

7 Tavy Road,
Saltash,
PL12 6DE
24/06/2010

Tesco Planning Application Response.

As members of (but not representing) SEA (Saltash Environmental Action) and SIT (Saltash in Transition) and as two residents living nearby and actively supporting and promoting our local shopping centre, we are writing to give our personal view on the Tesco supermarket planning application.

We have just received the **Fore Street Regeneration Environmental statement** and we were very impressed by the CIC's commitment and forward thinking in considering the environmental needs of the town and living more sustainably.

We hope that you will consider that the arrival of yet another supermarket on the outskirts of town may put an even greater strain on the local businesses which struggle as it is to survive with high rates, rents, Plymouth nearby, and the existing competition of Waitrose and Lidl's.

"Research by Thames Valley University reveals the dramatic nature of the decline of small shops in villages, market towns and district centres up and down the country. Since the 1940s around 100,000 small shops have closed and every year their number drops by approximately 2%. Between 1995 and 2000, independent fresh food specialists including greengrocers, bakers, butchers and fishmongers saw their sales drop by 40% as supermarkets consolidated their grip over the food retail sector"
New Economics foundation. Quoted in the Transition Handbook.

Good Neighbours? (Community impact of supermarkets) Friends of the Earth document. A Somerfield survey in 1996. Their survey of 12000 people doing their main shop at a Somerfield store at 33 sites found that for every pound spent in one of its town centre stores, an average of 46 pence was spent at other nearby shops. But at edge-of-centre stores this linked spending more than halved to 21pence for every pound spent at the supermarket. At out of town locations it fell even further to just 10 pence.

Jobs

Retail sales in the current economic climate are unlikely to create many new jobs overall in the retail sector in the Saltash area. It will mean a transfer of jobs from other retail outlets.

" Supermarkets are very efficient companies, particularly when it comes to the productivity of their staff. One study, which compared national retail employment between 1991 against employment claims made by the supermarkets, noted that while grocery retail sales grew in that period by 12.3%, grocery retail employment did not grow by the same amount-just 2.7% growth. So while the businesses grow, numbers of staff do not grow as fast"

"Another way to look at this question would be to consider how many people would be employed if grocery sales were not dominated by supermarkets but were instead in the hands of smaller grocery stores. In 2004, small grocery stores had a total turnover of 21 billion and employed more than 500,000 people. The big supermarket chains have much bigger sales (Tesco alone has a turnover of £29 billion) yet they only employ 770,000 people. So the supermarket chains control more than 80% of the grocery market and yet they employ only 50% more staff than shops. The simple conclusion is that small shops are better for employment than having a superstore. **Any council wanting to increase local employment would be better off encouraging new local food businesses than**

trying to attract a supermarket.” (FOE Good neighbours study)

Farmers

Although Tesco claims to provide more locally sourced products, the farmers' profit margins are still far too low to create a sustainable farming industry.

“The big chains are often in a position to dictate farm-gate prices and terms of trade. One result of this is that prices have been driven so low that many small farmers have gone out of business, and bigger ones have been forced to cut corners on labour and environmental standards. According to NFU figures, from a food basket costing £37 in the supermarket, farmers today receive only £11, while Corporate Watch group noted in 2003 that Tesco's profits at 1.4 billion, are more than half the entire UK income from farming £2.36 billion.

A counter argument might be that supermarkets negotiate hard on behalf of consumers- including the poorest members of society. But given that the average income of a UK farmer is below the national average and that their produce sells for more in a supermarket than it would in a typical market or greengrocers, this isn't a very convincing case” (Rough Guide to Ethical Living quotes from Joanna Blythton's book ” Shopped” and FOE study)

Harming the environment

Although we were pleased to see at the recent exhibition that Tesco are now listening more to the consumers requests for more sustainable premises and improved ethical standards over animal welfare, and halving energy use in the store, there are still serious environmental effects to be considered

“Supermarkets contribute to global warming, for example, by increasing the distance from plough to plate on three different levels: locally by encouraging out of town centre shopping , nationally (since produce gets delivered to stores via few-and-far-between centralised distribution centres) and internationally (by sourcing goods from abroad when British produce is available).

Another criticism is that supermarkets profiteer from the organic movement while ignoring its eco principles-by wrapping organic fruit and veg in unnecessary plastic packaging, for example, and failing to favour local growers wherever possible” ((Ethical Living Guide).

Does Tesco really care about us?

Supermarkets can use very aggressive tactics to remove local competitors. When Tesco opened a store in Withernsea, it sent money-off vouchers to local households giving them 40% savings at Tesco. Recent reports suggest that it is repeating this approach in several cities with discount offers to customers. Even successful businesses can struggle to compete against such activities (FOE - community impacts of supermarkets)

Supermarkets are increasingly moving into non-food goods

Daily Telegraph 24th November 2009

“Supermarkets expected to increase non-food goods by 40% by 2014

Would a Tesco store ignore this trend?

Tesco has been known to renege on planning agreements on the sale of non-food goods. See a report by CPRE Shropshire 4th May 2010 regarding a store at Harlescott Shropshire.

Dail Mail report:

“ Tesco has been found guilty of bogus statistics to convince a town that it needed a new store, eg. Manningtree, Essex.

Britain’s biggest retailer sent leaflets to residents in an Essex town claiming its own research demonstrated there was a “need and demand” for a new supermarket. However the telephone poll used as the basis of the claim showed that just 38 out of 80 people surveyed wanted a new supermarket. 8.6%.

Today the Advertising standards Authority (ASA) condemns the leaflet as misleading and has ordered the supermarket not to send it out again.

The ruling calls into question the honesty and integrity of the way the supermarket giant has bulldozed through similar planning applications across the country.(Dail Mail report)

Can a new Tesco store be trusted to keep to planning regulations and the promises it makes?

Councils have had difficulty in fighting supermarkets over planning irregularities (see F.O.E Jan.06 report “ calling the Shots” How Supermarkets get their way in planning decisions)

Do we need another supermarket?

The Conservative party have said it would reintroduce the “need” for a supermarket into the review of planning applications for such developments. See “ House Of Commons Library, Town Centres Planning and Supermarkets” SN/SC/1106.

“John Gummer, when environment secretary in 1996, put in place planning rules on out-of-town retail development in order to prevent town centre decline (so-called “PPG 6”).

As a result, local councils can reject proposals for new supermarkets and retail development outside towns.

The Labour government has now changed national planning rules on retail development (through a document called PPS4) and has scrapped the “needs test”, which requires the developers to prove the need for out- of- town development. The needs test gives local authorities an important power to control out-of town development and allows them to focus regeneration and development on their local high streets.

We will undo Labour’s changes to planning rules, which have weakened council’s ability to stop unwanted out-of-town development. We will ensure that a needs test is readopted and will enable councils to take competition issues into account when formulating their local plans.”

Is the opening of a third large supermarket in keeping with the Transition status that Saltash has now achieved?

We do almost all our weekly shopping in Saltash and find that we can get almost everything we need. We enjoy the personal and community service that this provides. We have been working hard to encourage people back into the town to enjoy the benefits, help the businesses, and prepare Saltash for a future when supermarkets will no longer be sustainable.

We urge you to consider our points carefully and think of the long-term effects to our community as well as the short term benefits.

Godfrey Allen and Ruth Mason