

RETAIL IMPACT ASSESSMENT

In respect of

PROPOSED NEW LIDL LICENSED DISCOUNT FOODSTORE AT MAIN STREET UPPER, NEWCASTLE, CO. DUBLIN

Prepared on behalf of

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1.0 INTRODUCTION

The Planning Partnership has been appointed by Lidl Ireland GmbH to prepare a *Retail Impact Assessment* (RIA) to accompany a Planning Application for the development of a Licensed Discount Foodstore comprising of Convenience and Comparison Retail floorspace with a Net Retail Sales Area (NRSA) of 1,410 sq.m at a site located at Main Street, Newcastle, Co. Dublin (the subject site).

1.1 Scope of Retail Impact Assessment

The *Retail Impact Assessment* in respect of the proposed NRSA floorspace comprising largely of Convenience Retail with a minor element of Comparison Retail has been prepared in accordance with the advice provided by the Department of the Environment and Local Government (DoEHLG) in the *Retail Planning Guidelines for Planning Authorities* published in 2012.

The *Retail Planning Guidelines* (RPG) require that an RIA examine the potential retail impact and cumulative impact of new retail developments on the vitality and viability of existing centres to identify any adverse impacts. The Guidelines require that the following criteria be addressed in the assessment of retail impact to demonstrate whether the proposal would:

1. Support the long-term strategy for city / town centres as established in the retail strategy / development plan, and not materially diminish the prospect of attracting private sector investment into one or more such centres;
2. Have the potential to increase employment opportunities and promote economic regeneration;
3. Have the potential to increase competition within the area and thereby attract further consumers;
4. Respond to consumer demand for its retail offering and not diminish the range of activities and services that an urban centre can support;
5. Cause an adverse impact on one or more city/town centres, either singly or cumulatively with recent developments or other outstanding planning permissions (which have a realistic prospect of implementation) sufficient to undermine the quality of the centre or its wider function in the promotion and encouragement of the arts, culture, leisure, public realm function of the town centre critical to the economic and social life of the community;
6. Cause an increase in the number of vacant properties in the primary retail area that is likely to persist in the long term;
7. Ensure a high standard of access both by public transport, foot and private car so that the proposal is easily accessible by all sections of society; and/or,
8. Link effectively with an existing city/town centre so that there is likely to be commercial synergy.

Section 2.1.2 below addresses each of the above criteria.

The RIA demonstrates that the proposal will **not** have an adverse impact on the existing town centre in Newcastle, or other surrounding retail / urban centres, for instance Rathcoole, Citywest, Celbridge, etc.

The executive summary below further elaborates on the suitability of the proposed development for the subject site.

For the avoidance of doubt, whilst the proposal is described herein as a *Discount Foodstore* or licenced *Discount Foodstore*, the proposed development is categorised and assessed as a *Supermarket* and *Large Convenience Goods Store* in terms of the *Retail Planning Guidelines, 2012*.

1.2 Development Description

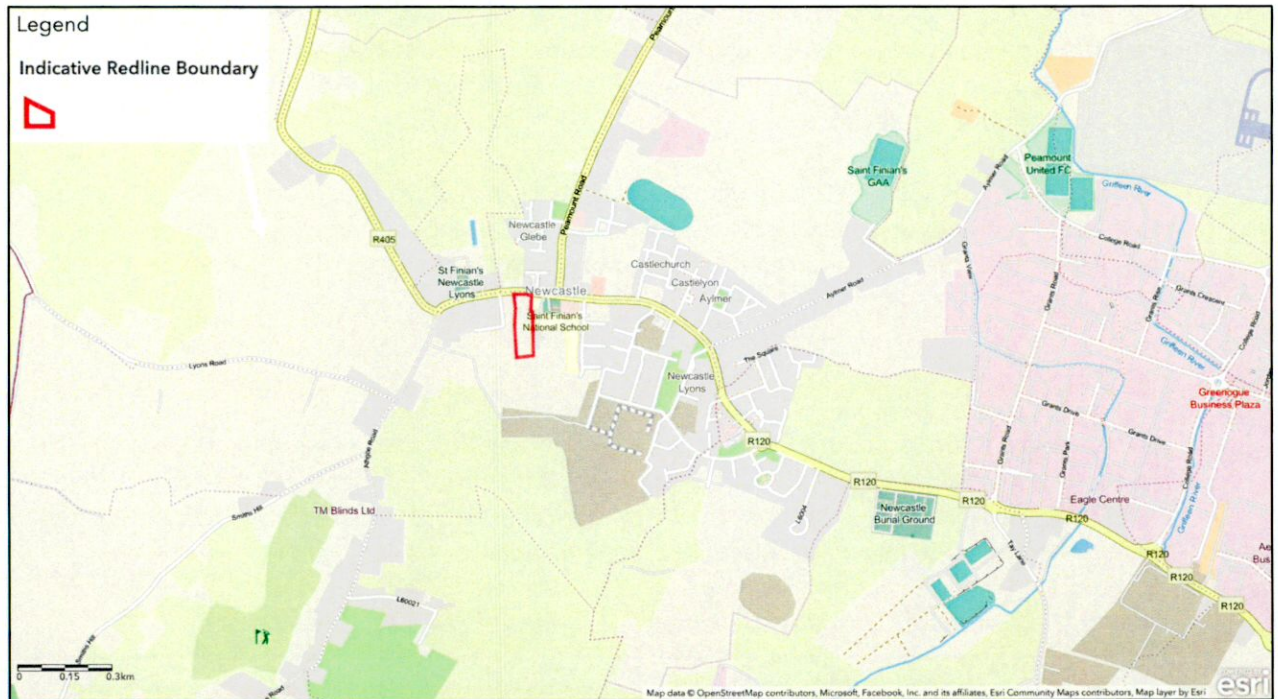
Permission for development at Main Street Upper, Newcastle, Co. Dublin, principally consisting of the construction of a Discount Foodstore Supermarket with ancillary off-licence sales. The proposed development comprises:

1. The construction of a single storey Discount Foodstore Supermarket with ancillary off-licence use (with mono-pitch roof and overall building height of c. 6.74 metres) measuring c. 2,207 s.qm gross floor space with a net retail sales area of c. 1,410 s.qm;
2. Construction of a vehicular access point to Main Street Upper and associated works to carriageway and including partial removal of boundary wall / façade, modification of existing footpaths / public realm and associated and ancillary works including proposed entrance plaza area;
3. Demolition of part of an existing rear / southern single storey residential extension (and related alterations to remaining structure) of 'Kelly Estates' building. The original 'Kelly Estates' building (a protected structure - Eircode: D22 Y9H7) will not be modified;
4. Demolition of detached single storey accommodation / residential structure and ancillary wall / fence demolitions to rear of existing 'Kelly Estates' building;
5. Demolition of existing single storey (stable) building along Main Street and construction of single storey retail / café unit on an extended footprint measuring c. 118 sq.m and associated alterations to existing Main Street boundary façade;
6. Renovation and change of use of existing (vacant) two storey vernacular townhouse structure to Main Street, and single storey extension to rear, for retail / commercial use (single level throughout) totaling c. 61 sq.m;
7. Repair and renewal of existing Western and Eastern 'burgage plot' tree and hedgerow site boundaries; and,
8. Provision of associated car parking, cycle parking (and staff cycle parking shelter), pedestrian access routes and (ramp and stair) structures (to / through the southern and western site boundaries to facilitate connections to potential future development), free standing and building mounted signage, free standing trolley bay cover / enclosure, refrigeration and air conditioning plant and equipment, roof mounted solar panels, public lighting, hard and soft landscaping, boundary treatments and divisions, retaining wall structures, drainage infrastructure and connections to services / utilities, electricity Substation and all other associated and ancillary development and works above and below ground level including within the curtilage of a protected structure.

As shown below in Figure 1, the subject site is located in a **town core** location, as defined in the *Newcastle Local Area Plan 2012-2022* (the LAP).

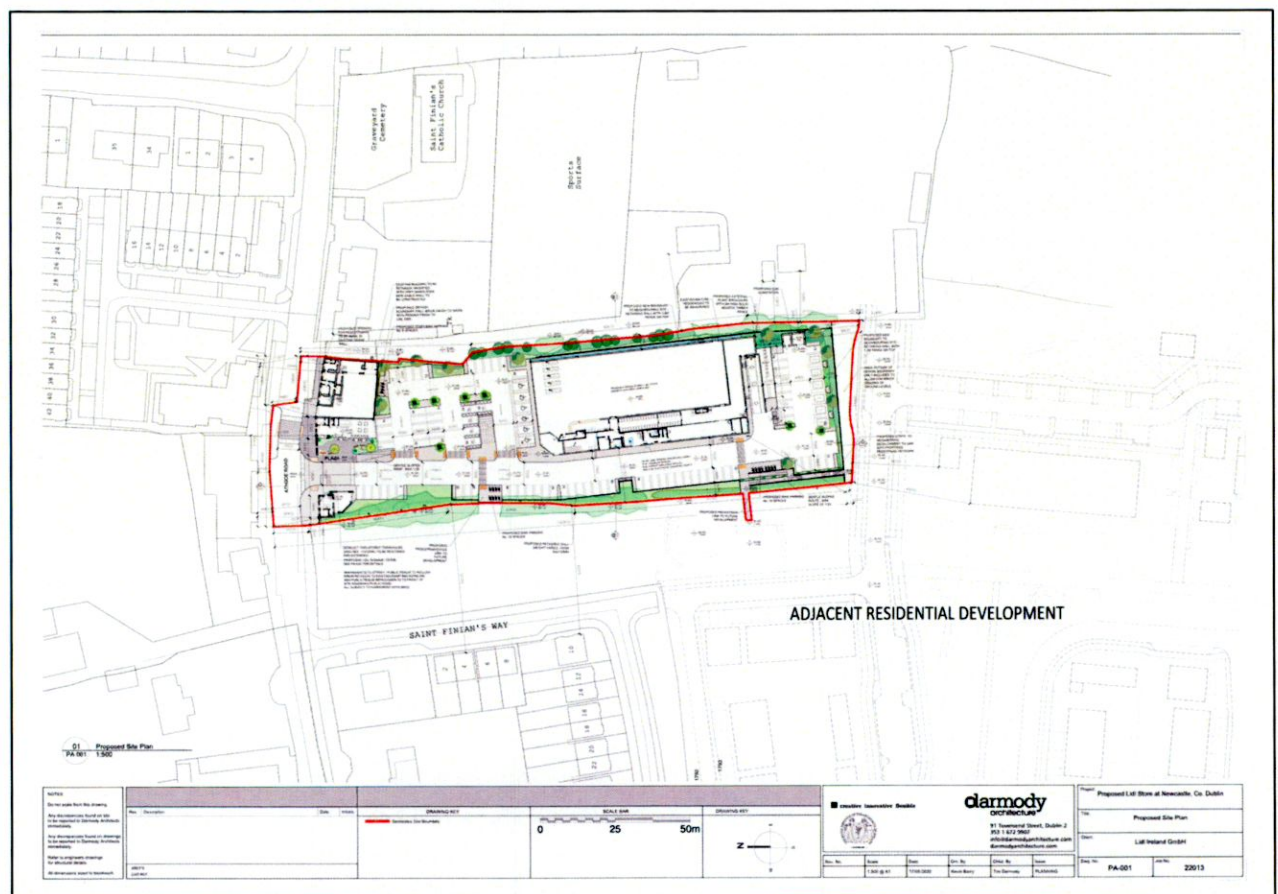
The proposed development will be accessed from Main Street Upper, with pedestrian links to adjoining lands to the south and west (subject to their development) as is illustrated in Figure 2 below.

Figure 1: Subject Site Locality



Source: ESRI ArcGIS, Annotated and Reproduced under Licence by The Planning Partnership, July 2022

Figure 1: Proposed Retail Development Layout



Source: Extract Darmody Architecture Drawing No.: PA-001, reproduced by The Planning Partnership under OS Licence No.: AR 0114720

1.3 Net Floor Area of Proposed Development Subject to this RIA

The total net retail sales area of the proposed licenced Discount Foodstore is confirmed in the enclosed drawings as 1,410 sq.m. The net 'convenience' sales area @ 90% of total net sales area (i.e. 1,269 sq.m) is the primary figure of relevance.

The remaining 10% sales area (141 sq.m) is devoted to ancillary comparison sales which are not of a scale to warrant specific assessment as discussed in Section 2.1 below. Similarly, the proposed retail unit (c. 61 sqm) is also not of a scale to warrant specific assessment.

1.4 Design Year

Having regard to the amount of time required for completion of the planning process, construction, and the establishment of a trade and market presence, it is estimated that it will take approximately two and a half to three years for the proposed development to establish a pattern of trading. The design year is therefore assumed to be 2025. This is illustrated in Table 1.

Table 1: (Approximate / Estimate) Development Phases of Proposed Development

Phase	Description	Duration	End Date
Phase I	Planning Process	12 Months	June 2023
Phase II	Tendering, Site Enabling Works, Construction & Fit Out	9 Months	March 2024
Phase III	Establishment of Market Presence	12 Months	March 2025
Phase IV	Operational Development as of March 2025		

Source: The Planning Partnership, July 2022

We also note however that in the case of Newcastle in particular, the objective of the subject proposal and the associated retail and town centre related policies of the LAP and *South Dublin County Development Plan 2022-2028* (the CDP), relate to the longer term delivery of adequate retail floorspace to a) catch up with existing under provision and b) to deliver adequate facilities for the long term population of the town.

We also note that the *Greater Dublin Area Regional Retail Strategy 2008-2016* (GDARS) highlights "... the significant lead in times for certain types of development are taken into account- particularly schemes which augment existing retail or are infill town centre schemes which bring positive attributes to town centres."

In this regard, the subject scheme is intended to serve the long term needs of Newcastle, with the Applicant having invested significant time and resources into site selection and acquisition.

For example, efforts to deliver Discount Foodstore / Supermarket scale facilities in Newcastle have been ongoing by various parties since at least 2008 (Reg. Ref: [SD08A/0710](#) refers), with no delivery as yet (whilst the completion of a Super Valu store is expected in the short term).

As such a 'horizon year' of 2028 (aligned to the Development Plan period) is appropriate in our opinion in terms of benchmarking the proposal against both the short term (2025) and longer term scenarios.

1.5 Executive Summary/Retail Planning Guidelines (2012) Criteria

The following provides a summary of key findings of this Retail Impact Assessment, formatted in accordance with assessment criteria set out in the *Retail Planning Guidelines 2012*:

1. Support the long-term strategy for city / town centres as established in the retail strategy / development plan, and not materially diminish the prospect of attracting private sector investment into one or more such centres

The proposed development is in effect the implementation of the long-term strategy for the Newcastle town centre through the delivery of urban regeneration and improvement in retail facilities to enable the town to achieve its hierarchical function.

2. Have the potential to increase employment opportunities and promote economic regeneration

The anchor Lidl unit alone will provide up to approx. 25 no. direct full-time jobs, in addition to indirect and construction stage employment. These additional jobs will generate in excess of €1 m per annum locally in wages, in addition to further jobs created or supported indirectly. Furthermore, construction stage employment will provide in excess of €1.5 m in construction wages alone. Delivery of the ancillary units will further add to local population and construction expenditure.

3. Have the potential to increase competition within the area and thereby attract further consumers to the area

The proposed development will result in an expansion of convenience retail floorspace in an existing and suitably designated retail / town centre.

This will result in an enhanced range of choices for residents within Newcastle and its environs in terms of people having the option of shopping in more than a single (as yet unopened) offering. In the absence of the proposed development there would be no real competition in Newcastle at the supermarket scale.

4. Respond to consumer demand for its retail offering and not diminish the range of activities and services that an urban centre can support

As noted below, the national market share for Discount Foodstores has more than doubled in recent years, whilst Newcastle has grown exponentially (and will continue to do so) whilst commensurate retail facilities are absent.

A clear demand exists for the Discount Foodstore model (which for instance represents approximately 25% of the food shopping sector) in all parts of the country, on a principle of customer choice, which we consider includes Newcastle. The addition of a Discount Foodstore offering will not in our opinion diminish the range of activities and services that the urban centre can support, rather it would enhance same.

There is noted demand for additional Convenience outlets in Newcastle and its catchment, with small towns like Newcastle increasingly expected to offer a choice and range of supermarket options in keeping with changing retailer market share.

There are many examples of similarly designated (Level 4) retail centres across the Greater Dublin Area providing same, i.e. a choice of shopping options that includes both conventional / mainstream and discount operators, rather than an 'either or' approach.

5. ***Cause an adverse impact on one or more city/town centres, either singly or cumulatively with recent developments or other outstanding planning permissions (which have a realistic prospect of implementation) sufficient to undermine the quality of the centre or its wider function in the promotion and encouragement of the arts, culture, leisure, public realm function of the town centre critical to the economic and social life of the community***

As highlighted in this assessment there is trading capacity / need for the proposed development by the Design Year of 2025, with further short to medium term need up to 2028. The proposal will not have a material impact on existing retail centres / outlets, as demonstrated below.

Moreover, the proposal will improve and fulfil the quality of the centre and its wider function in the promotion and encouragement of the arts, culture, leisure, public realm function of the town centre, as demonstrated herein.

6. ***Cause an increase in the number of vacant properties in the primary retail area that is likely to persist in the long term***

The proposed development will regenerate an important town centre site and would not lead to significant retail impacts such that would cause the closure of any existing retailer, whilst the creation of an attraction such as the subject proposal (and ancillary units) will help to drive footfall into the town centre likely having a material spill over effect in terms of benefiting other businesses and activities.

7. ***Ensure a high standard of access both by public transport, foot and private car so that the proposal is easily accessible by all sections of society***

The proposed development has been designed to accommodate all forms of traffic / access, from pedestrians to large delivery vehicles. The site is also well served by footpaths and pedestrian links to both the main shopping streets and surrounding residential areas, including through providing for connections to the south and west.

Disabled and parent and child parking has been provided as part of the scheme, along with regular car parking, and substantial cycle parking. The proposed store also provides modern changing / showering facilities for all staff to encourage non-motorised trips to work. Public transport to the town centre is also anticipated to improve materially on foot of the delivery of BusConnects proposals for the area.

8. ***Link effectively with an existing city/town centre so that there is likely to be commercial synergy***

The subject site is in a town core location and is proposed on a site designated for 'Town Expansion' in the Newcastle LAP. From a planning perspective, it is considered that the provision of convenience retailing on the subject site is in accordance with the development strategy for the town and will result in the achievement of a number of objectives of the LAP.

Given the specific nature of the Licensed Discount Foodstore and the type of retail offer it represents, which is characterised by larger volume purchases and an associated need for conveniently located parking facilities for ease of shoppers, it is considered that the proposed development may be considered a destination shopping facility that has the potential to draw clientele to the centre.

Linked trips to and from the subject site and the town centre and main shopping street are therefore likely to occur, with anticipated spill over / multiplier effects arising, for the benefit of other businesses in the town that rely on it having sufficient 'destination' or 'anchor' outlets such as modern Supermarket / Convenience offerings.

2.0 QUALITATIVE ASSESSMENT

2.1 The Discount Foodstore Model

Whilst we note that Discount Foodstores fall within the 'umbrella' of large convenience foodstores / Supermarkets as defined in the *Retail Planning Guidelines, 2012*, it is important to note that the proposed licensed Discount Foodstore is a distinct retail offer rather than a 'normal' convenience retail outlet.

Discount Foodstores primarily sell convenience goods (convenience goods being defined in the *Retail Planning Guidelines, 2012* as being "Food; Alcoholic and non-alcoholic beverages; Tobacco; and Non-durable household goods."). Better value for money heightened the appeal of Discount Foodstores during the economic downturn, thereby shifting shopping patterns, which has continued during the economic recovery to date and is expected to continue further, particularly in the light of the current (2022) cost of living stresses.

In this regard, Discount Foodstores have rapidly expanded their share of the market (according to the *Retail Planning Guidelines, 2012*, relying on data from February 2011), Aldi and Lidl had a combined market share of approx. 9.1% (or 5.5% and 3.6% respectively) compared to Tesco, Dunnes Stores and SuperValu (including Superquinn) combined share of 77.2%. As of May 2022 (the latest figures available) however, the combined (national) Discount Foodstore share (Aldi & Lidl) has increased to 25.3%, whilst Lidl's share of the market has grown from 5.5% to 13.1% in the same period, an increase of 138% in eleven years.

Figure 3 below illustrates this growth nationally over the years, along with the wider economic effects.

Weekly offers are also an integral part of the Discount Foodstore offer, whereby the regular discounts on everyday items are also offered on varying comparison goods which generally change twice weekly. Comparison sales accounts for approx. 10-15% of the sales area.

This element of the store represents an ancillary and complementary activity to the primary 'convenience' sales element, particularly given the short life span of such sales, i.e. many of these products are not on sale for a prolonged period and change considerably every week therefore these sales do not become an established pattern for any particular category of retail goods.

Discount Foodstores also comprise ancillary alcohol sales, similar to all other medium / large convenience retailers and many smaller convenience symbol outlets, which notwithstanding being a subsidiary element to the overall offer which is primarily the sale of food, is an integral part of convenience shopping.

It is also well established that Discount Foodstores tend to stock a significantly lower range of goods than larger 'mainstream' stores, e.g. principally own brand / single brand of each product range, etc. as opposed to several brands of an individual product type in larger 'mainstream' stores.

For instance, we note the Forfas publication from 1999 (*The Dynamics of the Retail Sector in Ireland*) which states: "An element of Aldi's formula is its relatively small range of product lines. Aldi shops typically carry 600 to 750 products whereas some competitors' stores may carry 20,000 lines and some competing chains may carry 50,000 lines through its various stores."

The precise number of products and ranges has evolved to a degree over the past 10 to 15 years, however, the range available remains significantly less than larger 'mainstream' stores.

The pattern of the evolution of Discount Foodstores in the Irish Market has been analysed by the recently adopted *Athlone Joint Retail Strategy 2019-2026* which, notwithstanding its applicability to a different functional area, is in our opinion noteworthy, wherein it states:

"The discount convenience operators, namely Aldi and Lidl, have been gradually increasing their market share ... they have also: adopted a more creative, better designed approach to store formats; entered the High Street in a number of locations; and, begun to develop larger sized stores ... **although they are not seeking to evolve into much larger format stores. This is not their model, as well evidenced by their store development strategies in the UK where both entered the market some 20 – 25 years ago. The objective is increased market presence and penetration.**

There is little evidence that the indigenous retailer, either here or in the UK, is seeking to enter the discount convenience market or being able to on a comparable / competitive basis. However, there has been a response to their entry into the Irish market with the main operators introducing their own branded discount lines, which has been positive for the consumer." [Our Emphasis]

Therefore, whilst it is clear that the retail market in Ireland is evolving, as evidenced by the substantial expansion of Discount Foodstores, the particular characteristics of Discount Foodstores vs. larger 'mainstream' stores are still evident, albeit not as pronounced as previously.

In referring to the proposal as a Discount Foodstore, and acknowledging its position within the 'large convenience goods store' category of the Retail Planning Guidelines, we seek to distinguish it in terms of its smaller size, i.e. being a medium sized supermarket and not in the same realm as a large superstore or hyper store.

Figure 3: Lidl Since 2000 / Lidl 'Full Shop' Advert



Source: Lidl Ireland GmbH

2.2 Convenience Retailing Patterns: The Importance of Local Facilities

As is now well-recognised, the COVID-19 pandemic has demonstrated the critical role of the Foodstore (Corner Shop, Neighbourhood Shop, Discount Foodstore, Supermarket, Superstore, etc.) as a strategic service that is needed locally rather than on a centralised basis.

This recognition is likely to be echoed in climate change adaptation strategies that will further emphasise the need to reduce the extent and intensity of patterns of travel for everyday purposes, especially in rural and lower-level urban localities where distances to facilities are greater.

Again, the underlying principle to this was demonstrated during the COVID-19 lockdown periods of restricted movement, where local shopping, where it was available, played an important role in facilitating the minimisation of travel.

COVID-19 has also demonstrated that Convenience shopping is highly exposed to change and a potential shift to online shopping platforms. Where local access to physical stores is limited, this may well encourage and accelerate the transition to online shopping options. For instance, online food sales have increased from a pre-pandemic level of 2.7% to 6.3% of all sales in February 2021, more than doubling in a year, according to Kantar.¹

We note ongoing trials of a supermarket delivery service via Drone in Oranmore, Co. Galway, with the operator of the service confirming that *"... more than 35% of homes in the Oranmore delivery area use the service on a regular basis. The company's drones make an average 100 deliveries per day"*.

They have also recently expanded to provide delivery services in Balbriggan, Co. Dublin.

There is also a considerable expansion of a variety of other services outside the traditional retailer delivery, including Deliveroo, Buymie, etc. which further break the link with on site food shopping. The expansion of 'click and collect' infrastructure in the food retailing sector is also of note.

Widespread adoption of these 'arms-length' shopping models are likely to have a dramatic and disruptive effect on the retail sector, which has already experienced significant impacts through recession and changes in consumer behaviour.

Considering the above, we would submit that the need to adapt and provide local facilities in convenient locations in smaller urban settlements like Newcastle is becoming more pressing if convenience retail is to avoid a significant loss of in-store shopping, with all the associated consequences for the dynamics of rural towns and their environs.

The Planning Authority should therefore actively encourage the provision of 'bricks and mortar' retail infrastructure to the greatest extent possible, to preserve and enhance the vitality and viability of retail centres across the county.

¹ <https://www.rte.ie/news/business/2021/0308/1201651-kantar-supermarket-figures/>

2.3 Newcastle Retail Context

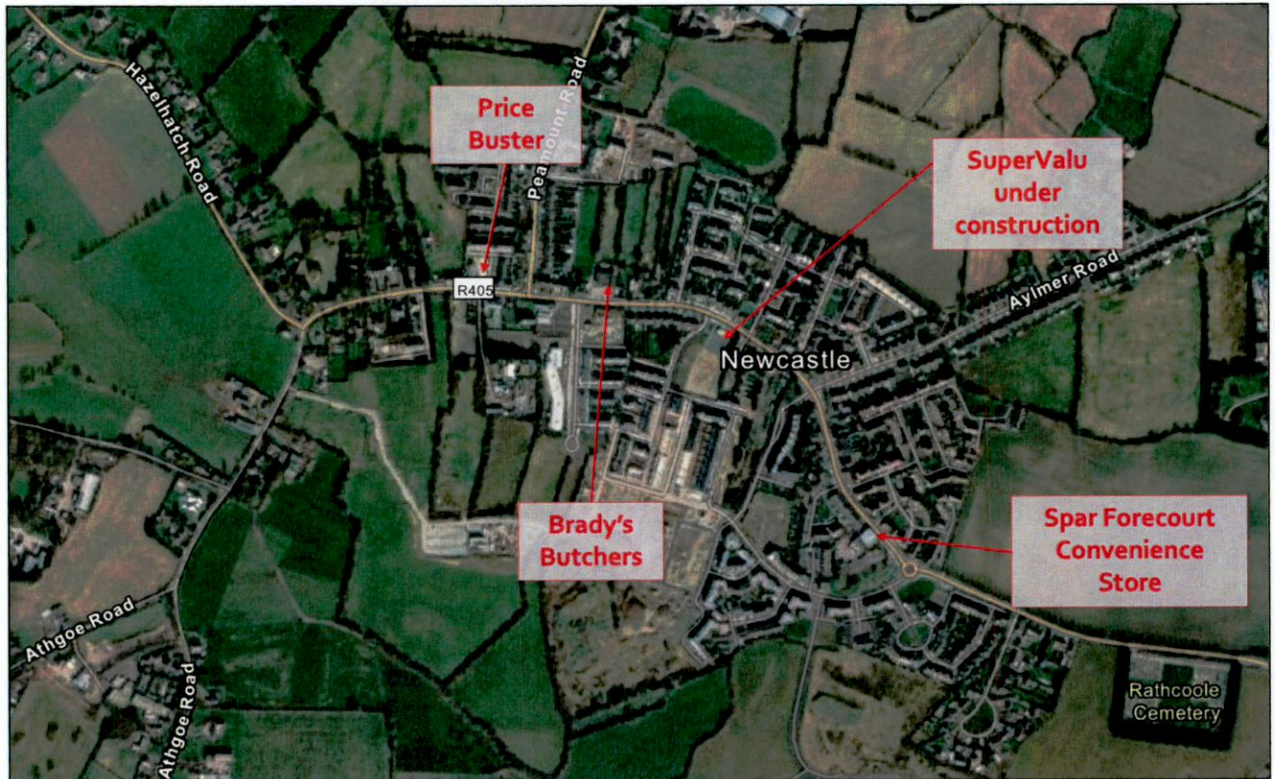
Based on the conservative assumptions informing the qualitative model developed for our assessment, the following are characteristics of the current situation prevailing in Newcastle and its surrounding retail catchment area:

- Within the town itself, there is a distinct mismatch in terms of available convenience goods spend versus available NRSA;
- Only specialist / 'basket' scale convenience retailing is available at present, significantly less than the role of the town, as widely recognised and well documented in the LAP and CDP;
- Attempts have been ongoing to deliver supermarket / foodstore scale provision for a significant period, e.g. since c. 2008 as noted above, reflecting the reality of the "*... the significant lead in times for ... schemes which augment existing retail or are infill town centre schemes which bring positive attributes to town centres*" as noted in the GDARS;
- The recent approval of a SuperValu supermarket along Main Street (*Reg. Ref. SD20A/0037*), currently under construction, will result in a closing of the gap between need and provision. We also note the relatively recent development of the Price Buster premises, which provides a level of service;
- A significant shortfall will remain however in the design year and to the end of the Development Plan period and beyond;
- In comparison however, many other towns of equal status in the retail hierarchy are significantly better served, both in terms of scale of provision and consumer choice and competition;²
- Newcastle is also noteworthy in terms of being distinguished by a rural setting with a quasi green belt buffer separating it from other centres in the surrounding area, compared to many other Level 4 centres in South Dublin and elsewhere which are within built up areas where Level 2, 3 and 4 centres and their immediate environs overlap;
- As a result, many other Level 4 centres are somewhat collocated with other centres, thus indirectly providing scale of provision, consumer choice and competition;³
- As illustrated in Section 4 below, a total of some 450 sq.m net Convenience floor space is estimated within Newcastle and environs currently, made up of small / specialist outlets, with a further c. 1,100 sqm (SuperValu) store under construction; and,
- The distribution of these outlets within the town and its environs and the wider area is illustrated below in Figures 4 and 5.

² Including for instance, Rathbeale in Swords, Portmarnock, Tyrellstown in West Dublin, Glenageary and Deansgrange in Dún Laoghaire-Rathdown), whilst permission is in place for similar scenarios in Lusk & Donabate in Fingal. Whilst these centres are in differing local authority areas, they are all subject to the same Regional Retail Strategy and RSES conventions as Newcastle.

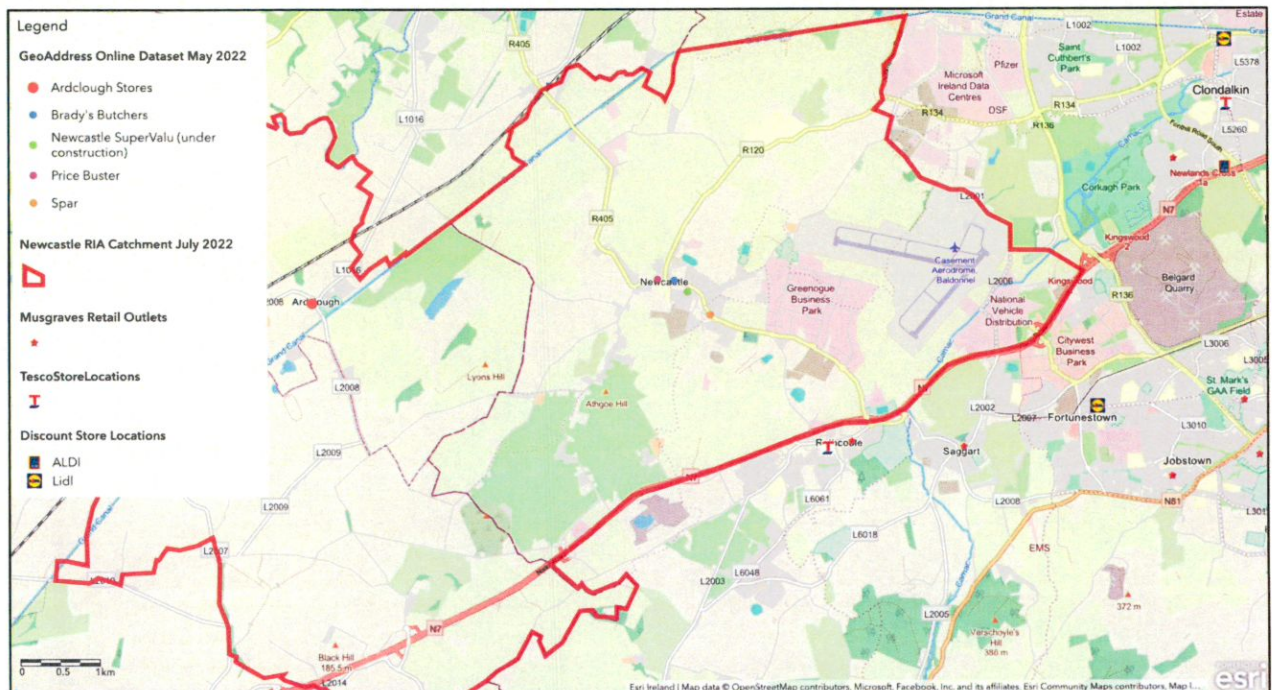
³ For example Palmerstown Shopping Centre, Rowlagh Village, Templeogue Village, Rathfarnham Village are all close / walking distance to other centres providing a choice of outlets.

Figure 2: Convenience Retail Distribution across Newcastle Town



Source: ESRI ArcGIS & GeoDirectory, annotated and reproduced under licence by The Planning Partnership, July 2022

Figure 3: Convenience Retail Distribution across Newcastle Catchment



Source: ESRI ArcGIS & GeoDirectory, annotated and reproduced under licence by The Planning Partnership, July 2022

2.4 Retail Vacancy

While no detailed data on retail vacancies in Newcastle town is available, the latest available report dealing with such issues, GeoDirectory GeoView Q4 2021 (published March 2022) provides insight into the likely scale of vacancy of commercial property (including retail). It records the following:

- The national vacancy rate of commercial properties at 13.9%;
- At end-2020, Dublin had a vacancy rate of commercial property in Ireland, at 12.9%.

In the Newcastle context, we consider that commercial or retail vacancy is not a prevalent issue, owing to the absence of any material scale of commercial or retail floorspace.

We note a small number of vacant or derelict structures, including on the subject site, which will be brought into use as part of the subject proposal.

The primary vacancy of note is the former 'Newcastle Village Store' which we note is particularly small (c. 40 sqm net) in scale and would appear unlikely to be repurposed to retail use, specifically convenience retail use.

In this regard we note the GDARA comments on obsolescence etc. highlighting instances where: "... older, less well configured and poorly located floorspace – that which is no longer 'fit for purpose' – falls out of retail use. This could 'free-up' turnover that would go towards helping support some of the new retail provision proposed"

The provision of a Licensed Discount Foodstore would, in our professional planning opinion, strengthen the function of Newcastle in relation to its role, keeping residents shopping in the town, which would be for the net benefit of other businesses there as well. Spill over / multiplier benefits would be expected to arise to other outlets in the town centre because of the increased footfall and retention of expenditure within the town.

We therefore submit that there is no barrier to the granting of permission on the basis of retail or commercial vacancy.

2.5 Applying the Sequential Approach

In terms of the location of the subject site, it is considered to be appropriate in terms of the sequential approach.

The site is within the designated town centre hence town centre uses are, by definition, appropriate and should be supported by the local Planning Authority (as confirmed by the *Retail Planning Guidelines, 2012*), as noted in Section 2.3 above.

We also note the direction of An Bord Pleanála in a recent case in Claremorris, Co. Mayo (ABP-307861-20) where the issue of sequential suitability within the designated town centre arose, with a narrative emerging in terms of comparing one town centre location against another town centre location, etc.

The Board stated in this regard that: "*the Board was satisfied that the proposed development would comply with national and local retail policy which favours town centres as the location for new retail development. Accordingly, the question of whether the permitted Chapel Lane site constitutes a more suitable site does not arise.*"

The proposal is a 'town centre' location and as such is the preferred / default location for retail use, with no preferable location arising.

3.0 QUANTITATIVE ASSESSMENT

3.1 Introduction

This Section of the RIA addresses the quantitative aspects of the potential impact of the proposed development including the capacity / requirement for additional floorspace in the catchment area. The retail impact and trade diversion potentially associated with the proposed development on the Newcastle town centre and surrounding centres is also assessed.

These quantitative assessments are based on figures available e.g. in terms of population (Census 2016 & 2022 preliminary results), spending power, and also a number of assumptions, which are necessarily made based on professional judgement and as informed by the above qualitative assessment.

We refer to the GDARS with regard to establishing a baseline in terms of turnover, spending, etc. whilst also having regard to previous *Retail Impact Assessments* submitted in South Dublin County Council, which have been accepted in terms of methodology / assumptions.

In this regard, a number of assessments submitted in respect of proposed Foodstore developments by Lidl for new / extended / replacement stores e.g. at Belgard, Fortunestown and Ballyfermot (*South Dublin County Council Reg. Ref's: SD 13A/0211, SD17A/0052 & SD19A/0286*) also inform the approach herein.

It is important also to note that in terms the floorspace capacity / requirement assessment it should by no means be regarded as a maximum, rather a minimum guide to the retail floorspace requirements of the catchment, as highlighted in the *Retail Planning Guidelines, 2012*:

"Assessment of any retail floorspace needs should take account of both emerging trends in the retail market and general estimates of future demand, based on projected changes in the local population and consumer spending. Estimates of future retail requirements are only intended to provide broad guidance as to the additional quantum of convenience and comparison floorspace provision; they should not be treated in an overly prescriptive manner, nor should they serve to inhibit competition (See Annex 4)." [Our emphasis]

This approach dates back to the development of *Retail Planning Guidelines*, for instance the Report submitted to the Tánaiste and Minister for Enterprise, Trade and Employment and to the Minister for the Environment and Local Government on *The Impact of the Draft Retail Planning Guidelines on the Retail Sector*, December 2000, states as follows:

"The fast growing nature of the retail market in Ireland makes it difficult to assess future retail space requirements going forward. Controls on provision of retail space could constitute a serious barrier to entry and could lead to a situation where the interests of incumbent retailers were protected and promoted. This would be anti-competitive, would tend to stifle innovation, and would be contrary to the interests of consumers. Assessments of retail space requirements should be regarded as minima, and should be flexible and capable of amendment to meet future needs." [Our emphasis]

We also note the commentary of the GDARS in terms of applying context to floorspace caps or estimates, as follows

"... achieving equilibrium between the impact of overprovision resulting in decline in a number of important centres, and under provision where competition and choice are suppressed is a delicate balance and is in many ways unachievable due to constant changing circumstances of population shifts in the GDA and economic flux as well as activity in the retail sector."

... it is vital that the significant lead in times for certain types of development are taken into account- particularly schemes which augment existing retail or are infill town centre schemes which bring positive attributes to town centres.

To accommodate this therefore it is recommended that individual retail strategies at Council level build in a 20-25% flexibility factor (or greater in areas with exceptionally high leakage)... In practice, the development cycle for many retail developments, particularly the larger ones, may take some time – five to ten years from project inception to completion is not uncommon... It would be wrong in these circumstances to refuse consent to a scheme simply because it breached the County floor space need total... This approach is too rigid and clearly it is more realistic to allow for some flexibility in the interpretation of the floor space need figures...” [Our Emphasis]

The following sections outline the quantitative *retail planning* issues and demonstrate whether or not the proposal would have a detrimental impact on the vitality and viability of the town centre of Newcastle.

3.2 Methodology

This assessment follows the methodology set out in Annex 5 of the *Retail Planning Guidelines, 2012*. As such, it is necessary to:

- (i) Identify the catchment or study area;
- (ii) Estimate the expenditure available within the defined catchment or study area;
- (iii) Estimate the turnover of existing centres within the catchment area which may or are likely to be affected by a new development;
- (iv) Estimate the turnover of the new development for which a planning application is being lodged; and,
- (v) Estimate the quantum of consumer retail spending available in the catchment area which will be diverted from existing centres to the new retail development.

3.3 Catchment Area

The definition of a catchment area is a matter of professional judgment based on experience and information available regarding travel patterns for retail in the surrounding area, and where available, information from research conducted by the Applicant.

It is also informed by the nature and scale of the proposed development, the distribution of population in the area, the accessibility of the site and the location of competing retail centres.

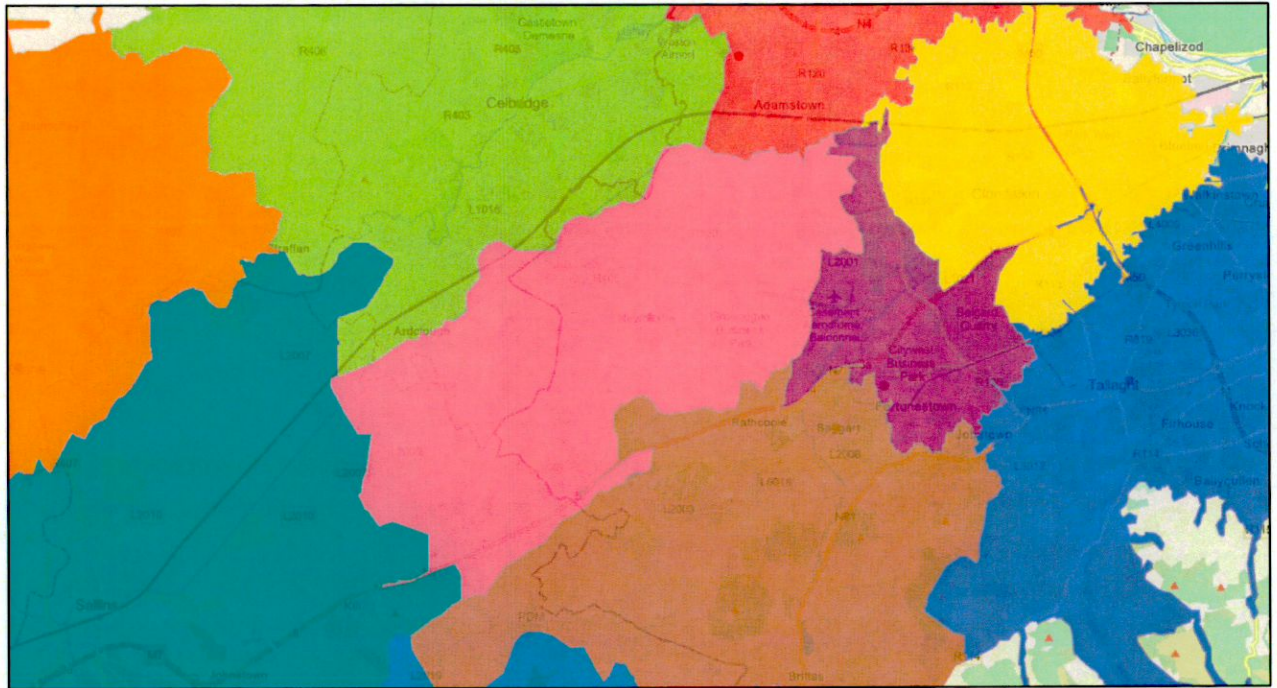
In food shopping terms, the town is considered to be, or should be, of equivalent status to nearby / adjoining centres of similar scale and convenience function include Sallins, Celbridge, Clondalkin, Adamstown, Saggart, etc. As noted above and in the enclosed Cover Letter, the subject site would for the interim be intended to serve Newcastle and its immediate environs, which extends to the small hinterland around the town.

Accordingly, an initial drivetime area of up to approximately 10 minutes was generated, adjusted to account for the 'split' between competing towns, e.g. omitting those areas that would be more proximate to other towns in the area with supermarket scale provision (e.g. Adamstown, Citywest, Celbridge, Clondalkin, Saggart, Sallins, Tallaght, Clane and Blessington, as illustrated in Figure 6 below).

The primary catchment area is thereafter refined to align to CSO boundaries in terms of Electoral and Small Areas to facilitate review and incorporation of (Preliminary Census 2022 figures recently published) which aligns substantively to the 'split' catchment factoring in surrounding centres, as shown in Figure 7.

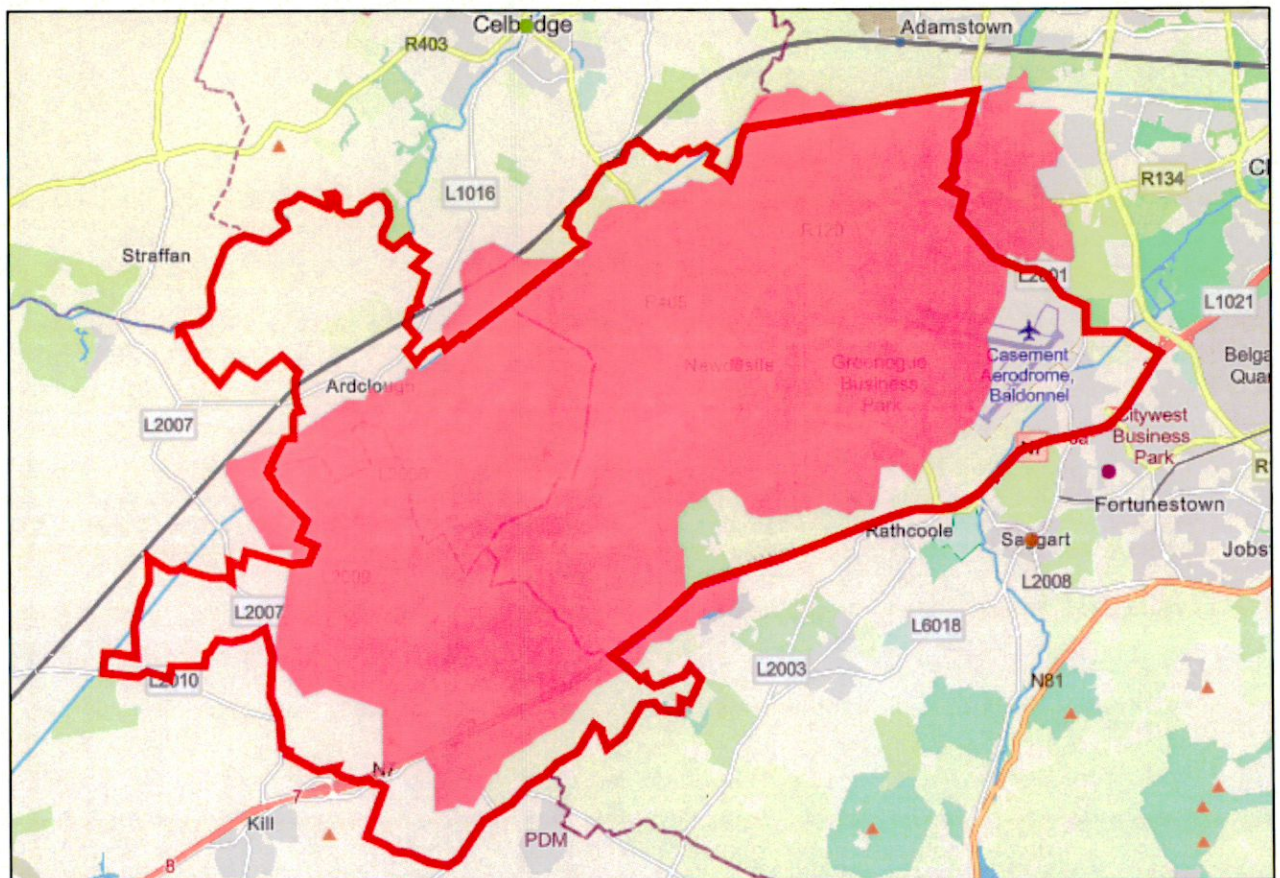
The purpose of the below catchment is to identify the general area from where the proposed development will derive its custom and should not be interpreted as definitive, whilst a degree of inflow and outflow would be likely to arise, which is assumed herein to balance out as neutral and therefore having no material effect on the baseline available expenditure.

Figure 6: Newcastle and Surrounding Towns Catchment Areas



Source: ESRI ArcGis & GeoDirectory, annotated and reproduced under licence by The Planning Partnership, July 2022

Figure 7: Newcastle Catchment Area



Source: ESRI ArcGis & GeoDirectory, annotated and reproduced under licence by The Planning Partnership, July 2022

3.4 Establishing the Baseline Population and Growth Projections for the Catchment Area

As set out further below, using ESRI Ireland data, ArcGIS Online and QGIS software, and Census 2016 and Census 2022 preliminary results generated at Electoral Division (ED) level, we estimate a base 2022 population of approximately 7,107 for the catchment area illustrated under Figure 7 above.

In terms of projecting forward we note that the *South Dublin County Development Plan 2022-2028* targets a high growth rate of 1.46% per annum, which we similarly apply herein, which results in an estimated catchment population of 7,422 by the Design Year, 2025 and 7,752 by the Horizon Year of 2028.

We consider the projected population growth rate to be appropriate, based on the growth trends revealed by the preliminary results of the 2022 Census, where growth in the catchment from 2016 to 2022 was 1.67% per annum, or 2.26% per annum between 2011-2022.

To arrive at the above estimates, a conservative approach was adopted considering the following factors:

- The catchment defined for this RIA is comprised of the following administrative or geospatial units:
 - Electoral Division (ED) – Newcastle;
 - Electoral Division (ED) – Oughterard; and,
 - Census Small Area (CSA) 1283 – a portion of Donaghcumper ED.
- The population as given in the preliminary results of the 2022 Census for the 2 no. ED's listed above were added with the population given for the CSA 1283 in the 2016 Census, taken as a similar proportion of the total ED population as was the case in 2016 to allow for minimal growth over the period (an additional 20 persons); and,
- To provide for a conservative but realistic estimate of the likely true total population for the catchment in 2022, additional population was assigned to a proportion of dwellings recorded as vacant in the 2016 and/or 2022 Census figures. However, no account was taken of holiday homes or other potential sources of additional population.

Table 2: Actual 2016 Population and Projected Growth up to 2025 in Catchment (Design Year)

Year	2016*	2022**	2023 [#]	2024 [#]	2025 [#]
Catchment Population	6,116	7,107	7,210	7,316	7,422

* Population figure for the defined catchment area as per the results of 2016 Census.

** Population figure for the defined catchment area as per the results of 2016 Census and the preliminary results of the 2022 Census as set out above.

[#] Projected population figures for the catchment area to 2025 and beyond are based upon the derived 2022 baseline population with applied growth rates drawn from the draft South Dublin County Council's population targets and assumed growth rate as set out in the *South Dublin County Development Plan 2022-2028*, which will take effect on 3rd August 2022.

Source: The Planning Partnership, July 2022

3.5 Turnover of Proposed Development in Design year and Retail Sales Densities

The turnover of the proposed development can be determined by multiplying the Net Retail Sales Area (1,269 sq.m) by the appropriate turnover ratio for new floorspace. We note that the *Retail Strategy for the Greater Dublin Area 2008-2016* suggests an average sales density figure of €8,621 per sq.m (projected up to 2022 from €8,000 in 2007, a growth rate of 0.5% per annum) for areas in South Dublin other than Liffey Valley and Tallaght.

This figure is 30% lower than the figure benchmarked for Tallaght of €12,000, reflecting the significantly higher intensity of retail activity and sales in such centres (being at Level 2 of the Retail Hierarchy, below only Dublin City Centre).

This approach is also considered to be consistent with the *Retail Strategy for the Greater Dublin Area 2008-2016* which in Appendix 1 states: "*Retailers selling high value goods from a relatively small unit generally achieve much higher sales densities than retailers such as DIY or bulky furniture operators selling lower value products from a large store.*" [Our emphasis]

Also, the Cork Strategic Retail Study states: "*different retailers have different sales densities. Higher quality operators such as Tesco and Dunnes currently have sales densities of around €11,500 / sqm whereas smaller supermarkets and discounter operators have sales densities of around €6,000 / sqm.*"

We also note for instance that a turnover ratio of €7,500-€10,000 per sqm was assumed, and accepted by the Planning Authority for a similar Discount Foodstore proposal at Oldcourt Road / Beechdale Road, Firhouse, D24, under Reg. Ref: SD12A/0032.

This approach thus equates to a turnover ratio of €8,000, €8,621, €8,751 and €8,883 per sq.m in 2007, 2022, 2025 and 2028 respectively. Based on the foregoing, the proposed development (i.e. the convenience net retail sales area of 1,269 sq.m) would generate a turnover of €11.11 m per annum in the Design Year (2025).

As is evident from the below assessment of available expenditure and floorspace capacity, we submit that the additional turnover arising from the proposed development would be warranted given the current and projected demand for floorspace in the catchment area.

3.6 Quantitative Capacity for Additional Convenience Retail Floorspace

3.6.1 Expenditure Estimates

An assessment of spending patterns (existing and projected) is a critical parameter in establishing both capacity and retail impact.

The per capita figures are derived from statistics presented in the *Retail Strategy for the Greater Dublin Area 2008-2016 – Appendix 2B* (Existing Expenditure for Zone 9 - Clondalkin) and 4B (Convenience Goods Expenditure Forecasts for Dublin) of Appendix 5 of the Strategy.

Table 3: Catchment Per Capita Convenience Expenditure Levels

Year	Convenience
2006	€2,695
2007	€2,725
2019	€3,107
2020	€3,141
2021	€3,176
2022	€3,211
2023	€3,246
2024	€3,282
2025	€3,318
2026	€3,354
2027	€3,391
2028	€3,428

Source: Extrapolated from the Greater Dublin Retail Strategy 2008-2016

3.6.2 Available Expenditure

By applying the population forecasts outlined above to the per capita expenditure forecasts, it is possible to estimate the available expenditure in the catchment area in the base year and design year, see Table 4 below for details of the same.

Table 4: Convenience Expenditure within the Catchment Area

Year	Population	Per Capita Expenditure	Catchment Available Expenditure (€m)
2022	7,107	€3,211	22.82
2023	7,210	€3,246	23.40
2024	7,316	€3,282	24.01
2025	7,422	€3,318	24.62
2026	7,531	€3,354	25.26
2027	7,641	€3,391	25.91
2028	7,752	€3,428	26.58

Source: The Planning Partnership, July 2022

Table 4 above highlights that total available expenditure in the catchment in 2022 is estimated at €22.82 million for convenience goods and in 2025 the available expenditure is anticipated to be €24.62 million, an increase of around €1.8 million in a relatively short period.

However, it must be noted that the foregoing projections do not account for retail spend leakage and inflows, which account for a significant portion of existing available expenditure.

Noting that current convenience retail floorspace in the catchment area only caters for a turnover of around €3.85 million and, having regard to the nature of the level and lack of diversity (as is well documented) of the current retail offering in Newcastle as well as its relative location to other, larger towns, it is assumed that in excess of 80% of the convenience retail spend available within the catchment is presently leaking to competing centres located outside of said area.

Without any notable convenience retail 'attractors' at present, no expenditure inflows are assumed.

It is anticipated that this situation will change materially once the approved SuperValu supermarket begins trading and, for the purposes of our modelling, we assume that convenience retail spend leakage will drop to 40% by 2023, with a related increase in inflows of spend of 5%.

Given the above, it can be anticipated that the proposed Lidl Licensed Discount Foodstore will provide an additional retail attraction, thereby generating clawback of retail spend and reducing the proportion of leakage which is experienced by the town. In tandem with this reduced leakage, it is expected that the enhanced retail offer will also encourage a degree of retail spend inflow from residents outside the catchment, for instance the substantial day time / working population in nearby employment centres such as Greenogue Business Park.

Table 5 below illustrates an assumption of the current (2022) retail spend leakage which is being experienced by the catchment area. This table also demonstrates how it is assumed that the SuperValu store under construction and the proposed development will together contribute to a gradual reduction in leakage as trade patterns establish and stabilise by the development Design Year (2025).

This assumed clawback of retail spend that is currently leaking to centres outside of the catchment area will occur following the opening of the proposed Discount Foodstore, leading to the removal of leakage (as should be the case in a well functioning centre) and an increase in inflows to 10%.

On this basis, and assuming the construction of the proposed Licensed Discount Foodstore, Table 8 also illustrates that the proportion of the available convenience retail spend that is retained and spent within the catchment area will increase from its current (2022) level of 20% to 110% convenience spend in the Design Year (2025).

Table 5: Retail Spend Leakage and Inflows for the Defined Catchment Area

Year	Convenience Leakage (%)	Convenience Inflows %	Retained Convenience Spend
2022	80%	0%	20%
2023	40%	5%	45%
2024	40%	5%	45%
2025	0%	10%	110%
2026	0%	10%	110%
2027	0%	10%	110%
2028	0%	10%	110%

Source: The Planning Partnership, July 2022

Based on the foregoing, Table 6 below illustrates the estimated actual retail spend which is currently available (in 2022) to sustain the existing retail floorspace within the catchment area, as adjusted to account for retail spend leakage and inflows.

Table 6: Total Expenditure by Resident Population of the Catchment Area Adjusted Having Regard to Projected Retail Spend Leakage, Inflows and Clawback

Year	Per Capita Expenditure (€)	Catchment Population	Total Convenience Expenditure (€m)
2022	€3,211	7,107	4.56
2023	€3,246	7,210	15.21
2024	€3,282	7,316	15.60
2025	€3,318	7,422	27.09
2026	€3,354	7,531	27.79
2027	€3,391	7,641	28.50
2028	€3,428	7,752	29.24

Source: The Planning Partnership, July 2022

Table 6 also illustrates the retail spend clawback corresponding with an enhanced retail offer and reduced retail spend leakage and demonstrates that approximately €27.09 million convenience spend will be available in the Design Year (2025) to sustain the retail floorspace within the catchment area, including the proposed Licensed Discount Foodstore, an increase of €22.52 million over 2022.

This is also projected to rise to €29.24 million in 2028, an increase of €24.67 million over 2022 spend levels (before the opening of the SuperValu store).

3.6.3 Turnover Estimates

The above calculation of available expenditure provides an estimate of the total expenditure of residents living within the catchment area on convenience retailing in general, both within and outside the catchment.

In order to estimate the turnover of existing retail units within the catchment it is necessary to make allowances for expenditure by the catchment population outside the area (outflow or leakage), and expenditure within the catchment due to persons living outside (inflow), and also instances of overtrading (which occurs when there is too little floorspace in a defined catchment area to cater for the actual demand for retail floorspace within that area. In that context, overtrading represents an additional pool of retail floorspace capacity).

As discussed in Section 3.5 above, a turnover ratio (in 2022 / 2025) of €8,621 / €8,751 per sq.m is assumed in relation to the proposed Discount Foodstore and other operators within the area.

Applying the data from Table 6 above and data on existing estimated convenience net retail sales area in the catchment, the catchment area is currently considered to be greatly under-provided for in terms of appropriate convenience retail. The following Table 7 (using what *should* be the normal turnover rates) estimates the extent of overtrading / leakage occurring in the catchment.

Table 7: Estimated Catchment Convenience Retail Floorspace Turnover⁴ (all areas approximate net convenience sq.m, excluding comparison sales areas)

Area / Centre	Non-Discount NRSA	Discount NRSA	Total Conv. NRSA	2022 Turnover (€m)	2025 Turnover (€m)
Newcastle (Current)	172	190	362	3.12	3.17
Super Valu Newcastle	1,100		1,100	9.48 ⁵	9.62
Ardclough	85	-	85	0.73	0.74
Total	1,357	190	1,547	13.33	13.53

Source: GeoDirectory, South Dublin County Council, extrapolated by The Planning Partnership

The above analysis demonstrates that there is currently under-provision of convenience floorspace in the catchment area, and this will remain the case notwithstanding the development of a Super Valu outlet.

Accounting for the anticipated net convenience retail sales area to come online at the new SuperValu store presently under construction (July 2022), there is an estimated current convenience retail expenditure capacity in the catchment of some €22.82 million (not accounting for inflow and outflow) and existing (or extant) net convenience retail sales area trading capacity of around €13.33 million.

This means that, in the catchment, there is, in 2022, a gap of c. €9.49 million, which will worsen to €11.09 million by 2025, or €12.85 million in 2028, in the absence of further retail development in the town.

As noted above, the overarching aim of retail planning is to ensure that *at a minimum* there are sufficient facilities to cater for expenditure rather than to match provision with expenditure.

This situation would likely lead either to over-trading and a continuation of significant leakage from the catchment to surrounding centres, which is not in keeping with retail planning objectives to provide local facilities, stymying the town centre from attract footfall to support other businesses and activities therein.

⁴ For purposes of illustration, the 2022 estimate of turnover includes provision for the SuperValu store under construction.

⁵ This store is not expected to be trading in 2022 however is included in this calculation in order to ensure full account is taken of the store and its contribution to retailing in Newcastle.

3.6.4 Gross Additional Turnover Potential

Having regard to the above and estimates of leakage and inflow (prior to opening of the SuperValu store) in the base and design years, it is assumed that there is an available expenditure in the catchment of approx. €4.56 million in 2022, compared to floorspace turnover of approx. €3.85 million, which still allows for a considerable element of overtrading.

Using the turnover estimates set out in Table 7 above, it is possible to estimate the spare capacity for additional floorspace in the catchment up to the design year of 2025.

These estimates show that allowing for population growth, projected growth in per capita expenditure, after catering for increases in turnover efficiency of existing floorspace, this will result in an additional spare expenditure per annum for convenience floorspace.

In addition, a reversal / clawback of leakage (down from c. 80% at present as shoppers would have a supermarket offering, unlike at present), reduction of overtrading, and an increase in inflow (up from 0% to 10%, as shoppers have more reason to stop/shop locally whilst traveling through / to Newcastle) is assumed.

The cumulative effect of the above would result in an increased available expenditure in in 2025 in the order of €27.09 million per annum or €29.24 million in 2028.

3.6.5 Capacity for Additional Floorspace

The net capacity for additional floorspace, factoring in the various parameters outlined above, population increases, etc. is presented under Table 8 below.

As noted under Section 3.1, the capacity figures set out below should be considered as a minimum requirement rather than an upper limit. Similarly, it should not be considered as an exact figure but a relatively broad guide based on a number of variable factors.

These estimates show that allowing for population growth, per capita expenditure increases, after catering for existing floorspace, this will result in an additional expenditure per annum for convenience floorspace of around €23.24 million in the catchment in the design year of 2025 being available.

Table 8: Net Convenience Retail Floorspace Capacity in the Catchment in Design & Horizon Year (2025 / 2028)

Factor	Convenience (as at 2025)	Convenience (as at 2028)
Additional Expenditure Growth: 2022-2025 / 2028 (€27.09 / €29.24 million less €3.85)	€23.24 million	€25.39 million
New Development Turnover Ratio	€8,751 per sq.m	€8,883 per sq.m
<i>Total 2025 / 2028 Floorspace Need</i>	<i>2,655 sq.m</i>	<i>2,858 sq.m</i>
<i>(Less 1,100 sq.m Super Valu store)</i>	<i>-1,100 sq.m</i>	<i>-1,100 sq.m</i>
<i>Balance in 2025 / 2028</i>	<i>1,555 sq.m</i>	<i>1,758 sq.m</i>
Less Proposed Floorspace	1,269 sq.m	1,269 sq.m
<i>Remaining 2025 / 2028 Floorspace Need</i>	<i>286 sq.m</i>	<i>489 sq.m</i>

Source: The Planning Partnership

In our professional planning opinion the above Table 8 demonstrates that there is currently a quantifiable shortfall in convenience floorspace and a corresponding need for additional convenience floorspace such as that proposed herein within the catchment area.

Furthermore, the scale of need is not such that would be likely accommodated by incremental improvements by either expansion of the Super Valu store or other retailers or small-scale operators. A facility of substance is necessary to bridge the gap in our opinion.

The proposed 1,269 sq.m will be well within the bare *minimum* requirement of 1,555 sq.m by 286 sq.m in 2025 and will be substantially below the cumulative *minimum* requirement of 1,748 sq.m by 489 sq.m in 2028, leaving additional room / need for further operators to enter the market.

This calculation should also be considered in the context of the comments of the GDARS noted above.

In our opinion, given the conservative approach adopted in the base estimates underpinning this assessment, there would be little question of there not being sufficient capacity or need for the floorspace proposed herein, and the key conclusion arising is that there is a clear need for a substantial outlet in the town (i.e. of a Supermarket scale) and this need is not satisfied by the anticipated Super Valu store.

Overall, in our professional planning opinion, the proposed provision is thus a *positive* in terms of responding to growth in local need.

3.7 Trade Diversion and Retail Impact

3.7.1 Introduction and Definition

This section of the RIA sets out the potential retail impact of the convenience element of the proposed development on the key surrounding retail centres with which the subject proposal would compete.

We define retail impact as occurring when a proposed new retail development (when its trade is established i.e. 2025) drives the turnover of an established centre below its current (2022) trading levels.

Retail impact is the **key** indicator in assessing whether a proposed development will have any effect on the vitality or viability of an established centre. **It should be noted that a 10-15% retail impact on any centre is not normally considered significant** when taking future income, population and commercial development growth into account.

3.7.2 Methodology

Our methodology in assessing retail impact follows the format of Annex 5 in the *Retail Planning Guidelines, 2012*. This uses current trading levels as a benchmark against which the effects of trade diversion can be identified. This approach enables the effects of projected growth in sales to be taken into account.

In terms of competing centres, we note that Adamstown, Clondalkin, Tallaght, Citywest/Fortunestown, Blessington, Sallins, Clane and Celbridge are relevant to varying degrees.

We note the smaller centre of Ardclough within the catchment centres would likely have inconsequential interaction compared to the larger centres as it lacks 'Supermarket' scale offerings, hence a significant degree of 'Supermarket' spending is already leaving that area.

Similarly, peripheral centres such as Rathcoole and Kill are also currently bypassed in terms of being absent a 'Supermarket' scale offering, with Saggart offering a greater albeit limited scale of provision.

The base year and design year turnover of each centre is derived from analysis above in relation to the estimation of existing floorspace and an appropriate turnover ratio per sq.m for 2022 and 2025 as discussed in previous Sections.

3.7-3 Convenience Trade Diversion and Retail Impact

The proposed development introduces 1,269 sq.m of net additional convenience floorspace with a projected turnover of €11,105,019 per annum.

Predominantly, the proposed development will provide for enhanced retail facilities in the town, entrenching an enhanced and better-balanced pattern of trade in the Newcastle town centre, where the site is located. The proposed development will in our opinion derive its turnover from a combination of latent existing capacity, a reversal of leakage growth in expenditure in the catchment area and a minimal degree of inflow.

In summary, as illustrated under Table 9 it is considered that the proposed development will not generate a material level of retail impact on Newcastle or other centres analysed.

In the case of Newcastle, this is due to the subject site being within the Town Centre and hence any redistribution of expenditure that might take place would remain within the town centre. In reality, the proposed development would be expected to enhance the town centre as it would increase expenditure and footfall. Such a scenario is the objective of retail planning policies in general, i.e. to enhance town centres. The proposal will also enhance the retail offer and options to the residents by the introduction of a modern licensed Discount Foodstore to the local area, which is currently absent.

In the case of Adamstown, Clondalkin, Blessington, Tallaght, Citywest/Fortunestown, Celbridge, Sallins and Clane, these centres are of sufficient scale and size that limited diversion would not have a material effect, and any such diversion would most likely be a reversal of leakage in any event.

In the case of Rathcoole and Kill, these centres are currently not offering a Supermarket service, hence the subject proposal would not be vying for any expenditure currently occurring therein. Saggart offers a Supermarket service albeit on a relatively smaller scale.

Table 9: Trade Diversion and Retail Impact

Retail Centre	Pattern of Trade Diversion		Trade Loss against 2025 Turnover	Impact against 2022 Turnover levels
	%	€	%	%
Newcastle	35.0%	3,886,757	0.00%	0.00%
Clondalkin	10.0%	1,110,502	1.46%	0.00%
Citywest/Fortunestown	10.0%	1,110,502	3.34%	1.88%
Tallaght	5.0%	555,251	0.55%	0.00%
Celbridge	10.0%	1,110,502	1.69%	0.21%
Sallins	10.0%	1,110,502	2.39%	0.92%
Clane	5.0%	555,251	1.41%	0.00%
Blessington	2.0%	222,100	0.59%	0.00%
Rathcoole	3.0%	333,151	3.81%	2.36%
Kill	2.0%	222,100	3.17%	1.71%
Adamstown	5.0%	555,251	2.54%	1.07%
Saggart	3.0%	333,151	3.63%	2.17%
Total	100.00%	11,105,019		

4.0 CONCLUSION

Based on the foregoing, we respectfully submit that the proposed development would not lead to significant or material retail impacts on Newcastle Town Centre, or surrounding centres.

In addition, the proposed development is a significant investment by a major multi-national retailer and would lead to economic benefits in terms of employment and enhancement of shopping facilities in the town, and lead to a more balanced convenience retail sector providing for residents of the town and surrounds.

Encouraging competition and innovation would in our opinion have the potential to enhance the vitality and viability of Newcastle town centre, in turn improving footfall and encourage demand for non-convenience and / or non-retail services, which would likely ultimately lead to further commercial activity in the town.

In our professional opinion, the proposed development will assist in achieving a range of retail functions that are in line with, and complement, Newcastle's designation as a 'Self-Sustaining Growth Town' and a 'Level 4 Small Town' within the retail hierarchy of the County so as to achieve CS9 Objective 3: "To proactively support and promote the highest appropriate levels of services, social infrastructure, facilities, retail, open space amenity and economic activity to meet the needs of current and future growth in line with the scale and function of Newcastle within the settlement hierarchy".

Based on the foregoing, we respectfully submit that the proposed development would not lead to significant or material retail impacts on the Newcastle catchment area, or other surrounding centres.

Finally, to place in context the above *limited* anticipated trade diversion and retail impact, we note the comments of the Competition Authority, as follows:

*"The possibility of losing turnover to new retailers is what drives retailers to provide maximum value and service to consumers. **This is the essence of competition.** When this possibility is removed, as is the case when trade diversion explicitly informs the decision making process of planning authorities, the established retailer is given the market power to charge higher prices than might otherwise be the case. ..."⁶ [our emphasis]*

And, the Retail Planning Guidelines, 2012 where they state:

"...planning authorities and An Bord Pleanála should avoid taking actions which would adversely affect competition in the retail market. In particular, when the issue of trade diversion is being considered in the assessment of a proposed retail development, planning authorities and An Bord Pleanála should assess the likelihood of any adverse impacts on the vitality and viability of the city or town centre as a whole, and not on existing traders."

Yours faithfully



Fintan Morrin

Associate

The Planning Partnership

⁶ *The Retail Planning System as Applied to the Grocery Sector: 2001 to 2007, Grocery Monitor: Report No. 3, Competition Authority July 2008.*