when compared with the existing retail park on the Site (22,637 sq m).



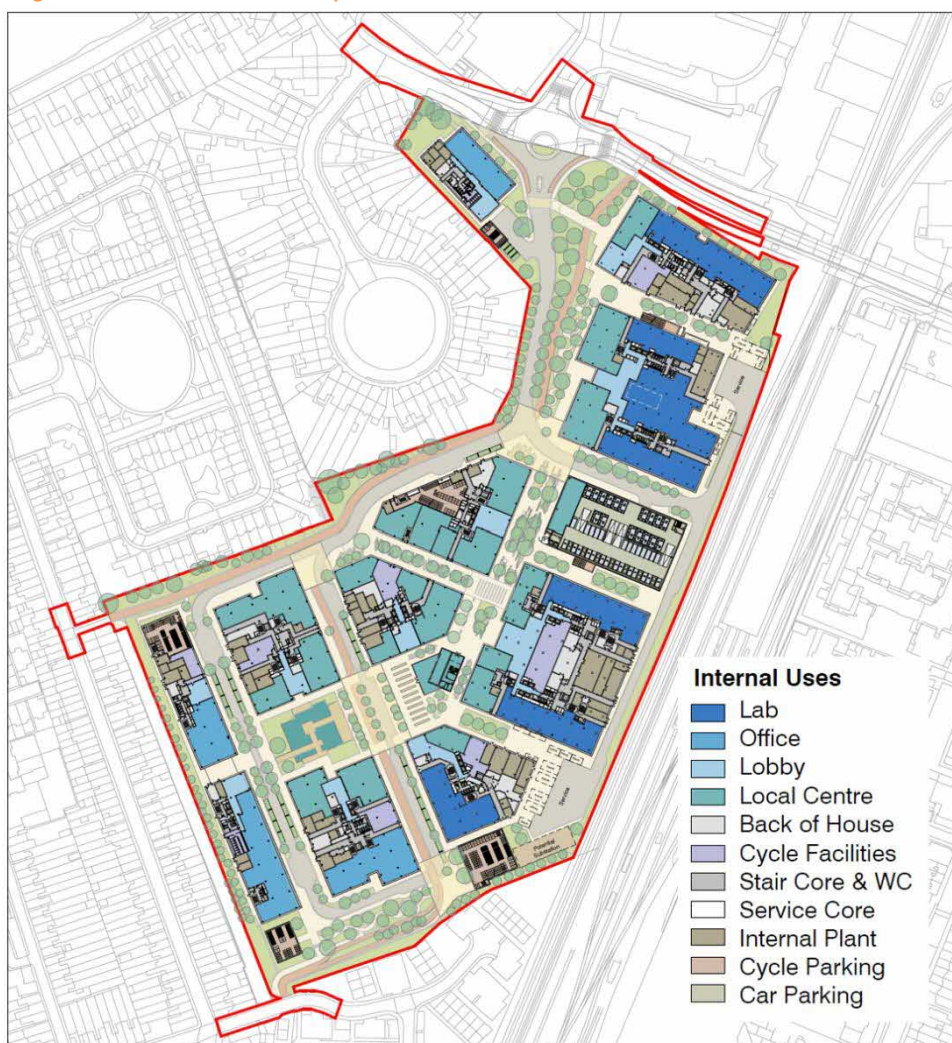
The Planning Statement adds further details about the Local Centre, including other uses in addition to convenience, comparison and restaurants/café. The overall vision is to create a high-quality new local centre, workplace and innovation cluster set within a new extensive area of public realm, with office and laboratory workspaces at upper floor levels.

The document describes the Proposed Development as having 11 commercial buildings delivering active commercial spaces at ground floor level. Extending to 7,488 sq m GIA of active mixed-use floorspace, the Local Centre will include around 22 units of a range of sizes (Figure 3 below).

Proposed uses include co-working, leisure, health and wellness, retail, retail services, convenience retail, comparison retail, restaurants, cafés and community uses. A stand-alone pavilion building will be situated at the heart of the local centre, providing a space for local community groups, events and classes.

The proposals do not represent a simple reduction in retail floorspace, the function and role of retailing will change with the Site becoming a very different place to the existing Beehive Retail Park with a significant change in the composition of retail and town centre uses. The TCRPS tests the retail impact of the convenience, comparison and restaurant/café floorspace (5,131 sqm) and the corresponding reduction in big box retail floorspace.

Figure 3: Illustrative Masterplan

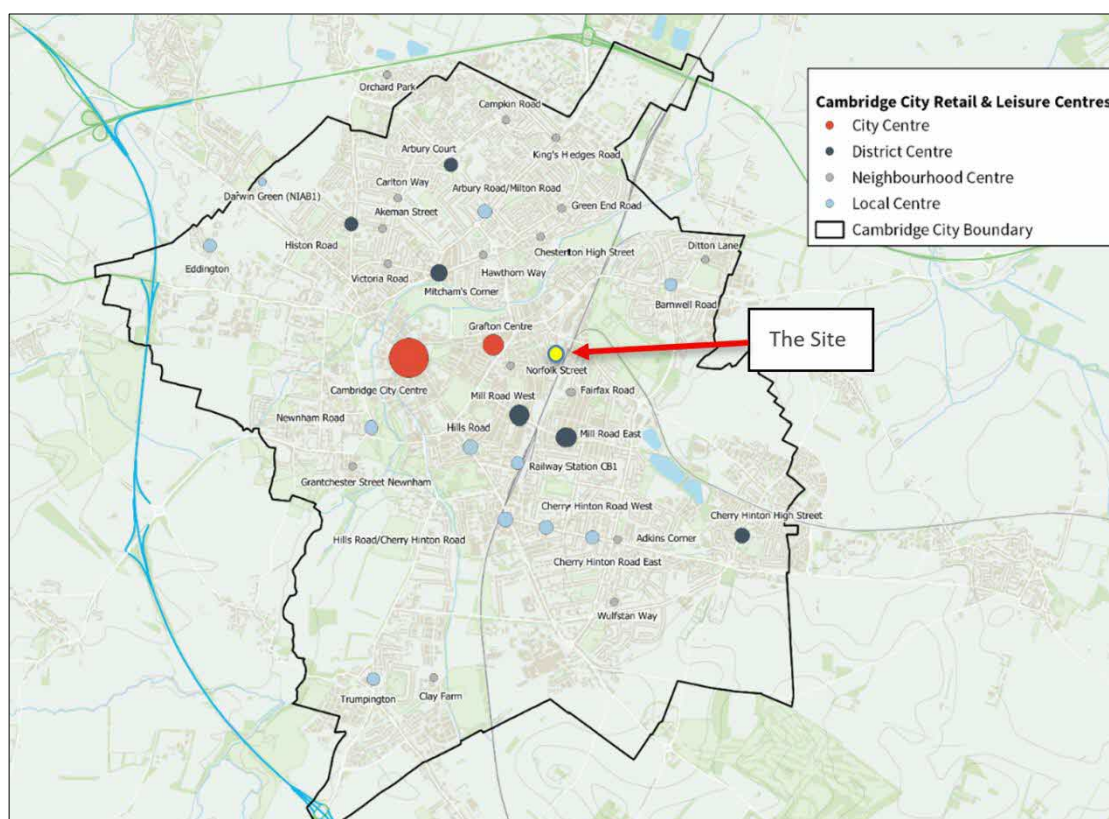


Policy

The TCRPS confirms that the Site is out-of-centre and not allocated for development. The Local Plan sets out a detailed vision and strategy to promote and manage change in key areas of the administrative area and on specific sites; these include Area Action Plan, Areas of Major Change, Opportunity areas, and site-specific allocations. The Site does not fall within any of these key areas of change and – as noted above – the Site is not allocated for development. There is no change to these circumstances in the emerging Local Plan.

Local Plan Policy emphasises that retail and other main town centre uses should be directed to the designated hierarchy of town centres (Figure 4) in line with the sequential approach, and sets an impact threshold of 2,500 sq m gross. The policy adds, however, that where the Council is concerned that a proposal might have a cumulative impact or an impact on the role or health of nearby centres within the catchment of the proposal, an impact assessment may be required for a small proposal. Developers are encouraged to discuss this with the Council at the earliest opportunity during the pre-application stage.

Figure 4: Cambridge Town Centre Retail Hierarchy



Section 3 of the TCRPS addresses the sequential test, noting that their analysis provides supporting evidence addressing the sequential test policy requirement in relation to the proposed town centre uses. The sequential requirements as set out in the NPPF and PPG are reiterated out in paragraphs 3.3-3.7 of the TCRPS.

Paragraph 12 of the PPG is highlighted as being relevant on the basis that the 'use of the sequential test should recognise that certain main town centre uses have particular market and locational



requirements which mean they can only be accommodated in specific locations'. They draw on this paragraph to negate the requirement for the sequential test, noting that the Proposed Development will introduce a new Local Centre serving employees and existing local residents and there is therefore a site-specific need for the proposed retail/town centre floorspace. Paragraph 3.12 of the TCRPS concludes that a sequential site assessment should not therefore be required.

There is, however, no existing or emerging policy support for a new Local Centre in this location; and the planning application proposes employment floorspace not residential land uses. New Local Centres are planned to meet either local deficiencies in existing residential areas or the needs of new residential communities; their purpose being to support community cohesion, foster social inclusion and to deliver specific place-making land uses such as retail and town centre uses. In this location, no residential deficiency is identified (Figure 6) and there is no planned residential community.

We conclude that there is no site-specific need for a new Local Centre in this location and a sequential site assessment is a requirement of the planning application. No part of the existing or emerging policy framework negates this requirement. Paragraph 3.12 of the TCRPS clarifies that, notwithstanding their position, they do provide a sequential site assessment. We review this assessment later in this analysis.

The TCRPS then explains that given the proposed reduction in retail floorspace, a retail impact assessment is not a requirement of the planning application. The Proposed Development is, however, out-of-centre and will substantially alter the retail provision on the Site evolving from a big box Retail Park to a very different mixed-use Local Centre with a more varied range of retail, food and beverage, and other town centre uses. There will be 22 commercial retail units, which could create a substantial attraction offering a broad mix and range of retail and leisure services.

The Proposed Development does not simply represent a reduction in big box retail warehousing, the nature of retailing on the Site will alter substantially, leading to a very different catchment area, level of influence and potentially impact on the network of smaller Local and Neighbourhood Centres. In this context, we conclude that a retail impact assessment is a requirement of this planning application.

Paragraph 4.10 clarifies that notwithstanding their position on retail impact, they provide a capacity assessment which they consider would be of more assistance to the Council to enable them to assess whether the town centre uses proposed are scaled to meet the needs of new employees and the local residential catchment. They supplement this analysis with a qualitative overview of nearby town centres. We set out our review of the submitted retail impact assessment later in this analysis.

Sequential Site Assessment – Review

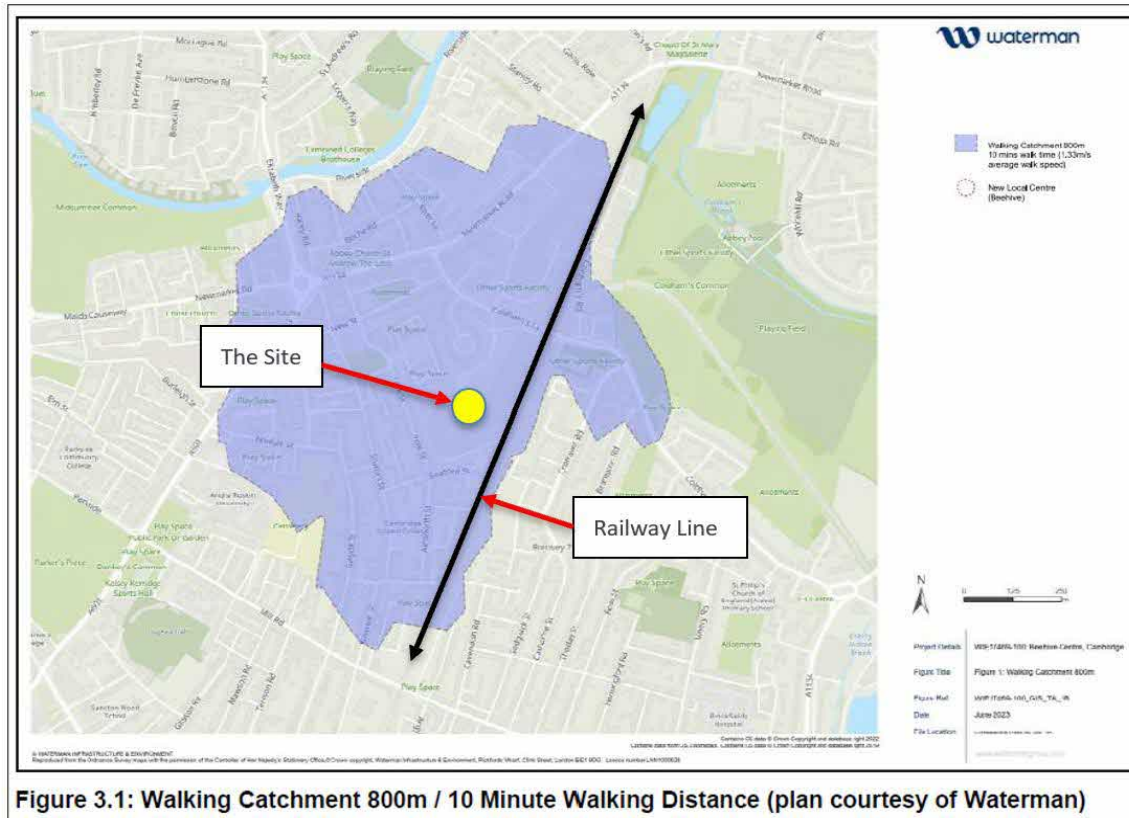
The Applicant has reviewed whether there are any sequentially preferable sites in surrounding defined centres within an 800 metre/10-minute walking distance from the Site, adding that this is defined as 'the preferred maximum walking distance to 'town centres' from the Institute of Highways Engineers (IHT's) 'Providing for Journeys on Foot'' document.

The defined catchment illustrated in the TCRPS is replicated below (Figure 5), which also highlights the barrier of the railway line to the east and the inclusion of predominantly non-residential



commercial areas to the north. Using this parameter, the TCRPS considers sequential sites in the eastern part of the Fitzroy/Burleigh Street/Grafton Primary Shopping Area (PSA) and Norfolk Street Neighbourhood Centre (Figure 4).

Figure 5: TCRPS 10-Minute Walking Catchment Area to the Site



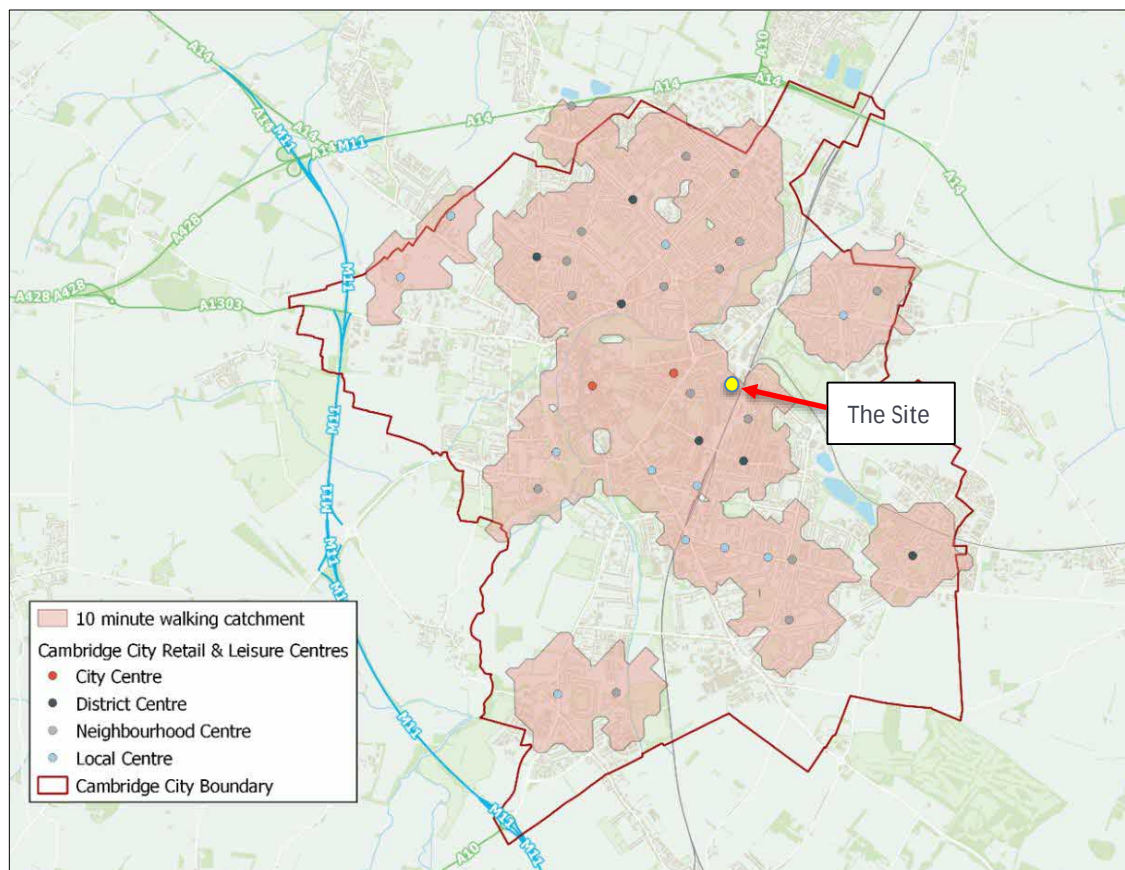
Whilst the 10-Minute walking distance is generally accepted as a measurement to explore accessibility and gaps in local shopping provision, in this case we consider that the parameters for a sequential site assessment are defined too tightly.

The planning application proposes a new Local Centre that is not supported in adopted or emerging policy in this location; a need has not been identified. The 10-minute walking catchment for the Site overlaps (Figure 6) with a number of other centres including The Grafton, Cambridge City Centre; Norfolk Street and Fairfax Road Neighbourhood Centres; and Mill Road East and Mill Road West Local Centres (Figure 4). The residential areas around the Site largely fall within the catchment areas of these other centres and are therefore already served by these centres (Figure 6). The delivery of new retail and town centre floorspace should be located in these centres in the first instance and should therefore form part of the sequential site assessment.

Mill Road East and West are the largest Local Centres in Cambridge, comprising 77 units and 83 units respectively. They are important centres that draw on trade from the catchment area defined by the Applicant for the new development proposals; they are also identified for enhancement and improvement through the allocated Opportunity Area and associated sites (Policy 24: Mill Road Opportunity Area). The Local Plan seeks to strengthen the distinctiveness of Mill Road including the two District Centres through design, place-making and public realm; restricting any amalgamation

of units and encouraging unit and frontage improvements. The sequential site assessment has failed to take this Opportunity Area into consideration.

Figure 6: 10-Minute Walking Catchment Area from Network of Town Centres



Flexibility

In respect of flexibility, the Applicant states that the application proposal comprises circa. 93,000 sq m of main town centre use floorspace including the retail, leisure and employment (office and laboratory) floorspace. The Applicant argues that without the employment floorspace the Local Centre would not come forward and they are therefore integrally linked and should be combined as one for the purposes of the sequential site assessment. They conclude that a sequentially preferable site should be able to accommodate all of the proposed main town centre use floorspace.

The Proposed Development is, however, predominantly comprised of employment floorspace, i.e. it is an employment-led scheme. Local Centres are not a requirement of newly delivered employment floorspace, and they are not therefore integral to each other in the same way as Local Centres and strategic residential development. Employment floorspace is generally delivered in the absence of new Local Centres, and in this case the two floorspace types should not therefore be combined as one for the purposes of the sequential site assessment.

In this case, we conclude that the sequential site assessment must consider the ability to accommodate the proposed Use Class E(a) and (b) floorspace only. Following their discussion on flexibility, paragraph 3.22 of the TCRPS clarifies that their sequential site assessment does consider



potential sites/units for the proposed Use Class E(a) and Class E(b) floorspace only, which comprises the proposed retail and restaurant and café uses. Their assessment includes sites between 4,618 sq m and 5,644 sq m gross, a 10% margin either side of the proposed floorspace.

Sites

When exploring sites, and based on their geographic parameters, the Applicant has considered the Fitzroy/Burleigh Street/Grafton PSA ('Grafton' from hereon) and Norfolk Street Neighbourhood Centre. Section 3 of the TCRPS highlights the development proposals for the Grafton Centre which seek to deliver life-science uses and a substantial reduction in retail and leisure floorspace. We concur that there are currently no suitable or available sites within Grafton given the redevelopment proposals and current planning application and associated uncertainty. Should those proposals not come forward, there is a sufficient level of vacant floorspace in this sequentially preferable city centre location.

The Applicant has also explored vacant units and potential redevelopment sites in Norfolk Street Neighbourhood Centre, including just two vacant units. They conclude that there are no suitable or available sites; a statement that is consistent with our background and desk-based understanding of the Neighbourhood Centre in the context of the policy framework. If the Council are not aware of any potential alternative opportunities, it is concluded that proposed retail and leisure floorspace could not be accommodated in Norfolk Street Neighbourhood Centre.

The assessment has not satisfied the sequential test, excluding town centres with key development sites and site allocations. Depending on the outcome of the Grafton Centre planning application for redevelopment, there remains a large scale of vacant retail floorspace and the Council may wish to consider this as a sequential preferable alternative site.

Impact Assessment – Review

The TCRPS sets out a response to the impact test in Section 4, stating that due to the significant reduction in retail floorspace (-17,500 sq m gross) a retail impact assessment "is not technically required" and would "be of limited help in determining the application given the purpose and nature of the application proposals" (para.4.9). Instead, they present a capacity assessment which they consider "would be of more assistance to the Council to enable them to assess whether the town centre uses proposed are scaled to meet the needs of new employees and the local residential catchment.

We have already noted earlier the significant change in the format and nature of retailing between what is existing and what is proposed on the Site. The proposed Local Centre will have a very different role to big box retail warehousing, with a very different catchment area. Whilst a 'capacity assessment' is a useful exercise, a conventional impact assessment is necessary given the substantial overlap in catchment areas with the smaller neighbourhood and local centres in close proximity (Figure 4 and 6 above). We review the capacity assessment below but emphasise that the Applicant has not met the requirements of the impact test, and the impact test is not therefore passed for the purposes of this planning application.

In undertaking their capacity assessment they explain that retail expenditure is based in 2023 (i.e. not allowing for growth) and that assumptions are based primarily on the Economic Impact Assessment prepared by Volterra. The TCRPS highlights the creation of 6,710 employees (6,050



FTE) on the Site, and an existing 0-10 minute walking catchment population of 6,859. The assessment relies on expenditure generated by this combined population, but does not take into account the phasing of the development. Paragraph 3.27, for example, confirmed development phases being completed between 2028 and 2034 with the retail/town centre uses being brought forward in the earlier phases between 2028 and 2030. The job creation and associated expenditure will not, therefore, be fully delivered to support the retail/town centre floorspace being delivered.

We broadly agree with turnover assumptions of the proposed development (Table 4.1) and method used to calculate total expenditure generated from on-site employees. There is, however, no sensitivity testing in respect of the daily spend per head figure (£6.74 per employee), which could be lower than presented in the assumptions made. This may lead to a greater reliance on the local population economically.

The assessment then calculates the economic contribution of existing local residents within a 0-10 minute walking-time of the site and we broadly agree with the spend per head and total expenditure generated by this population. The assessment concludes by stating that 'only' 20% of this spend is required to support the proposed convenience goods floorspace; 'only' 3% is required to support the proposed comparison goods floorspace; and 'only' 30% is required to support the proposed restaurant/café floorspace. This might be the case, but there is no consideration of the impact of this conclusion on the existing network of neighbourhood and local centres as a consequence of trade diversion.

A large part of the Site's defined catchment area overlaps considerably with Mill Road East and West, and to lose this level/proportion of convenience, comparison and restaurant/café expenditure might have a significant detrimental impact on those centres. These centres are identified for investment and development in the Local Plan and this policy aspiration should be protected accordingly. The submitted response to the impact test is not complete or robust, and impact arising has not been sufficiently analysed. We conclude the impact test has not been passed.

Section 4 of the TCRPS concludes with qualitative health checks of the network of town centres in close proximity to the Site, including a broad selection that more than covers any potential catchment area of the Site and proposed development. There has, however, been no attempt to consider the qualitative and quantitative elements within one single impact assessment, and to conclude these centres are performing well merely simplifies the required task with no sound conclusions drawn. Whilst the centres might be performing well now, they may not when the new proposed Local Centre diverts 20/30% of existing available expenditure. This should be explored further before a conclusion can be drawn.

We assume that the Site will include free car parking for employees and visitors, an attractive draw for shoppers which would also have a direct impact on choices and consequent retail impact upon completion. Such issues should also form part of any robust impact assessment.

Conclusions

Our review concludes that the Applicant has not passed either the sequential site or retail impact test, and further work would be required to explore both in greater depth. The proposed development would deliver around 22 new retail and leisure units, which could create a strong mix of business and trade draw. It is not possible to conclude that the development proposals could not



be located on a more central site, or that they will not have a significant adverse impact on the network of existing town centres.

Yours sincerely

[Redacted signature]

[Redacted name]

Director