

CUNNANE STRATTON REYNOLDS

Our Ref: 13529/230813

Director of Service Planning Department,  
County Hall,  
John Street,  
Kilkenny.

23<sup>rd</sup> August 2013

BY EMAIL

Dear Sir,

**Submission on the Kilkenny Draft City & Environs Development Plan 2014 – 2020 –  
Sheville Developments, Former Kilkenny Mart Site.**

## 1.0 Introduction

- 1.1 We write on behalf of Sheville Developments who has an option in place with the Receivers appointed to the Mart site to apply for planning permission and develop the site as a mixed use retail development and welcome the review and publication of the Draft Kilkenny City & Environs Development Plan 2014-2020. From our experience of the operation of the existing 2008 Kilkenny City & Environs Development Plan and the existing Retail Strategy we have an insight into what has worked well in applying the current Plan and Strategy and how policy can be further developed to ensure that the planning system facilitates good planning, supports competition in the retail sector to the benefit of the consumer and helps drive economic regeneration and job creation within Kilkenny.
- 1.2 Sheville Developments intend to make a planning application on the Mart site in accordance with the Urban Design Framework contained within the City Centre Local Area Plan. Our clients objective was originally to create a mixed use urban quarter with significant convenience and comparison retail floorspace, however this objective has been reconsidered for the short term and it is now proposed to accommodate a retail multiple on the site which will accommodate approximately 4,500sq.m of net retail floorspace. **If a positive retail policy direction is given to the site in the adopted Kilkenny City & Environs Development Plan 2014 – 2020 our client subject to the securing of planning permission will be in a position to commence construction on the site in late 2014.**
- 1.3 We do however have a particular concern about the **lack of any meaningful policy direction on the development of the Mart site.** Our concerns relate to the potential conflicts in Section 3.4.3 paragraph 10 of the Draft Plan relating to the designated Opportunity sites contained in the Kilkenny City Centre LAP and the retail objectives contained in Chapter 4 and Appendix A of the Draft Plan.

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- 1.4 We also have serious concerns with the quantitative assessment contained in Appendix A as part of the County Retail Strategy. **The Strategy suggests that there is only capacity for 1,500sq.m of additional convenience floorspace and only 16,000sq.m of additional comparison floorspace for the entire County up to the year 2020 while these figures are only indicative they do influence the decision making of the Planning Authority and An Bord Pleanála.** The adoption of the Retail Strategy in its current format is anti-competitive, will have a negative impact on investment in the City and hamper the economic regeneration of the County and City for years to come.
- 1.5 The Methodology used in the Retail Strategy is flawed and written in a negative manner without sufficient regard to the retail hierarchy of the County with inflated turnover rates and low per capita expenditure rates. **We ask the Council to support a more pro-active Retail Strategy which will encourage investment in the City by supporting additional retail floor space at appropriate locations so to encourage the redevelopment of the City Centre brownfield sites.**
- 1.6 Furthermore the lack of policy direction and objectives for the Mart site suggests that any additional retail provision (if capacity is demonstrated) should be directed to the Brewery Site as it is sequentially closer to the commercial core of the City. While we do not oppose the redevelopment of the Brewery site into a mixed use urban quarter this objective should be expanded on so to protect the Brewery site from inappropriate development. One must question the practicalities of accommodating a modern large convenience unit on the site on grounds of urban design and its impact on the historic core of Kilkenny City. **We ask the Council to recognise that the Mart site can accommodate the convenience retail needs of Kilkenny’s retail catchment in the short term and such proposals will protect the Brewery site from inappropriate development leaving the Brewery site readily available in the future to accommodate higher order comparison floorspace which can be sensitively designed to integrate into the site and the historic streetscape of Kilkenny.**

**Promotion of Mart Site**

**The Draft Plan needs to recognise that the Mart site is a designated Opportunity Site.**

- 2.1 The former Kilkenny Mart site is 5.5ha in extent and has been vacant since 2007. An Bord Pleanála refused permission for a substantial mixed use retail development on the site in 2007. Both Kilkenny City Council and An Bord Pleanála recognized the principle of retail on the site but were concerned with the quantum of retail floorspace proposed. The primary reasons for refusal related to its prematurity pending the determination of a road layout for the area as part of the proposed Inner Relief Road which dissects the site. The layout of the Inner Relief Road has now been adopted by Council and the site is ready for development. Our client’s current proposal is for a significantly smaller scheme to the previous schemes that were refused which will include as Phase 1 a supermarket with approximately 4,500sq.m of net retail floorspace. However we are concerned that the current draft of the Draft Kilkenny City & Environs Development Plan while recognizing the Mart Site as an edge of centre site does not provide any other policy direction on the site when compared to the Brewery site. The Brewery site has been included as part of the Bateman Quay Opportunity site with an objective to create a masterplan and urban design framework for the site. Chapter 4 of the Draft Plan in relation to retail provision promotes the Brewery site as the focus for retail expansion in the City over the plan period. We ask

the Council to include in Section 3.4.3 of the Draft Plan reference to Site No.1 of the Kilkenny City Centre LAP (Mart site) with the following objective.

*“Site no. 1 of the City Centre LAP identifies the former Mart site as a redevelopment opportunity. The site has been vacant since 2007 and planning permission is now in place for the proposed Inner Relief Road which dissects the site. It is an objective of this Plan to implement the provision of Section 3 of the City Centre LAP relating to the urban design frameworks and land uses for the site.”*

**The quantitative assessment contained in Chapter 4 and Appendix 1 of the Draft Plan is seriously flawed and needs to be reconsidered, it essentially precludes any meaningful additional convenience floorspace within the County up and until 2020.**

- 3.1 Table 4.7 of the Draft Plan states that the final adjusted floor space requirement of Kilkenny County are as follows;

	2012	2014	2020
Convenience	3,497sq.m	-1,409sq.m	1,599sq.m
Comparison	11,587sq.m	8,525sq.m	16,502sq.m
Bulky Goods	-6,820sq.m	-5,992sq.m	-4,391sq.m

This provision is totally unacceptable for Kilkenny City let alone the entire County. The City’s role as a Level 1 Tier 3 centre in the national retail hierarchy and its designation as a Hub under the NSS and Regional Planning Guidelines differentiates the importance of the City in the national and regional economy and provides the catalyst for the City to further enhance its importance in national and regional shopping patterns to the benefit of the City and County’s population. Section 4 of the NSS considers that Waterford, Kilkenny and Wexford will drive regional growth by providing a large and skilled population base, substantial capacity for additional residential and employment related functions and an improving transport network. The Regional Planning Guidelines for the South-East Region 2010-2022 recognise that retailing can make a significant contribution to employment growth and economic growth in the region (p32). It is an objective of the Guidelines to create 35,000 new jobs in the plan area over the next 20 years and retail is seen as a primary sector to help achieve this objective. We submit that the floorspace requirements as identified in the Draft Plan conflict with the objectives of the National and Regional Guidelines and as such should be amended to accommodate growth.

- 3.2 While it is recognised in paragraph 5 on page 50 that *“capacity assessment is only one element of the criteria used to assess significant retail proposals”* it is still nevertheless a tool that will be used by the Planning Authority and An Bord Pleanála in the assessment of retail applications to assess future retail planning applications in Kilkenny City for the next 7 years. While we welcome the statement in the final paragraph in page 50, albeit a conflicting statement to the preceding paragraphs that *“it is considered that there is room for additional convenience capacity within Kilkenny City and environs during the plan period notwithstanding the build out capacity of the Ferrybank shopping centre”* we nevertheless consider it prudent and a requirement of the Retail Planning Guidelines to provide a broad assessment of additional retail floorspace for Kilkenny City. We would like to make the Council aware of the strategy used in South Tipperary in relation to quantitative retail assessments. The Strategy chose not to carry out a quantitative assessment of additional floorspace but relies solely on a qualitative assessment. This may be a solution to the capacity issues for Kilkenny City and we ask the Council to consider not including a quantitative assessment in the Retail Strategy.

3.3 If a quantitative assessment is to be include in the Retail Strategy there are a number of ways to address the Kilkenny City capacity issues, one is to carryout a quantitative assessment based on the catchment of Kilkenny City which would extend into the adjoining Counties and include all available expenditure within the catchment or alternatively designate a proportion of the County's entire "expenditure per population" to the Kilkenny City & Environs area only. For the purpose of a Development Plan we would advocate the latter alternative as it would safeguard Kilkenny City's status in the National and County Retail Hierarchy and ensure that Kilkenny City and Environs is the optimum location for future retail developments in the County. A similar approach is taken in the Metropolitan Cork Retail Strategy where a large percentage of available expenditure within the Plan area is directed to the City Centre with the remainder distributed around the Metropolitan area.

We also submit that the quantitative assessment is flawed for the following reasons;

- *Turnover Rates*

3.4 The turnover rates adopted in the assessment are exceptionally high and are not representative of turnover rates applied in peer Retail Strategies around the Country. The application of high turnover rates in an assessment can lead to an underestimation of retail floorspace requirements. Table 2 below demonstrates this point by comparing the turnover rates applied in some pier Counties.

Turnover of Future Floor Space Ratios per sq.m									
	2012			2015			2020		
	Convenienc	Compario	Retail Wa	Convenie	Compario	Retail Wa	Convenie	Compario	Retail Wa
Draft Kilkenny	13000	5500	2500	13000	5610	2550	13000	5955	2707
Wexford	11500	4392	1795	11848	4525	1849	12452	4755	1943
Offally	11333	5223	N/A	11333	5667	N/A	11911	5956	N/A
South Tipperar	11112	5737	2300	11112	5737	2300	11112	5737	2300
Cork	11000	7000	2500	11000	7000	2500	11000	7000	2500
Westmeath	11000	5000	2800	11000	5000	2800	11000	5000	2800
Limerick	10000	7000	4000	10000	7000	4000	10304	7768	4439
Carlow	10000	4500	N/A	14436	6987	N/A	14436	6987	N/A
Waterford	9000	6000	2000	9000	6000	2000	9000	6000	2000
Laois	6570	4848	N/A	6702	5145	N/A	6836	5460	N/A

3.4 Table 2 demonstrates that the projected turnover rate is significantly higher than 9 pier Counties and significantly higher than the adjoining and competing Counties of South Tipperary and Waterford. The use of such high figures when compared to other Counties not only underestimates the quantum of future floorspace needed but also could create a situation where future retail floorspace is attracted to competing Counties such as Waterford and South Tipperary. Page 10A of Appendix A to the Draft Plan suggests that the high turnover rate is justified and projected upwards as new retail spaces become more efficient however we submit that the efficiency of new retail floorspace is counter-balanced by the need to provide for a spacious and attractive shopping environment for the consumer. In addition the concept of the out of town large standalone convenience shopping centre is no longer seen to be the optimum strategy for international retail multiples as experience has shown that customers require a more diverse experience where customer service, ancillary café's and restaurants, in store bakery's and children play areas are now being developed in existing shopping centres in lieu of existing and additional floorspace. In this regard we note the recent redevelopment of the Tesco Extra store in Watford,

England where the retail sales area of the store was reduced so that a new restaurant, bakery and childrens play area could be installed. This is a new approach by international convenience retail multiples whereby the 'race for space' experienced in the 2000's is replaced by upgrading existing stores and ensuring that future stores are centrally located and smaller with enhanced customer experience. The net result of these influences is that turnover ratios have remained relatively stable over the past number of years. We submit that the average turnover rate of €10,000 per sq.m be used for convenience floorspace be used and €5000 per sq.m be used for comparison floorspace. In addition in determining the turnover rate of existing floorspace the same turnover rate should be used as for future floorspace as using a lesser turnover rate does not allow or have regard to the potential for existing floorspace becoming more efficient through redevelopment or modifications to existing floorspace.

- *Expenditure per Population*

3.6 The expenditure per capita figure used in the study for convenience and comparison goods are stated to be derived from the CSO's 2006 Annual Service Inquiry (ASI). The figure used for convenience goods is consistent with pier Counties however the figure used for comparison goods is significantly lower than pier Counties as demonstrated in Table 2 below.

Projected Expenditure per Capita			
	2012	2015	2020
	Compariosn	Comparison	Comparison
Draft Kilkenny	2649	2649	2853
Draft Cork	2913	3641	4222
Carlow	3325	N/A	3782
Waterford	4139	5222	5865
Offally	4052	4589	N/A
Westmeath	3577	4549	6165
Limerick	2094	2848	3806
South Tipperary	3123	3662	3945
Laois	3710	4247	6300

3.7 The use of such low expenditure rates on comparison goods again under estimates the retail needs of the County. Given Kilkenny City's designation as a Hub and a Level 1 Tier 3 retail centre in the National Retail Hierarchy it should be expected that the per capita expenditure on comparison goods would be higher, it is noted that the Strategy in coming to this figure subtracted 4.1% from the 2006 ASI 2006 expenditure per capita figure so to have regard to the economic downturn however it does not take account of the CPI yearly inflation rate in Ireland and the fact that it has risen significantly since 2006 except for a dip in 2009. For example the inflation rate in 2007 was 4.7% followed by an inflation rate of 1.15% in 2008 an -5.00% in 2009 before rising again in 2010 to 1.29% and 2011 to 2.42%. We submit that the 4.7% reduction be disregarded and a figure of €2,881 be used for comparison per capita expenditure.

- *Inflow & Outflow of Expenditure*

3.8 The findings of the Countywide household and shoppers survey contained within the Draft Plan suggest that there is a current inflow of convenience expenditure of only 8% from outside the County and an outflow of 29%. For comparison shopping there is

an inflow of 58% and an outflow of 31.6%. On behalf of the landowners Cunnane Stratton Reynolds commissioned Ipsos MRBI to carry out a Kilkenny Household Telephone Survey and an On-Street Shoppers Survey in 2011 to ascertain the trends in consumer shopping patterns within the catchment of Kilkenny City. The surveys comprised firstly an 'on street' survey of 300 shoppers in Kilkenny City over a two week period and secondly a telephone survey of 400 respondents based on a sample located within a 30minute drive time isochrone from Kilkenny City (excluding the catchments of large towns such as Carlow, Abbeyleix, Carrick-on-Suir). The catchment survey findings are broadly in line with the findings of the Countywide survey carried out by Kilkenny County Council with regard to the pattern of incoming and outgoing expenditure.

- 3.9 A significant departure from the 2008 Retail Strategy is that the Draft Strategy does not predict the level of outflow of expenditure from the County to decrease within the life-time of the plan. It states on page A7 of Appendix A that *"at present there is no proposal to bring forward a significant convenience proposal for the city and environs so outflow and inflow figures are to remain the same until 2020"*. We refute this statement as the Council is aware that our clients are in talks with the Council to develop a retail development on the Mart site. In addition it would be expected that the coming on line of three Aldi discount stores and one Lidl discount store and the expected opening of Ferrybank shopping centre would reduce the level of convenience expenditure leakage from the County. In addition the Ferrybank shopping centre when operational would certainly increase the inflow of expenditure from Waterford into the County within the lifetime of the plan. Not facilitating a reduction in leakage of expenditure to neighboring Counties highlights how negative the Strategy is to promoting the retail development of the County and is contrary to National and Regional Guidelines which seeks to promote and protect Kilkenny City as a Level 1, Tier 3 Retail Centre on the National Retail Hierarchy. Again by not projecting an increase in inflow and a reduction of outflow of expenditure to and from the County within the life-time of the plan underestimates the actual level of expenditure available in the County and the level of retail floorspace required to satisfy expenditure levels, creating a situation where the actual outflow of expenditure further increases making it more difficult in the coming years to attract shoppers into the City and County towns. We recommend at a minimum that the outflow figure is reduced from 2015 to recognize that the coming on stream of the permitted Discount Retailers will help retain some of the leakage experienced on convenience goods to the level of 10%.

- *Impact of Ferrybank Shopping Centre on the projected capacity figures*

- 3.10 In carrying out the capacity analysis the Draft Strategy subtracts all 'pipeline' permissions from the indicative floorspace requirement figures (table 4.6), this approach is generally considered acceptable if there is a genuine expectation that the 'pipeline' permissions will be implemented and trading within the lifetime of the Strategy. The Draft Strategy estimates that Ferrybank which consists of approximately 4577sq.m of convenience floorspace and 4341sq.m of comparison floorspace will be operational in 2014, the significant quantum of committed but not occupied floorspace in our view provides impacts far beyond the catchment area of Ferrybank and acts as a counterbalance to the provision of new retail floorspace within Kilkenny City which is the Level 1 retail centre in the County and should not have to compete with the Level 2 retail centre of Ferrybank. This significant impact is noted in the second last paragraph of page 50; *"The effect on capacity when the Ferrybank shopping centre is included is of concern. It has the potential to impact on*

*the development of additional significant convenience floorspace being developed over the period of the strategy”.*

3.11 We submit rather than having concerns with the impact of Ferrybank on the provision of significant convenience floorspace in Kilkenny City, the Strategy should be proactive and include mechanisms to protect the retail needs of Kilkenny City. In this regard as outlined in paragraph 2.4 above we recommend that 80% of available expenditure (excluding pipeline permissions in Ferrybank) is designated to Kilkenny City & Environs. This approach will have two main benefits, firstly, it will ensure that Kilkenny City & Environs will remain the dominant retail centre in the County within the lifetime of the Plan and secondly, it will ensure that the available expenditure within the catchment area of Ferrybank will have to absorb the permitted Ferrybank shopping centre before any additional retail floorspace can be permitted in the area.

3.12 Applying the above methodology and figures to the quantitative assessment in the Draft Retail Strategy will safeguard at a minimum approximately 5,000sq.m of additional convenience floorspace and 23,000sq.m of comparison floorspace for Kilkenny City up to 2020. It will also ensure that a catchment analysis retail study as advocated for Kilkenny City & Environs will demonstrate sufficient capacity for additional retail in the city as per the Council's own findings in paragraph 7 of Page 50 where it is stated;

*“Having regard to the population growth within the City and Environs and the shopping patterns within the county as evidenced by the household and shoppers surveys, it is considered that there is room for additional convenience capacity within Kilkenny City and environs during the plan period notwithstanding the build out capacity of the Ferrybank shopping centre”.*

3.13 Appendix A to this submission reworks the figures used in the Draft Retail Strategy and demonstrates how retail floorspace can be safeguarded for Kilkenny City it also includes a catchment analysis for Kilkenny City & Environs that we urge the Council to adopt in the making of the Kilkenny & Environs Development Plan 2014 – 2020 and demonstrates that there is sufficient capacity for the designation of both the Mart site and the Brewery site for additional retail development within the lifetime of the Plan.

**The Draft Plan needs to recognize the limitations of the Brewery site in accommodating a large floorplate convenience foodstore and ancillary surface carparking and recognize that such a use can be adequately accommodated on the Mart Site to cater for the retail needs of Kilkenny City’s catchment in the short term.**

4.1 The capacity analysis set out above in section 3 and contained as appendix A to this submission clearly demonstrates that the catchment of Kilkenny City can accommodate a large convenience supermarket and additional comparison retail floorspace in the short term (i.e. 2015) and confirms the Council’s own survey findings that there is a need for additional convenience floorspace as well as comparison floorspace in Kilkenny City and environs. Section 4.7.12 of the Draft Plan states;

*“Having regard to the sequential approach to retail development, the potential for synergy between the Smithwick’s site and the existing retail core area, the potential to deliver other planning objectives linked to the public realm and tourism and the potential contribution of the Smithwick’s site to the vitality and vibrancy of the city centre area generally, it is considered that the Smithwick’s site should be*

*the focus for retail expansion in the city and environs over the plan period. This strategy will ensure both consolidation and expansion of the city centre, the Bateman Quay area and the Smithwick's site over the short, medium and long terms".*

- 4.2 While we do not oppose the redevelopment of the Brewery site into a mixed use urban quarter the objective set out in Section 4.7.12 should be expanded on so to protect the Brewery site from inappropriate development. One must question the practicalities of accommodating a modern large convenience unit on the Brewery site on grounds of urban design and its impact on the historic core of Kilkenny City. We ask the Council to recognise that the Mart site should accommodate the convenience retail needs of Kilkenny's retail catchment in the short term and such proposals will protect the Brewery site from inappropriate development leaving the Brewery site readily available in the future to accommodate higher order comparison floorspace which can be sensitively designed to integrate into the site and the historic streetscape of Kilkenny.
- 4.3 The Brewery site while similar in size to the Mart Site (circa. 5ha) has a rich history. The Franciscan Abbey, Evans Turret and the Mill ruins all hold a key to the history of the locality and should dictate to some extent the physical planning and urban design of the site. The site is dissected by the proposed Central Access Scheme Road and part of the site has been committed for a Great Garden and Linear Park and it is understood that the large industrial building located centrally on site is to be retained for office and innovation uses. Upon the procurement of the site Kilkenny County Council proposed that a colloquium be held of experienced and knowledgeable professionals in the area of urban design and architecture, planning and property, to develop a set of design principles which will inform the development of a master plan for the site. The design principles discussed all focused on the development of an urban quarter that is reflective of the industrial history of the site so to enhance the socio-economic and public realm of the area by opening the river further to the City. It is submitted that a large floorplate of circa. 5,000 – 6,000sq.m GFA with carparking to accommodate approximately 300 cars all on a single level would not be suitable on this site as it would require a site area of approximately 5 acres which represents approximately 1/3 of the Brewery site and with the committee Garden, Linear Park, Central Access Road, protected structures and the retention of the large industrial building centrally located on site there would not be significant development area remaining to create a significant urban quarter. Convenience retailing requires extensive at grade parking to facilitate trolley shopping; 70% of grocery shopping is carried out by car thereby compounding congestion and also creating a high demand for parking. Unlike comparison shopping there is also a requirement for large service yard areas suitable for HGV which can create 24hour noise impacts. The prevailing street pattern in Kilkenny is medieval and replicating this pattern on the Brewery site suggests narrow streets and a fine urban grain. There are several references in the Framework Group report for the site that the site could be used as a 'Creative Quarter' and the creation of 'neighbourhood retailing'. It is suggested that a large single level convenience store requiring significant carparking space would not be suitable on the site and could undermine the Framework objectives for the site. Architecturally is also difficult to make a large convenience retail space integrate into such a scheme as it invariably has significant dead frontage.
- 4.4 Section 4.7.1.2 and 3.4.3 of the Plan recognises the constraints of potential flooding and heritage issues are *"major considerations, and how to harness and maximise the potential of the site and the heritage assets will require an in-depth examination and*



*analysis*” and that it is an objective of the Plan to prepare a master plan and urban design framework for the site during the lifetime of the development plan. It is our understanding that when the site is decommissioned that the Council intends to retain the large building centrally located on the site for office and innovation uses. Notwithstanding the objective to retain the large industrial building for office use it is likely that the remainder of the site will not become available for development until at the earliest 2016 with any development on the site not being completed and fully trading by 2019. Given the timeframe involved, the designation of the Brewery to cater for all of Kilkenny City & Environs retail needs up to 2020 is inappropriate. In addition the “Urban Design Review Report” has not considered appropriate uses on the site, but does indicate that it should be developed sensitively with an emphasis on culture and heritage, generous public realm and permeability. We submit that designating all of the future retail provision for the lifetime of the plan on the Brewery site may compromise the overall future objectives for the site or conversely it will sterilize new retail development in Kilkenny City & Environs until at least 2020.

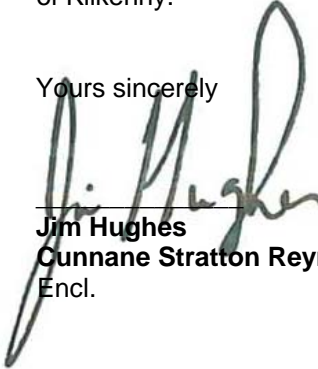
- 4.5 On the other hand the Mart site which is recognized along with the Brewery site as the only other Opportunity site at an edge of centre location is of a similar size. The site is readily available. Our client and his architects have considered a number of design approaches to the site and if supported by the Council could be in a position to lodge for planning permission within two month from the adoption of the Kilkenny & Environs Development Plan. Urban design while important on the site is not as important as the Brewery site as the carparking can be screened and developed in a manner which will not be highly visible. In addition the scheme will be considered in the context of a masterplan approach to the site which will address the Central access Road. We ask the Council to consider the Mart site, a recognized ‘edge of centre’ site as a suitable location to meet the needs of convenience retail development.
- 4.6 As discussed in section 3 above Cunnane Stratton Reynolds commissioned Ipsos MRBI to carry out a Kilkenny Household Telephone Survey and an On-Street Shoppers Survey in 2011 to ascertain the leakage of convenience retail expenditure within the catchment of Kilkenny City. The surveys found that 30% of available convenience expenditure within the catchment is currently being spent outside the catchment areas in competing Counties. It is expected that the development of the Mart site for convenience retailing will help claw back this leakage of expenditure without impacting or drawing trade from competing centres such as McDonagh Junction. In addition the proposal is not seen to compete with McDonagh Junction as McDonagh Junction is a mixed use development consisting of comparison and non retailing uses.

**5.0 Conclusion**

- 5.1 We ask the Council to review the key issues that we have highlighted above, in particular the significant conflict between the figures contained in the quantitative assessment of retail capacity as set out in Appendix A of the Draft Plan and the recognition that survey findings suggest that Kilkenny City & Environs can accommodate additional convenience retail floorspace.
- 5.2 We urge to Council to adopt a more pro-active Retail Strategy which will encourage investment in the City by supporting additional retail floor space at appropriate locations so to encourage the redevelopment of the City Centre brownfield sites.

- 5.3 We ask the Council to recognise that the Mart site can accommodate the convenience retail needs of Kilkenny's retail catchment in the short term and such proposals will protect the Brewery site from inappropriate development leaving the Brewery site readily available in the future to accommodate higher order comparison floorspace which can be sensitively designed to integrate into the site and the historic streetscape of Kilkenny.

Yours sincerely



**Jim Hughes**  
**Cunnane Stratton Reynolds**  
Encl.

## Appendix 1:

### Quantitative Retail Assessment – Assessment of Retail Needs

#### Introduction

As discussed in Section 3 of our submission below we set out the capacity assessment based on the assumptions in our submission. We carry out a capacity assessment for both the County and the catchment of Kilkenny City & Environs which demonstrates that there is significant capacity within both the County and the Kilkenny City catchment area to accommodate additional convenience and comparison floorspace.

#### Population Projections

The future need for retail floorspace in the City and County is influenced by projected population and personal income growth. The Draft County Retail Strategy based its population projections on the findings of the Core Strategy which is contained within the County Development Plan and projected forward in accordance with the Regional Planning Guidelines objectives. For a catchment analysis of Kilkenny City and Environs, Cunnane Stratton and Reynolds commissioned GAMA Research to carryout a catchment population analysis. The catchment population was based on a 30minute drive time isochrone from Kilkenny City (please see 30 minute drive time map attached). The catchment area population has seen a 9.8% increase in population between 2006 and 2011. This represents a population increase of 1.98% p.a. which is similar to the actual and projected population increase within County Kilkenny itself. Table 1.1 sets out the County population projections as contained in the Development Plan and the population projections for the catchment of Kilkenny City and Environs.

	<b>2011</b>	<b>2012</b>	<b>2014</b>	<b>2016</b>	<b>2020</b>	<b>2022</b>
Draft Strategy						
County						
Population	95,419	96,873	99,781	105,598	109,802	111,903
Catchment	109,080	110,742	114,066	120,715	125,520	127,921

Projection based on RPG target % increase per annum.

### Available Expenditure

The expenditure per capita figure used in the study for convenience and comparison goods are stated to be derived from the CSO's 2006 Annual Service Inquiry (ASI). The figure used for convenience goods is consistent with pier Counties however the figure used for comparison goods is significantly lower than pier Counties as demonstrated in Table 1.2 below. While we argue that the comparison figure should be higher table 1.3 and 1.4 sets out the available expenditure within the County and within Kilkenny City's catchment area based on the projected expenditure per capita figure used in the Draft Strategy.

<b>Table 1.2 Projected Expenditure per Capita</b>			
	<b>2012</b>	<b>2015</b>	<b>2020</b>
	<b>Comparison</b>	<b>Comparison</b>	<b>Comparison</b>
Draft Kilkenny	2649	2649	2853
Draft Cork	2913	3641	4222
Carlow	3325	N/A	3782
Waterford	4139	5222	5865
Offally	4052	4589	N/A
Westmeath	3577	4549	6165
Limerick	2094	2848	3806
South			
Tipperary	3123	3662	3945
Laois	3710	4247	6300

	<b>Expenditure per capita</b>			<b>Population Projection</b>	<b>Available Expenditure</b>		
	<b>Convenience</b>	<b>Comparison</b>	<b>Bulky Goods</b>		<b>Convenience</b>	<b>Comparison</b>	<b>Bulky Goods</b>
2012	3992	2649	662	96,873	386.71m	256.67m	64.17m
2015	3992	2649	662	102689	409.9m	272m	67.98m
2020	4092	2853	713	109802	449.3m	313m	78.3m

	<b>Expenditure per capita</b>			<b>Population Projection</b>	<b>Available Expenditure</b>		
	<b>Convenience</b>	<b>Comparison</b>	<b>Bulky Goods</b>		<b>Convenience</b>	<b>Comparison</b>	<b>Bulky Goods</b>
2012	3992	2649	662	110,742	442.08m	293.36m	73.3m
2015	3992	2649	662	117390	468.62m	310.97m	77.71m
2020	4092	2853	713	125520	513.63m	358.10m	89.5m

## Inflow & Outflow of Expenditure

The above total available expenditure figures need to be adjusted to have regard to inflow and outflow of expenditure. A significant departure from the 2008 Retail Strategy is that the Draft Strategy does not predict the level of outflow of expenditure from the County to decrease within the life-time of the plan. It states on page A7 of Appendix A that *“at present there is no proposal to bring forward a significant convenience proposal for the city and environs so outflow and inflow figures are to remain the same until 2020”*. We refute this statement as the Council is aware that our clients are in talks with the Council to develop a retail development on the Mart site. In addition it would be expected that the coming on line of three Aldi discount stores and one Lidl discount store and the expected opening of Ferrybank shopping centre would reduce the level of convenience expenditure leakage from the County. We recommend at a minimum that the outflow figure is reduced from 2015 to recognize that the coming on stream of the permitted Discount Retailers will help retain some of the leakage experienced on convenience goods to the level of 10%. Table 1.5 and 1.6 has regard to a reduction of leakage from 2015 onwards.

	Convenience			Comparison		
	2012	2015	2020	2012	2015	2020
Resident Expenditure	386.71m	409.9m	449.3m	256.67m	272m	313m
Less Outflows	29%	19%	19%	31.60%	31.60%	31.60%
Add Inflows	8%	8%	8%	58%	58%	58%
Total Expenditure	296.53m	358.6m	393.04m	277.4m	294m	338.3

	Convenience			Comparison		
	2012	2015	2020	2012	2015	2020
Resident Expenditure	442.08m	468.62m	513.63m	293.36m	310.97m	358.10m
Less Outflows	29%	19%	19%	31.60%	31.60%	31.60%
Add Inflows	8%	8%	8%	58%	58%	58%
Total Expenditure	339m	409.95m	449.32m	317m	336m	387m

## Turnover Rates

The turnover rates adopted in the Draft Retail Strategy are exceptionally high and are not representative of turnover rates applied in peer Retail Strategies around the Country. The application of high turnover rates in an assessment can lead to an underestimation of retail floorspace requirements. Table 1.7 below demonstrates this point by comparing the turnover rates applied in some pier Counties.

	2012			2015			2020		
	Convenience	Comparison	Retail Warehousing	Convenience	Comparison	Retail Warehousing	Convenience	Comparison	Retail Warehousing
Draft									
Kilkenny	13000	5500	2500	13000	5610	2550	13000	5955	2707
Wexford	11500	4392	1795	11848	4525	1849	12452	4755	1943
Offally	11333	5223	N/A	11333	5667	N/A	11911	5956	N/A
South									
Tipperary	11112	5737	2300	11112	5737	2300	11112	5737	2300
Cork	11000	7000	2500	11000	7000	2500	11000	7000	2500
Westmeath	11000	5000	2800	11000	5000	2800	11000	5000	2800
Limerick	10000	7000	4000	10000	7000	4000	10304	7768	4439
Carlow	10000	4500	N/A	14436	6987	N/A	14436	6987	N/A
Waterford	9000	6000	2000	9000	6000	2000	9000	6000	2000
Laois	6570	4848	N/A	6702	5145	N/A	6836	5460	N/A

Table 1.7 demonstrates that the projected turnover rate is significantly higher than 9 pier Counties and significantly higher than the adjoining and competing Counties of South Tipperary and Waterford. The use of such high figures when compared to other Counties not only underestimates the quantum of future floorspace needed but also could create a situation where future retail floorspace is attracted to competing Counties such as Waterford and South Tipperary. We submit that the average turnover rate of €10,000 per sq.m be used for convenience floorspace be used and €5000 per sq.m be used for comparison floorspace. In addition in determining the turnover rate of existing floorspace the same turnover rate should be used as for future floorspace as using a lesser turnover rate does not allow or have regard to the potential for existing floorspace becoming more efficient through redevelopment or modifications to existing floorspace.

In carrying out the capacity analysis the Draft Strategy subtracts all ‘pipeline’ permissions from the indicative floorspace requirement figures (table 4.6), this approach is generally considered acceptable if there is a genuine expectation that the ‘pipeline’ permissions will be implemented and trading within the lifetime of the Strategy. The Draft Strategy estimates that Ferrybank which consists of approximately 4577sq.m of convenience floorspace and 4341sq.m of comparison floorspace will be operational in 2014, the significant quantum of committed but not occupied floorspace in our view provides impacts far beyond the catchment area of Ferrybank and acts as a counterbalance to the provision of new retail floorspace within Kilkenny City which is the Level 1 retail centre in the County and should not have to compete with the Level 2 retail centre of Ferrybank. This significant impact is noted in the second last paragraph of page 50; *“The effect on capacity when the Ferrybank shopping centre is included is of concern. It has the potential to impact on the development of additional significant convenience floorspace being developed over the period of the strategy”*.

Based on the above the turnover of Kilkenny City is as set out in table 1.8 below excluding the floorspace associated with Ferrybank.

<b>Table 1.8 Turnover of Existing Floorspace</b>		
	<b>Convenience</b>	<b>Comparison</b>
Existing Floorspace Permitted	20531sq.m	40966sq.m
Floorspace	4533sq.m***	1549sq.m
Total Floorspace	25064sq.m	42515sq.m
Turnover of floorspace	250.64m*	212.58m**

\*based on turnover rate of 10,000per sq.m

\*\*based on turnover rate of 5000per sq.m

\*\*\*excluding Ferrybank 4577sq.m convenience & 4341sq.m comparison



## Retail Capacity

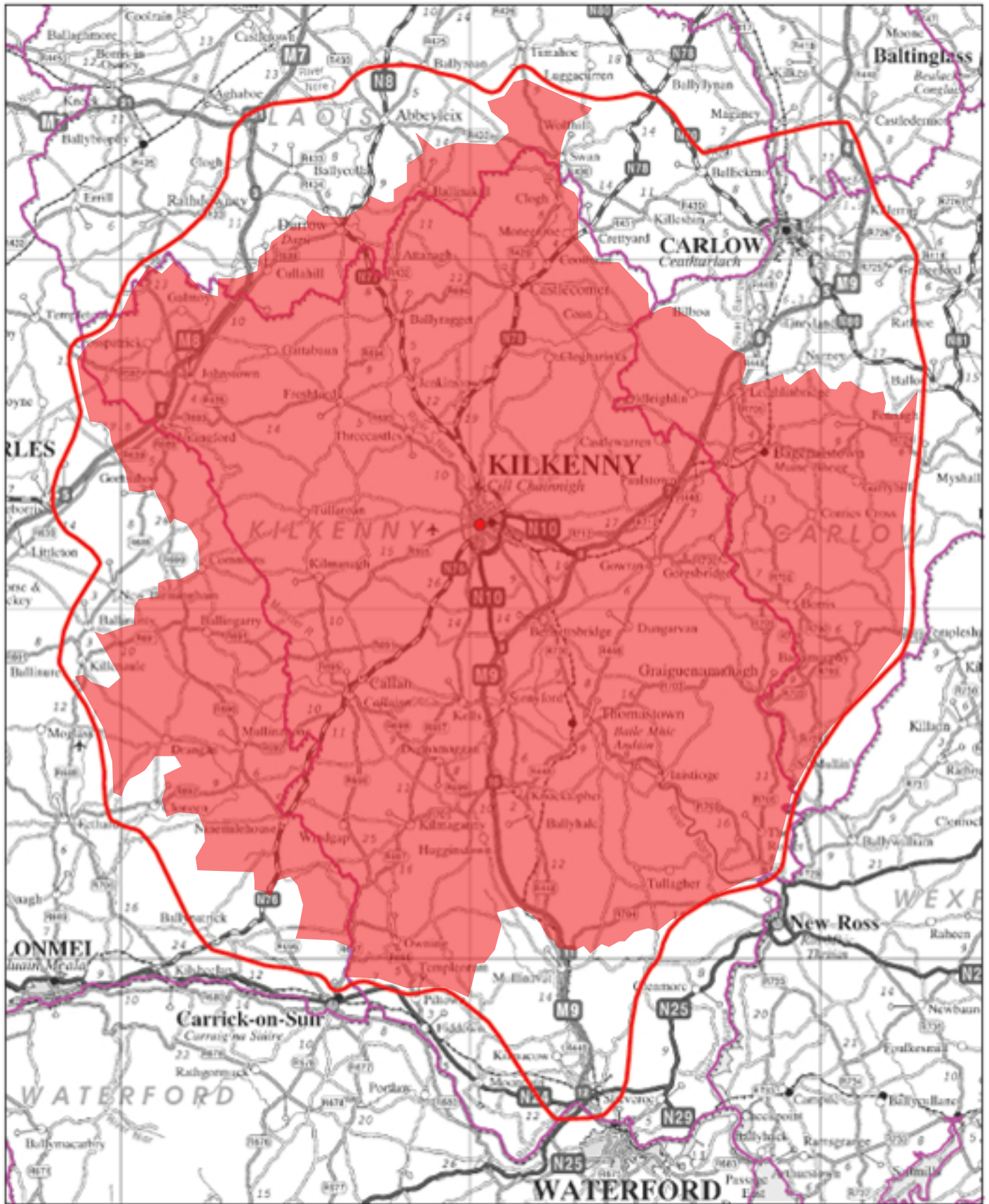
Subtracting the available spend per capita as set out in table 1.5 and 1.6 from the turnover of existing floorspace in table 1.8 demonstrates that there is significant capacity available both within the County and within the Catchment. We submit rather than having concerns with the impact of Ferrybank on the provision of significant convenience floorspace in Kilkenny City, the Strategy should be proactive and include mechanisms to protect the retail needs of Kilkenny City. In this regard we recommend that 80% of available expenditure (excluding pipeline permissions in Ferrybank) is designated to Kilkenny City & Environs. This approach will have two main benefits, firstly, it will ensure that Kilkenny City & Environs will remain the dominant retail centre in the County within the lifetime of the Plan and secondly, it will ensure that the available expenditure within the catchment area of Ferrybank will have to absorb the permitted Ferrybank shopping centre before any additional retail floorspace can be permitted in the area. Table 1.9 and 1.10 demonstrates the available capacity.

<b>Table 1.9 Floorspace Capacity in Co. Kilkenny @ 10,000 convenience &amp; 5000 comparison</b>						
	<b>Convenience</b>			<b>Comparison</b>		
	<b>2012</b>	<b>2015</b>	<b>2020</b>	<b>2012</b>	<b>2015</b>	<b>2020</b>
Total Expenditure	296.53	358.6	393.04	277.4	294	338.3
Turnover of Existing Permitted	250.64	250.64	250.64	212.58	212.58	212.58
Available Expenditure	45.89	107.96	142.4	64.82	81.42	125.72
<b>Additional Floorspace Requirements</b>	<b>4589sq.m</b>	<b>10796sq.m</b>	<b>14240sq.m</b>	<b>12964sq.m</b>	<b>16285sq.m</b>	<b>25144sq.m</b>

<b>Table 1.10 Floorspace Capacity in Catchment @10,000 convenience and 5000 comparison</b>						
	<b>Convenience</b>			<b>Comparison</b>		
	<b>2012</b>	<b>2015</b>	<b>2020</b>	<b>2012</b>	<b>2015</b>	<b>2020</b>
Total Expenditure	339m	409.95	449.32m	317m	336m	387m
Turnover of Existing Permitted	250.64	250.64	250.64	212.58	212.58	212.58
Available Expenditure	88.36m	159.31	198.68	104.42m	123.42	174.42
<b>Additional Floorspace Requirements</b>	<b>8836sq.m</b>	<b>15931sq.m</b>	<b>19868sq.m</b>	<b>20884sq.m</b>	<b>24684sq.m</b>	<b>34884sq.m</b>

The above shows that there is significant capacity currently for additional convenience and comparison floorspace within the County and within the Catchment. Even if a higher turnover rate was applied to future floorspace there is still capacity.

# 30 Minute Drivetime Zone around Kilkenny City Centre



-  Kilkenny City Centre
-  30 Minute Drivetime
-  County Boundary

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