Examination of the Dartford Local Plan to 2037

Matter 7: Economic and Retail Growth

Blueco On Behalf of The Owners of Bluewater

1 Introduction

1.1 On 9th April and 27th October 2021, Quod submitted representations on behalf of the Owners of Bluewater ("The Owners") to the Dartford Local Plan to 2037 Pre-Submission Document seeking to avoid overly prescriptive policies in respect of Bluewater Shopping Centre.

1.2 In the context of these representations, this Statement responds directly to the questions raised by the Inspector in relation to Matter 7 (Economic and Retail Growth) and the issue of Policy M22 ("Bluewater").

1.3 Regard has been had to the following evidence base documents:

Ref.	Document Name
BAR-1	Business and Retail Topic Paper December 2021
BAR-2	Dartford and Ebbsfleet Retail and Leisure Study Part 1 Study January 2021
BAR-3	Dartford and Ebbsfleet Retail and Leisure Study Part 2 Key Findings and Recommendations January 2021

2 Bluewater

2.1 Bluewater is a major retail and leisure destination located in a former chalk quarry in Greenhithe. With over 320 shops (including three anchor stores), it serves a regional catchment distinct from nearby towns such as Dartford which serve more local retail needs. Over recent years there has been significant housing development in the surrounding area and a new tunnel now provides a direct connection through to Ebbsfleet Garden City. It is a major employer and has been a catalyst for regeneration[1].

3 Response to questions

116. Is the identification of Bluewater as a regional centre justified?

3.1 The Owners consider that Bluewater should be a regional centre with town centre status/without a requirement undertake the sequential test.

3.2 Since 2011, Policy CS4 and CS12 of the adopted Core Strategy identified Bluewater as a centre within the Borough's retail network (along with Dartford Town Centre and smaller centres). These policies have required the physical integration of Bluewater with the surrounding area and have allowed growth to occur subject to an impact test including a

[1] Paragraph 2.34 of the 2011 Core Strategy acknowledges that Bluewater had a significant impact in raising the profile of the area and acting as a higher quality development, employing over 8,000 people and the continuing ability of Bluewater is crucial to maintaining such benefits.

requirement to support and maintain Bluewater's role as a specialist regional comparison shopping destination and providing an offer which is distinct from nearby town centres.

3.3 The current policy framework has provided an appropriate balance between recognition and support for the benefits that Bluewater brings whilst ensuring that any changes do not compete with Dartford and other town centres. The approach is also repeated in the Councils 2017 Development Policies Plan which was independently scrutinised through examination and found to be sound in the context of national policy on town centre uses in the National Planning Policy Framework ("NPPF") (which has remained largely unchanged since its original publication in 2012). The conclusions of the Retail and Leisure Study (BAR 2 & 3) also support rolling forward Bluewater's status as a Regional Shopping Centre in the network of centres (paragraph 12.98).

3.4 The Owners consider that the current approach needs to be refined to reflect Bluewater's increasing integration with the surrounding area and changes to the retail and leisure sectors (retail is increasing online and structural changes are taking place following the pandemic[2]). For example, Bluewater's vacancy rate is currently significantly higher than its long-term average and leasing demand from quality operators for traditional retail space remains low. A high vacancy rate over a long period can be damaging to customer experiences with Bluewater visitors as well as the ability of the owners to continue to invest in the scheme.

3.5 Data modelling based on current online penetration rates forecasts that Bluewater will continue to have an oversupply of traditional retail space in five years unless action is taken to reduce the amount of floor area dedicated to these uses. The market for operators seeking physical space is highly dynamic and new concepts are coming forward that blend new and traditional uses to provide more engaging experiences.

3.6 Flexibility is therefore needed to enable Bluewater the right size retail space and meet the needs of a fast changing market. It is also essential to delivering an offer that is relevant to our catchment, game-changing and that provides a unique mix of uses that maintains Bluewater's status as a destination in its own right with a regional appeal.

3.7 As set out in representations to the Pre-Submission Draft Local Plan, there is a significant opportunity for Bluewater to evolve and create a more diversified destination to respond to demand for more experiences with a greater emphasis given to leisure and entertainment. This will allow it to respond to the restructuring of the retail sector and compete equally with its main competitors Westfield Stratford City and Lakeside Thurrock which both have attained town centre status and have significant planned improvements and a diversified offer.

3.8 Whilst the changes to the Use Classes Order allow employment uses to be interchangeable with retail ones, there is less flexibility towards leisure uses and it is important that leisure uses, in a similar manner to retail uses in the current Local Plan, are permissible, subject to them supporting the distinct regional function of Bluewater in the network of centres.

[2] See paragraph 12.89 onwards of BAR3

Note continued

3.9 The Council's 2021 Retail and Leisure Study (Ref. BAR 2 & 3) indicates that there is no forecast capacity for new retail floorspace up to 2030 and given the current trends, it is unlikely that there will be any demand for new comparison retail at Bluewater. The study does however state there is demand for following leisure uses within the Borough:

- **Food and beverage**: The food and beverage sector accounts for over half the total available leisure expenditure.
- **Gym/health and fitness**: There is potential to provide up to six new gyms in the Borough up to 2036 to serve the likely needs of the projected population growth.
- **Tenpin bowling**: There is a potential for a tenpin bowling venue in the Borough to serve its existing and forecast population, and to help claw-back trips that are currently leaking out of the Borough to venues in neighbouring authorities. These typically require large floorplates between 13,000 – 30,000 sq.ft.

3.10 In this context and as set out in our representations there are two main changes that should be made to draft policies.

Bluewater's Status

3.11 First, Bluewater's status as a town centre serving a sub-regional catchment should be confirmed. This will ensure that the Centre is recognised as a sustainable location to deliver complementary uses and will ensure that draft Policy aligns with draft Policy S1 that seeks to deliver economic development and job growth through redevelopment within retail centres, including Bluewater. It will align the planning status of Bluewater with its main competitors (Stratford City and Lakeside Thurrock) which are designated town centres.

3.12 A defined retail function of '*Town Centre serving a sub-regional catchment'* will ensure that its offer would remain distinct from established town centres and avoid the need to apply the sequential test for any proposals for town centre uses as any change at the centre would need to complement rather than compete with other centres in the retail network.

3.13 In the event that town centre status is not confirmed, policy should be revised in any event to remove the requirement for the sequential test to be applied to indoor leisure development. Policy M22 (3)b introduces sequential testing for indoor leisure and states that proposals should demonstrate they are:

"..acceptable after evaluation through impact assessment for retail/ leisure proposals over 2,500sqm (gross), and <u>sequential testing for indoor leisure</u>, which will take into account neighbouring town centres and regional implications."

3.14 This is not a requirement of current policy and would inhibit essential diversification of the uses at Bluewater. The Owners disagree that the sequential test for indoor leisure is necessary and important as suggested at paragraph 12.101 of the 2021 Retail and Leisure Study (Ref. BAR 2 & 3). Consistent with current policies, a requirement to support and maintain Bluewater's role as a specialist regional comparison shopping destination and providing an offer which is distinct from nearby town centres would allow the council to effectively monitor and manage the evolution of Bluewater's leisure offer over the plan period.

Note continued

3.15 An overly strict application of the sequential test could discourage leisure occupiers from opening at Bluewater. Whilst sites elsewhere could be large enough and available, the regional role of Bluewater and function as a major destination means that prospective occupiers would only invest at Bluewater. **Appendix 1** provides a list of potential leisure concepts which are currently under consideration by the Owners. Such concepts are highly unlikely to open in local town centres but could do in competing regional shopping centres in the South East encouraging residents in Kent to travel further. Greater flexibility would also allow ancillary leisure such escape rooms and gyms which complement the offer at Bluewater and would not compete with the likes of Dartford Town Centre which have their own local provision. As set out in the Council's 2021 Retail and Leisure Study there is a lack of some leisure facilities locally, with paragraph 11.76 for instance explaining that there are no tenpin bowling venues for residents in Dartford Borough[3]. Bluewater would be ideally placed to meet this gap in provision.

3.16 The 2021 Retail and Leisure Study (Ref. BAR 2 & 3) acknowledges the need for Bluewater to evolve (see for instance paragraph 12.92), confirming town centre status with appropriate safeguards with an impact test requiring future proposals to maintain and enhance the centres regional role, and to not compete with established centres in the network, will ensure that this can progress without undue prescription through the application of the sequential test to indoor leisure uses.

Mix of uses

3.17 As set out in representations, policies should specifically acknowledge the potential for the regional role of Bluewater to be complemented by other uses. This includes the potential for a hotel (which is specifically endorsed by paragraph 12.97 of the Retail and Leisure Study) and residential. In representations it was explained that there is capacity for 300-500 residential units in any intial phase and new homes would build on the amenities and connectivity at Bluewater and create provision which is distinct from the surrounding area. Bluewater is identified in the September 2021 SHLAA for 114 dwellings and nearby underutilised areas of surface level car parking offer similar opportunities.

117. Is the threshold for impact assessments for developments over 2,500 sqm justified?

3.18 Policy M22 (3)b requires proposals over 2,500 sqm to be demonstrated through an impact assessment. In principle, this consistent with the NPPF threshold at paragraph 90. However, for the reasons explained above, a specific impact test for proposals at Bluewater above this threshold should apply to ensure that future retail and leisure proposals complement its distinct regional offer/do not compete with other centres in the network.

[3] Table 11.17 incorrectly makes reference to Ten Pin Bowling at Bluewater

Note continued

Appendix 1: Potential Leisure Operators at Bluewater

Operator	Size (sq.ft)
Toca (Football)	24-30,000
Project Goals (Football)	8-20,000
Bounce (Table Tennis)	7-14,000
Putt Shack (Golf)	20,000
Swingers (Golf)	20,000
Flight Club (Darts)	6-10,000
E-Gaming concepts	6-20,000
Hollywood Bowl	18-20,000
All Star Lanes	15,000
Escape rooms	3,500-5,000
Urban golf concepts	15,000 - 20,000
Roald Dahl World	50,000
Nintendo World	50,000
Live MarioKart	25-50,000
Adventure play (eg. Kidzania)	60,000
Sweets attraction (eg. M&M World)	20,000
Bear Grylls Adventure	50-100,000
Ninja Warrior (Obstacle Course)	15-30,000
Go Ape	Outdoor
Virtual Reality rides	
Gravity (Trampoline / Go Karting / Bowling)	25- 65,000
Flip Out (Trampoline and other activities)	60,000