An Appraisal of the Retail Impact for Horsham District Council:
Mowbray site

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Placechanger

1 Background

Placechanger & Graham Galpin

1.1 Graham Galpin of Placechanger and the High Street Consultancy has been engaged to appraise the Retail Impact Assessment (RIA) of an application to Horsham District Council (HDC) to amend the Section 106 agreement regarding Planning Application DC/16/1677. Outline Planning Approval (OPP) was approved on 1st March 2018. In addition, we are reviewing the objection to the application by Cube.

1.2 Graham is a Fellow of the Institute of Place Management (IPM) and has almost 30 years' experience in regeneration and economic development. He has spoken on town centres at conferences in Brussels (EU Parliament building) and many London events.

1.3 After 14 years in Academia and consulting he was a Cabinet Member responsible for town centres for Ashford (Kent) Council and a member of the Planning Committee.

1.4 He was a key government advisor within the Timpson Panel which proposed the High Street Task Force and the (initially £650million) Future High Street Fund. Graham assisted them in the development of the High Street Task Force (HSTF) range of interventions with IPM and Manchester Metropolitan University and was part of the delivery team over the next 5 years. This initiative was a national important and the UN found it to be to be the best national support programme globally.

This Appraisal

1.5 This appraisal of the RIA and a comprehensive objection by Cube, landlords and managers of Swan Walk, is on an amendment requested from the developer of the Mowbray site. The appraisal was commissioned by the Planning Authority.

1.6 The commissioners have provided me with access to the Application documents and history online. We have been provided with the applicants RIA, and the objection documentation from Cube.

1.7 I visited the Mowbray site and Horsham town on 8th August 2025 and spoke with town centre users, selecting an entirely *ad hoc* sample. All enthused about the town.

1.8 The town appears both vital and viable with flourishing retail and leisure offers being utilized. It had some locations which were more challenged at the rear of some terraces and around the voided stores.

1.9 I also spoke with the Business Improvement District (Your Horsham) Director, Rachel Noel. She voiced her concerns regarding the impact of a larger development on the vitality and viability of the town centre

1.10 Mowbray is located to the north-west of Horsham town and outside its confines. In these terms it is agreed that the development constitutes an out-of-town site in both the OPP and the RIA.

1.11 The amendment to the S106 agreement is a request to allow the sales area to be amended to 6,400m^2. This would be a considerable change from the OPP which showed that the figure was to be for a Gross Internal Area (GIA).

1.12 HDC has asked whether such a retail development will displace key retail activity away from Horsham Town Centre. They required a Retail Impact Assessment from

the applicant on grounds, including relating to Paragraph 5.34 of the Horsham and District Planning Framework (November 2015) requiring a “Town Centre First” approach, and the National Planning Policy Framework 2012 and updates (paragraphs 90 to 95), from the Government.

1.13 The developer provided an impact assessment drafted on their behalf by Montagu Evans LLP. It was received by HDC on or after the 16th of June 2025.

1.14 Retail property managers and owners in Horsham are also concerned about the impact on the sustainability of the town Centre. A Comprehensive Objection has been entered by Cube; owners of the Swan Centre. They commissioned their own research. We consider this objection in parallel to the RIA.

1.15 The Section 106 Agreement signed on the same date as the Planning Approval stated in Schedule 14 that there should be no more than 6,400m^2 gross internal area (GIA) shall be for retail use. This is on condition that the maximum retail floor space for a single unit shall be no more than 6,000m^2. This amendment to sales area implies that the total development area could be as large as 8,000m^2 to account for storage and administration areas. This change would make a significant change to the type of retail business that could occupy the site.

1.16 The site of question is in the masterplan submitted by the applicant to the east side of Rosper Road.

2 Policy Context

2.1 In terms of policies, we must examine the application in its compliance at local, regional and national policy level.

2.2 The Horsham District Planning Framework of 2015 is still in force, until a new Local Plan is Accepted for the District, and/or the projected Unitary Area.

2.3 The Framework observes that Horsham must ensure that future development in the district is based on sustainable development principles that strike the correct balance between economic, social and environmental priorities and delivers living, working and balanced communities which contribute to community cohesion.

2.4 These must meet employment needs, create opportunities to foster economic growth and regeneration, and maintain high employment levels in the district which help reduce commuting distances.

2.5 Very importantly it states that it must protect and promote the economic viability and vitality of Horsham town, the smaller market towns and the rural centres and promote development which is appropriate within the existing hierarchy and diversity of settlements in the district.

2.6 Objective 4 of the Framework is unequivocal. HDC will also recognise and promote the role of Horsham Town as the primary focus for the community and businesses in the district whilst preserving the unique ambiance that contributes to its attractiveness. We must therefore ask whether the proposed development seeks to merely service the new population of the Mowbray site, as required in the Framework or whether it provides additional retail space that would be a source of displacement of the retail offer, either existing or potential investment. We must also review the impact that this would have on the overall vitality, viability, and community cohesion of Horsham Town.

2.7 There is clarity in the Framework that necessary infrastructure and services must be available to new residents in the development areas and that carbon emissions must be a key consideration. This goes beyond domestic heat pumps, and solar panels but is expressed to reduce the need for car travel. Hence the need for the retail area to serve the population. To my mind this appears to be one of the fundamental considerations in this appraisal; is a larger retail facility necessary for the Mowbray site to serve its community?

2.8

3. A balanced review of the RIA and the Cube objection

3.1 Both the RIA and the Cube objection carry very differing conclusions. It seems that one has an optimism bias and the other a pessimism bias. The conflicts are examined in the text below and weighted conclusions drawn.

3.2 The RIA identifies the need for compliance with Planning Practice Guidance of the NPPF, that sets out a checklist for applying the impact tests which I agree must include:

- establish the state of existing centres and the nature of current shopping patterns (base year);
- determine the appropriate time frame for assessing impact, focusing on impact in the first five years, as this is when most of the impact will occur;
- examine the 'no development' scenario (which should not necessarily be based on the assumption that all centres are likely to benefit from expenditure growth in convenience and comparison goods and reflect both changes in the market or role of centres, as well as changes in the environment such as new infrastructure);
- assess the proposal's turnover and trade draw* (drawing on information from comparable schemes, the operator's benchmark turnover of convenience and comparison goods, and carefully considering likely catchments and trade draw);
- consider a range of plausible scenarios in assessing the impact of the proposal on existing centres and facilities (which may require breaking the study area down into a series of zones to gain a finer grain analysis of anticipated impact);
- set out the likely impact of the proposal clearly, along with any associated assumptions or reasoning, including in respect of quantitative and qualitative issues; and
- any conclusions should be proportionate: for example, it may be sufficient to give a broad indication of the proportion of the proposal's trade draw likely to be derived from different centres and facilities in the catchment area and the likely consequences for the vitality and viability of existing town centres.

3.3 This section will reflect on the validity and accuracy of the RIA and the Cube objection. In the commentary the 2030 timeframe is examined.

3.4 I will provide both a rationale for my appraisal and indicate my conclusions. These will be drawn together in a final section, along with recommendations.

RIA and Objection Commentary

3.5 The RIA provides a town centre health check. Most of the RIA quoted data are rooted and extrapolated from those stated in the Horsham Retail Study of 2017, and its underpinning household survey. In general, 8 years of inflation have accounted for an

increase in the monetary value in turnover of 34.4% presently[1]. Extrapolating this by 2030 should increase turnover by another 17.5%. Hence all calculations of turnover are flawed, since inflation is not referenced or correctly weighted in the RIA. The Cube objection highlights disparities in the turnover figures stated which appear to coincide with the impact of inflation alone.

3.6 I find that the age of the Study and Survey does, as Cube suggests, makes the RIA baseline data challenging assumptions. Since 2017 town centres have been under considerable additional pressure since that date. These have included:

- Higher inflation figures and interest rates which impact on customer confidence
- Brexit and political changes
- The impact of Lockdown resulting from the Covid pandemic
- A growing proportion of online retail purchases
- The increased oil and gas prices because of Russian activity in Ukraine and the Green agenda
- Year on year increases in rental costs
- Business Rate costs
- Anticipated additional costs from new employment regulations.

3.7 Nationally there is a significant year-on-year decline[2] in town centre retail transactions have **decreased** from 2024 (year to date) by 4.2%. The average transaction value has increased (marginally) by 1.2%, that figure is substantially supported by increases in food and beverages. If one discounts the inflationary impact the figure reverts to negative.

3.8 In the light of the general difficulties identified for town centre retail situation for retailers is parlous and will see a real threat of exogenously impacted decline. By 2030 additional decline is much more likely than status quo as suggested in the RIA.

3.9 We note that the use of Experian data by Cube also shows significantly lower population estimates and projections. Given the age of the RIA estimations, the Cube expectation requires reconciliation in the RIA submission.

3.10 The shock waves of Out-of-Town developments that go beyond servicing new residential developments alone and results in shopper blead to this new OOT retail development as identified in the amendment application I do not believe has not been satisfactorily addressed by the RIA Since much of the decline is due to the growth of online and OOT shopping, this needs to be factored in or the basis for the assumptions explained. The donut effect of voided town centre larger retailers is demonstrated most recently by stores that relocated OOT, for example in Ashford M&S was lost in the town centre to an outlet centre nearby and a food retail unit in an OOT hub. The impact is ongoing, with a change in the character of the town.

3.11 There are conflicting views between the 2 documents regarding the RIA using Lidl as the sales density benchmark. The Cube objection asserts that the projected store is too large for a Lidl and that a more suitable comparator is one of the older, more established supermarkets, e.g. Tesco. In this we agree and note the permission is already in place for a food outlet on the Broadbridge Heath development.

[1] Bank of England online inflation calculator 2025.
[2] Beauclair Retail Sales Insights July 2025

3.12 Lidl and Aldi stores tend toward a sales floor space of about 3-4,000sq m, and construct stores to a pattern that reflects this model. One must therefore believe that the Cube assertion that the increased site floor area will only attract an established trader, used to dealing with 6,000 sales area and about 8,000sq m this increased floor space to take the site.

3.13 If this is the case, then there is a real risk that a trader already operating in the town may wish to move to expand its offer or capture other markets. The impact of a migrating store can be profound, as can be forced closures. When Wilko closed in Horsham, five other traders closed in short order, mainly because of the lost cluster-attraction of being close to this anchor tenant.

3.14 This domino effect is not unique where an anchor tenant leaves a town centre. There are many examples of larger stores that have closed due to head office decisions either for liquidation or due to changes in parent company policy.

3.15 These closures will leave a town bereft of particular types of stores. The closure of BHS, Debenhams to name but two, left towns where other retailers were left with a choice to follow a lead OOT or languish in a donut town.

3.16 In Horsham's case, the closure of Wilko's creates a new larger retail void which has been challenging to let as one unit. One therefore questions the assertion that there are no larger units available in the town centre. The RIA suggests that there are no such development opportunities in the Town Centre. This would not appear to be the case. Hence this assertion is devalued.

3.17 I welcome the increase in independent stores opening in high streets. These occur less in shopping malls where rentals and rates tend to be higher. Because OOT centres can draw in town centre businesses, or new businesses with similar offerings, the impact of the displacement has, in my view, been understated. I note that the Cube objection identifies from their own local research that travel-to-shop

Conclusions

3.18 The baseline data and projections in the RIA are too old to be valid, and the information quoted is therefore less robust than that of the Cube objection. I could be more content if the RIA provided references to substantiate the assumptions it has used.

3.19 There is little evidence that a new 6,000sq m sales area is needed to service the new population on Mowbray, or indeed the catchment area described in both documents. This must therefore be considered a speculative development.

3.20 There is evidence that if the speculative and larger development was available as described in the RIA, then the risk of displacement of a town centre store is very high. If an occupant was not a town centre business displaced, then I suggest that there are fewer takers available for the larger unit. I suspect an economy supermarket would take a unit of the size already agreed.

3.21 The RIA reads as if there are clients targeted that are likely to locate to this site. If this is the case it would help if the identity of such clients were made clear in the document to justify some of the future displacement figures shown in the Assessment.

3.22 One must of course recognize that any large store may want to centralize its offer through ease of vehicular access. This could make the risk of relocation beyond Horsham a real risk and we suggest that the council brings businesses and the BID into future planning discussions.

3.23 The Swan Centre and other Horsham retail destinations should consider lobbying to improve car access to the town centre. This cannot compromise pedestrian access and safety.

3.24 Increases in travel-to-shop distances suggested by a larger store in the Mowbray site conflicts with National and Council policies on CO_2 emissions and green targets. Similarly the RIA does not appear to regard the Horsham Framework as material, but it is still the standing document and should be treated with more weight.

Recommendation

3.25 Earlier in this document I commented that there exists a conflict of optimism and pessimism bias from the RIA and the objection from Cube. On balance I recommend that the optimism of the RIA considerably weakness their application. Obviously, Cube will wish to express a negative view, however, I find their arguments, as analyzed above substantial.

3.26 I find it difficult to recommend that based on the RIA Horsham DC should accept the amendment as tabled.

3.27 If the Council was minded to grant permission for the application, I strongly recommend that it is conditioned to ensure that there is no significant bleed of large retailers from Horsham town centre. Likewise, planners should consider the application on the granting of additional S106 conditions to improve road access to the retail town centre.