

Application No: 10/1270M
Location: UNIT 8, BRINDLEY WAY, MACCLESFIELD, SK11 0LP
Proposal: INSTALLATION OF MEZZANINE FLOOR INTO
EXISTING RETAIL WAREHOUSE UNIT

For ORBIT INVESTMENTS (PROPERTIES) LTD

Registered 26-Apr-2010
Policy Item Yes
Grid Reference 391509 371165

SUMMARY RECOMMENDATION Approve

MAIN ISSUES

- Impact on Macclesfield town centre and associated National, Regional and Local retail policies
- Impact on the highway and congestion

Date Report Prepared: 3rd June 2010

REASON FOR REPORT

The proposal requires determination by the Northern Planning Committee under the terms of the Council's constitution.

DESCRIPTION OF SITE AND CONTEXT

The site lies at the eastern end of the Lyme Green Retail Park, which is sited on the Lyme Green Business Park. Unit 8 (which was formerly occupied by MFI) has been vacant for 18 months. There are 8 units on the retail park, all of which are restricted to non-food retail sales only. The units share 480 customer car parking spaces and each unit has its own private area to the rear for staff car parking. The Macclesfield Canal is sited to the rear of the store and this is a Conservation Area. The Retail Park was constructed in 1996.

DETAILS OF PROPOSAL

This proposal is for the erection of a mezzanine floor of 1 870 sq m (gross). The only external alterations would be the addition of two fire doors proposed to internal fire stairs required in connection with the mezzanine floor. The mezzanine floor would not be visible from outside the building.

RELEVANT HISTORY

05/2167P - Formation of new canopy to front elevation – Approved with conditions - 6/10/2005

08/2210P - External alterations to front & side elevations of existing retail unit – Approved with conditions - 28/11/2008

75236P - Retail warehousing and ancillary development - Not determined - 29/11/1993 – Appeal Allowed 24/6/1994

POLICIES

The Development Plan consists of the North West of England Plan Regional Spatial Strategy to 2021 (RSS), the saved policies of the Structure Plan Alteration: Cheshire 2016, and the saved policies of the Macclesfield Borough Local Plan.

Regional Spatial Strategy

- DP1 Spatial Principles)
- DP2 Promote Sustainable Communities
- DP3 Promote Sustainable Economic Development)
- DP4 Making the best Use of Existing Resources and Infrastructure
- DP5 Manage Travel Demand – Reduce the Need to Travel, and Increase Accessibility
- W5 Retail Development

Of the remaining save Structure Plan Policies, only policy T7: parking is of relevance.

Local Plan Policy

- BE1 Design Guidance
- DC2 Alterations and extensions
- DC3 Amenity
- DC6 Circulation and Access
- E3 B1 (Business)
- E4 Industry
- S1 New shopping developments
- S2 New shopping developments
- T1 Integrated Transport Policy

Other Material Considerations

- PPS1 Sustainable Development
- PPS4 Planning for Sustainable Economic Growth provide the key guidance for the assessment of this proposal

CONSULTATIONS (External to Planning)

Highways: The Strategic Highways Manager does not consider that the proposed additional mezzanine floorspace would have a material impact on the highway network and cause congestion problems, therefore no highway objections are raised.

Environmental Health: No objection

British Waterways: No comments

VIEWS OF THE PARISH / TOWN COUNCIL

Sutton Parish Council were consulted in relation to this application due to the sites proximity adjacent to the Sutton Parish boundary, however, they resolved not to make any observations due to the property being outside there area.

OTHER REPRESENTATIONS

None received – the publicity expiry date was 26.05.10

APPLICANT'S SUPPORTING INFORMATION

The applicant's submission includes a Planning Statement and a Retail Statement, a Design and Access Statement, and a Transport Assessment. These documents are all available online as background papers.

The Planning Statement asserts that the doubling of the floorspace will be more attractive to a new tenant as the building itself has been marketed over the last 18 months. There has been little interest in the unit at its current size but recently more so on the basis that additional floorspace might be added. The unit, having been empty for 18 months has cost the owners a substantial sum in lost rent, service charges, rates and marketing charges. In addition, there has been a deleterious effect on the other units in the retail park by the reduction in the overall numbers of customers to the retail park caused by the vacancy.

The building has ample parking provisions which, on virtually any day are rarely more than 40% occupied. The only exception being on the occasion of Macclesfield Town home football matches.

There is an analysis of National Planning Policies within the Planning Statement. This includes a reference to PPS1 (Delivering Sustainable Development) with explicit mention of paragraph 27 which indicated that the planning system should seek to actively bring back buildings into beneficial use. In addition, it is stated that the development proposals seek to meet the aspirations of PPS1 in the context of this sustainably located site through more efficient use of land that will enable employment expansion within this well established mixed use employment area. The proposals meet the requirements to achieve sustainable and efficient economic development.

The implications to PPS4 are addressed in the Retail Statement. This statement concludes that the proposal has no significant adverse impacts in respect of the policies of PPS4 and upon the vitality and viability of Macclesfield town centre, and that there are positive impacts arising from the proposed development. The impact on economic development is positive as it will contribute to bringing a long vacant building back into use and provide around 30, or even more, full time equivalent jobs on the unit. The development proposals comply with the principles and processes required in the PPS, particularly as there are no suitable or available premises in any sequential preferable location.

Consideration is given to Regional and Local Policies contained within the RSS and Macclesfield Borough Local Plan.

The development proposal will perpetuate an existing and well established retail user on the site albeit at a higher density floorspace than currently exists. The modern purpose built building on the site was for some 12 years a successful retail outlet until the nationally prominent tenant was forced into administration at the beginning of the recession. 18 months of marketing using two major national agents has not brought an occupier interested in this amount of floorspace. In order to improve the potential and flexibility for marketing the addition of a mezzanine floor is required. At the scale of building that would be produced a new sector of the retail warehouse market could be attracted to the site. A potential tenant has been in negotiation but would not be interested in the unit at its present size.

The bringing back into use this modern building is desirable both in planning and ownership terms as the continuation of the unit as a vacant property impacts on the overall health and attractiveness of the established Retail Park and has resulted in loss of revenue and costs of well over £400,000. The applicants and their marketing agents consider that the installation of a mezzanine floor could be of considerable assistance in bringing this about and attract new investment to Macclesfield. There has also been no firm interest in sub division of the existing unit into two smaller units.

Retailers who would look for a unit of 3,500 sq m or more, would seek modern, open floorplate retail space that benefits from adjacent surface level car parking and modern servicing facilities, divorced from public access, to the rear of their building. They would also want a location adjacent to similar types of retailer who would attract retail warehouse shoppers from a reasonable catchment area. Finally, they would want accommodation that is viable given that sales turnover volume per size of building is more limited than those in town centre locations.

The retail impact of this unit has been tested in the Retail Statement and produces a low figure that is not significant in overall retail impact terms. The exercise undertaken is very robust as it compares the overall turnover of a prospective tenant and that of a type of tenant with a high average retail warehouse turnover and this produces an impact on trade of 1-2%. This is very robust as a mezzanine floor trades at a lower turnover than ground floor space.

It is considered that the mezzanine floor would be operationally inferior to the ground floor retail floorspace. To the public it would be less convenient to access and its operations would be likely to be largely secondary in nature with floorspace being used for the big ticket products that sell less frequently or require a greater amount of display space. The mezzanine floor could have a less intensive trading density of up to 50% of the maximum of the ground floor retail floorspace. This suggests that there is a robust assessment being made in the Retail Statement, as no discount has been made in respect of the mezzanine floor in this case. The site is well established as part of the Retail

Park which caters for many purchases normally made at Retail Parks and is one of only two, the other comprising only two units, in Macclesfield. As such it complements the town centre by selling, on the whole larger goods. The retail park currently serves to reduce leakage to surrounding areas away from Macclesfield which still takes place at quite a substantial rate. The concentration of uses at Lyme Green Retail Park facilitates linked trips and will enhance consumer choice. This will help towards reducing carbon dioxide emissions. The re-establishment of an employment producing outlet on this site will assist the economy in Macclesfield and at this time would not prejudice other retail proposals or allocations that are currently on hold pending re-assessment or resolution of existing constraints to development.

OFFICER APPRAISAL

Principle of Development

The vacant store comprises part of an out-of-town retail park at Lyme Green. There is a restrictive condition on the 1994 permission that states that no part of the development shall be used for the sale of food other than confectionary and food for consumption on the premises. It is understood that this application is largely speculative, however, interest has been expressed from a number of operators for a larger unit with a mezzanine floor. One operator who has expressed an interest in the unit with a mezzanine floor is the (Dunelm Mill). The existing store is 1 870 sq. m gross external floorspace. The proposed mezzanine would provide an additional 1 870 sq. m, resulting in an overall unit of 3 740 sq. m gross (3 179 sq m net).

It is considered that in general, mezzanine floors in retail warehouses are appealing to space hungry, low sales users. Mezzanines can be used to increase the display space allowing a full range of products to be displayed.

The key issue to consider is whether the retail assessment and transport assessment justify the proposal and comply with national and local plan policies in this respect. Other site planning issues relate to the external alterations proposed, which are considered to minor in nature.

Policy

National Planning Policy Statement PPS4: Planning for Sustainable Economic Growth provide the key guidance for the assessment of this proposal. National guidance in PPS1: Delivering Sustainable Development and PPG13: Transport is also of relevance.

The site is located within an Employment Site on the Proposals Map of the Macclesfield Borough Local Plan. Policies E3 (Business) and E4 (Industry) were initially the relevant policies when the original site was granted consent as a retail park. Since the retail element was accepted in 1994, the relevant local plan policies are those which relate to new shopping developments - Policies S1 and S2. These policies were based on advice within PPG6 (since superseded by PPS6) and more recently superseded by PPS4 (Planning for Sustainable Growth). Between them these policies seek to protect and

enhance the vitality and viability of town and district centres. Policies BE1, DC2, DC3, DC6, and T1 are also relevant.

Relevant policies of the RSS include: -DP1 (Spatial Principles); DP2 (Promote Sustainable Communities; DP3 (Promote Sustainable Economic Development); DP4 (Making the best Use of Existing Resources and Infrastructure); DP5 (Manage Travel Demand – Reduce the Need to Travel, and Increase Accessibility); and W5 (Retail Development).

Retail Assessment

The proposal has been assessed in relation to the guidance in PPS4 and its accompanying practice guide. The submitted Retail Statement follows discussions with officers in the Spatial Plans department.

The Governments overarching objective is sustainable economic growth and with specific relevance to this application it aims to promote the vitality and viability of town and other centres as important places for communities. To do this, the Government wants:

- new economic growth and development of main town centre uses to be focused on existing centres with the aim of offering a wide range of services to communities in an attractive and safe environment and remedying deficiencies in provision in areas with poor access to facilities.
- competition between retailers and enhanced consumer choice through the provision of innovative and efficient shopping, leisure, tourism and local services in town centres, which allow genuine choice to meet the needs of the entire community.

Assessments for proposals for retail development such as this should be evidence based and this should relate to the overall need for main town centre uses. A sequential assessment should then be utilised for main town centre uses that are not in an existing centre, which assesses availability, suitability and viability of sites. There is also a requirement to demonstrate that there are no town centre sites to accommodate the proposed development. The level and type of detail of evidence and analysis required in impact assessments should be proportionate to the scale and nature of the proposal and its likely impact. If no significant adverse impact is identified then applications should take account of the positive and negative impacts of the proposals, the likely cumulative effect of recent permissions, developments under construction and completed developments and any other material considerations. One key consideration for assessing this application is the Cheshire Town Centre Study.

The Cheshire Town Centre Study was published in May 2007. This study was prepared by White Young Green and updates a study which was carried out in 2000. This makes some key conclusions which are summarised as:

- Macclesfield is a dominant centre in the sub-region and an important comparison retail destination.
- It is a healthy, vital and viable centre generally however, its proximity to other major comparison retail destinations and the competition from other centres in the Cheshire sub-region requires Macclesfield to look continually to improve the centre's comparison retail offer.
- There is considerable capacity for additional comparison retail floorspace within Macclesfield. In the short term, over the period to 2011, there is capacity for between 10,240 sq m (net) and 14,629 sq m (net) of additional comparison retail floorspace.
- By 2016, the capacity identified has increased to between 42,820 sq m (net) and 61,171 sq m net of additional floorspace. The Study does however, state that the medium and long term capacity projections should be treated with some caution and do not provide justification for that quantum of additional retail floorspace in the short term.
- There are no commitments for comparison retailing in Macclesfield that would meet the short term capacity identified. White Young Green was broadly aware of the quantum of comparison retail floorspace proposed as part of the Macclesfield Town Centre Redevelopment and considered that the proposed development would absorb most if not all of the short-term capacity.
- If the capacity identified is not met by commensurate new retail floorspace then Macclesfield is at risk of losing market share to other destinations. Conversely, if significant additional new comparison retail floorspace is developed in Macclesfield then the market share of the town may increase. Any increase in the town's market share will generate additional capacity over and above that which is identified by the Retail Study.

The Cheshire Town Centre Study includes a detailed health check of Macclesfield Town Centre. The overall conclusions reached are that Macclesfield is a healthy shopping centre. It is the fourth most important shopping centre in Cheshire and one of two key centres in Cheshire East. The town centre redevelopment proposals would further enhance the retail provision in Macclesfield and enable it to compete with larger retail centres outside of the Cheshire catchment. PPS4 requires LPA's to use their annual monitoring reports to keep the viability and vitality of centres under review. The most recent information for Cheshire East is set out in the December 2009 Annual Monitoring Report (AMR). Although there are a number of vacant units in Macclesfield town centre these are small units.

The application to redevelop Macclesfield town centre is currently going under some major revisions. It is considered that any proposals for the town centre

would further enhance the retail provision within Macclesfield town centre and provide it with the opportunity to compete with large retail centres.

Sequential Assessment

The Retail Statement includes a sequential assessment which follows the PPS4 guidelines. The purpose of the application is to increase the marketability of an existing empty unit and increase the opportunity to secure a tenant as soon as possible. The provision of the proposed floorspace at any alternative site would not assist in letting the existing unit. Notwithstanding this, the Statement appraised all sites within Macclesfield and demonstrates that there are no sequentially preferable sites which are available, suitable and viable for the proposed development.

Retail Assessment

A Retail Impact Assessment has been carried out which uses the data in the Cheshire Town Centres Study. This has been formulated by utilizing the following methodology: -

- An assessment is made of available expenditure for comparison goods in the defined catchment area.
- An assessment is made of the turnover of both the existing and committed floorspace within the primary catchment area for comparison goods.
- This informs the calculation of the available capacity for the increased floorspace.
- An assessment is made of the leakage and residual spending power available within the primary catchment area.
- An assessment of the trading characteristics of the proposal and its likely effect on the trading patterns in the primary catchment area when the unit opens.

The retail assessment report concludes that there would be a surplus expenditure of £47.4 million in Macclesfield in 2011 and £55.3 million in the Primary Catchment Area in 2011. The impact assessment indicates that there would be a 1.5% impact on other out-of-centre units in Macclesfield with a 1% impact on Macclesfield town centre. This would not have a material impact on the town centre. The assessment has not allowed for claw-back of trade from other units. However, in reality the study shows that 42% of comparison trade leaks to locations outside the Cheshire Study Area with 40% of bulky goods trade being spent at destination outside the Study Area.

It is extremely likely that there will be trade drawn from competing parks and a warehouse operations outside the Cheshire Study Area which has not been taken into account in the assessment.

Where there are no significant adverse impacts identified in respect of policies PPS4 requires that planning applications should be determined taking account of the positive and negative impacts of the proposals. In this case, the applicants consider that positive impacts would be as follows:

- Bringing a vacant unit at an established retail park back into use.
- Improving the qualitative offer of retail warehousing in Macclesfield.
- The consolidation of retail warehousing on one site rather than fragmented sites around the town.

The applicants consider that there would be no negative impacts.

The Spatial Plans Officer has considered the submitted Retail Statement and does not object to the conclusions of the submitted retail statement and is satisfied that the development would be acceptable in principle. Officers consider the methodology which has been adopted and its conclusions to be acceptable.

Design

The proposed alterations will mainly be internal. Two fire doors are proposed adjacent to some internal stairs to be used in the event of a fire. These fire doors would match the existing fire doors found elsewhere on the building in terms of materials and colour. It is considered that these alterations would have a minimal impact on the surrounding buildings. The mezzanine would not be seen from outside the building.

Highways

The Strategic Highways Engineer notes that it is proposed to use the floorspace as additional retail floorspace and there are no changes proposed to the current access arrangements or car parking provision for the site.

The main highway issue that arises from this application is whether the additional floorspace and subsequent traffic generation would cause increased traffic congestion. With regard to the increased number of trips, not all trips will be new trips to the site as some customers will already be visiting the site and also other uses within the retail park. The transport assessment submitted with the application has assessed the priority junction of Winterton Way / London Road as to its operational capacity, the results indicate that the junction works within its capacity limits with the additional new trips added on.

The Strategic Highways Engineer does not consider that the proposed additional mezzanine floorspace would have a material impact on the highway network and cause congestion problems, no highway objections are therefore raised.

Amenity

It is not considered that the proposal will raise any amenity issues.

Ecology

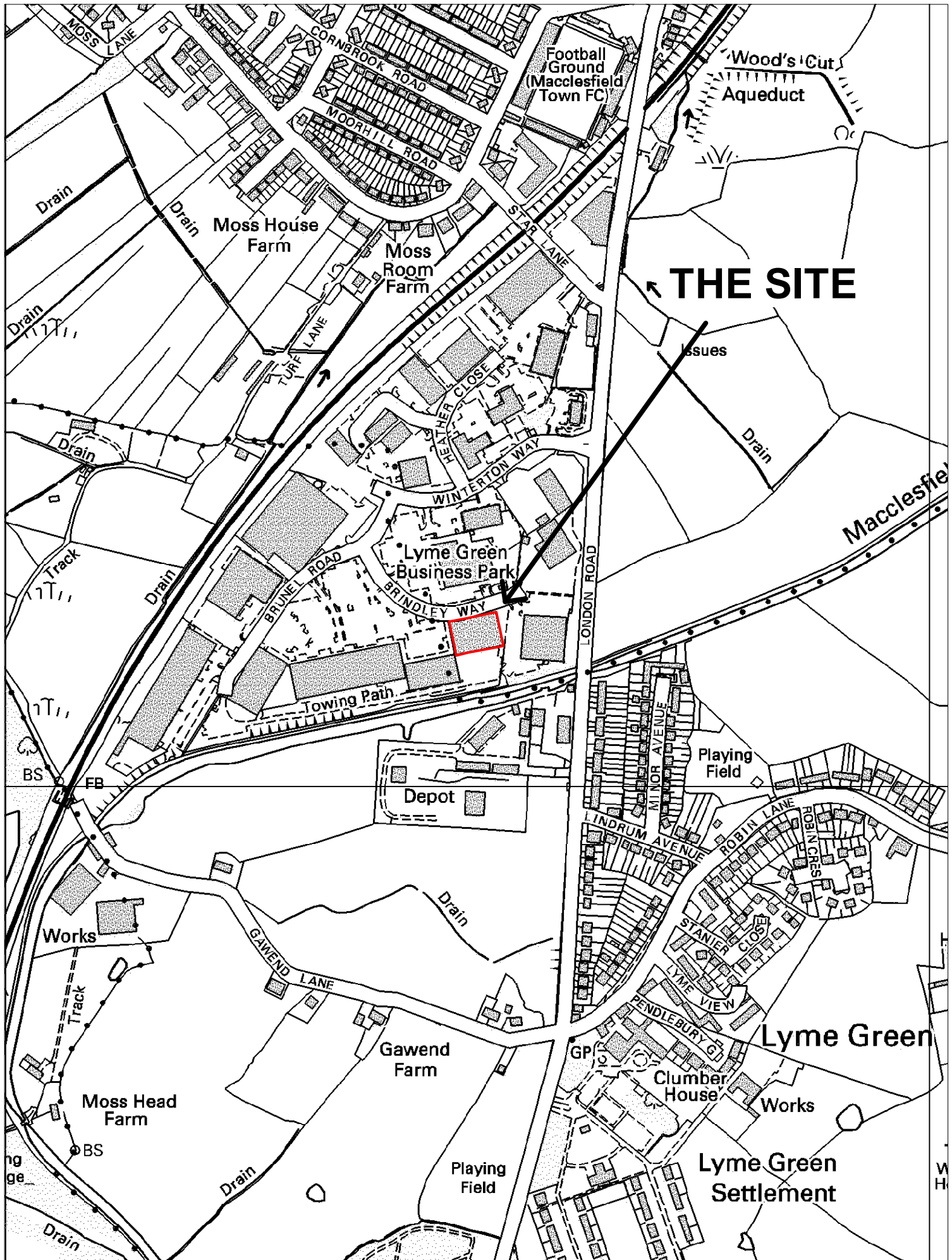
It is not considered that the proposal will raise any ecological issues, as all the proposed works would be internal.

OTHER MATERIAL PLANNING CONSIDERATIONS

If approved, the proposal would generate a requirement for a commuted sum payment towards off site open space and recreation / sports facilities in the area. For non-food retail the general rule of thumb figure in the 2004 SPG is £300 per 20 sq. m. for each. This would generate a minimum requirement for £56 400 and would need to be secured by via a legal agreement. As mentioned in the report above, mezzanine floors trade at a lower turnover than ground floor space as it is recognised that it is less convenient to access and its operations would be likely to be largely secondary in nature with floorspace being used for the big ticket products that sell less frequently or require a greater amount of display space. It is suggested that the mezzanine floor could have a less intensive trading density of up to 50% of the maximum of the ground floor retail floorspace. It may be that in this instance the sum required would need to reflect this. The formal comments of the Green Space Parks Officer are however awaited and therefore, further comments on this matter and possible Heads of Terms for a Legal Agreement will follow in an update report.

CONCLUSIONS AND REASON(S) FOR THE DECISION

In terms of retail policy, it is considered that the proposed development would have no significant impact on the town centre and the development meets the relevant policy tests set out in PPS4 and the development plan and therefore planning permission should be granted.



10/1270M - UNIT 8, BRINDLEY WAY, MACCLESFIELD, SK11 0LP

N.G.R. - 391,510 - 371,160

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Application for **Full Planning**

RECOMMENDATION : Approve subject to following conditions

1. A03FP - Commencement of development (3 years)
2. A01AP - Development in accord with approved plans
3. Restriction of use for the sale of non-food comparison goods.
4. The store shall not be subdivided prior to the submission of a planning application