

Application No: 15/0400M

Location: Land off Earl Road/Epsom Avenue, Handforth Dean, Cheshire, SK9 3RL

Proposal: Demolition of existing buildings and erection of five units to be used for Class A1 (Non-food retail) purposes and two units to be used for Use Class A1 (Non-food retail or sandwich shop) and/or Use Class A3 and/or Use Class A5. Creation of car park and provision of new access from Earl Road, together with landscaping and associated works.

Applicant: Orbit Investments (Properties) Ltd

Expiry Date: 06-Apr-2015

## **SUMMARY**

The justification for policy E2 of the local plan explains that retailing is not permitted (on existing employment sites) because it would reduce the amount of employment land available and provision is made elsewhere for retailing. It is acknowledged that the proposal would generate a significant number of jobs; however it is not considered that the merits of the proposal should be judged by the numbers of jobs it creates. B8 uses are an employment use and do not typically generate the same number of jobs as a B1 or B2 use with a comparable floorspace.

Employment allocations are important to provide land for substantial buildings (including warehouse buildings) that cannot be located elsewhere such as in town centres or countryside locations. The proposal will result in the loss of employment land at a time when the Council is actively seeking additional employment land allocations as part of its emerging local plan. The need for sites is such that even Green Belt locations are currently being considered for employment purposes. The loss of the application site would exacerbate this situation and place further pressure to locate sites within the Green Belt.

The proposal is therefore contrary to policies E1 and E2 of the Macclesfield Borough Local Plan, and the caveat within paragraph 22 of the Framework which seeks to avoid the long term protection of employment sites where there is not reasonable prospect of it being used for employment purposes does not apply. The two buildings on the application site are occupied and therefore it cannot be concluded that there is no reasonable prospect of the site being used for employment purposes.

The loss of employment land is considered to significantly and demonstrably outweigh the benefits of the proposal. Accordingly the application is recommended for refusal.

## **SUMMARY RECOMMENDATION**

Refuse

## **PROPOSAL**

The application seeks full planning permission for the demolition of existing warehouse building and erection of five units to be used for Class A1 (Non-food retail) purposes and two units to be used for Use Class A1 (Non-food retail or sandwich shop) and/or Use Class A3 and/or Use Class A5. The creation of car park and provision of new access from Earl Road, together with landscaping and associated works. The existing office building in the north east corner of the site will be retained.

## **SITE DESCRIPTION**

The application site comprises existing warehouse and office buildings on the corner of Earl Road and Epsom Avenue. The site is located within an Existing Employment Area as identified in the Macclesfield Borough Local Plan.

## **RELEVANT HISTORY**

13/3041M – Extension to time limit of 03/2155P – Not determined to date (SPB resolution to approve – awaiting s106 agreement)

03/2155P - erection of 2no. Three/four storey office blocks – Approved 04.08.2008

## **NATIONAL & LOCAL POLICY**

### **National Policy**

The National Planning Policy Framework (the Framework) establishes a presumption in favour of sustainable development. The Framework sets out that there are three dimensions to sustainable development: economic, social and environmental. These roles should not be undertaken in isolation, because they are mutually dependent.

Of particular relevance are paragraphs:

22 (long term protection of employment sites)

24, 26 and 27 (town centres)

### **Local Plan Policy**

Macclesfield Borough Local Plan -

NE9 (River corridors)

NE11 (Nature conservation interests)

BE1 (Design principles for new developments)

E1 (Employment land)

E3 (Employment land – business)

E4 (Employment land – industry)

T3 (Improving conditions for pedestrians)

T5 (Provision for cyclists)

IMP1 (Provision for infrastructure)

IMP2 (Need for transport measures)

DC1 (High quality design for new build)

DC2 (Design quality for extensions and alterations)  
DC3 (Protection of the amenities of nearby residential properties)  
DC5 (Natural surveillance)  
DC6 (Safe and convenient access for vehicles, special needs groups and pedestrians)  
DC8 (Requirements to provide and maintain landscape schemes for new development)  
DC9 (Tree protection)

### **Cheshire East Local Plan Strategy – Submission Version (CELP)**

The following are considered relevant material considerations as indications of the emerging strategy:

SD1 Sustainable Development in Cheshire East  
SD2 Sustainable Development Principles  
EG3 Existing and Allocated Employment Sites  
EG5 Promoting a Town Centre First Approach to Retail and Commerce

### **Other Material Considerations**

National Planning Practice Guidance

## **CONSULTATIONS**

**Natural England** – No comments to make

**Environment Agency** – No comments to make

**United Utilities** – No objections subject to conditions relating to foul and surface water

**Environmental Health** – No objections subject to conditions relating to pile driving, floor floating, dust control, travel planning, electric vehicle infrastructure and contaminated land.

**Head of Strategic Infrastructure** – No objections subject to financial contribution to improve accessibility of the site.

**Flood Risk Manager** – No objections subject to conditions

**Public Rights of Way** – No objection subject to advice note on developer's obligations regarding public right of way.

**Stockport MBC** – object on the following grounds:

#### Sequential Test:

- Discounting sites because they do not have a car park is contrary to the town centre first approach as it is lending itself to only finding out-of-centre sites suitable.
- Contrary to paragraph 34 of the NPPF - decisions should ensure developments that generate significant movement are located where the need to travel will be minimised.
- A proposal forward which is not encouraging a multimodal choice is unsustainable.
- Applicant could demonstrate more flexibility in adapting the format of the scheme, particularly given speculative nature of proposal.
- The catchment area for the retail assessment has not considered other centres and known sites including Bramhall, Cheadle Hulme, Cheadle, Gatley, Heald Green.
- Other sequentially preferable edge of centre sites exist in Stockport

- Proposal does not satisfy sequential approach or paragraph 24 of NPPF

#### Impact test

- impact test is inadequate for the purposes of assessing the potential impacts on Stockport due to it not being informed by up-to-date evidence.
- Only listed the Merseyway Shopping Centre and the Bridgefield scheme as the existing, committed and planned public and private investment in Stockport – there are other schemes.
- No evidence to show that there will be no impact on the Bridgefield scheme or Merseyway.
- More detailed analysis of the impact of the proposed out-of-centre retail development on Stockport regeneration schemes is required.
- Impact upon local / district centres within Stockport should have been assessed.
- The trade draw from Stockport Town Centre is indicated as 2% within the application. Should be at least 4.7% as it was for the Next store on adjacent site.
- Multiple units also likely to have greater impact.
- Scheme has the potential for a higher trade draw owing to the wider choice of goods and services proposed than that of the Next store.
- This proposal should be considered along with the Next site, Stanley Green Retail Park and other future proposals for this area to calculate the cumulative impact. A revised trade draw from Stockport Town Centre should also be calculated to accurately reflect the impact of the proposal.
- Stockport Town Centre is very vulnerable to out-of-centre retail developments.
- One of the main leakages from the Stockport catchment in terms of comparison spending is from destinations such as Handforth Dean (M&S, Tesco) (£82m), it is envisaged that this scheme combined with Stanley Green Retail park and the recently approved Next scheme could be considered to have a significant adverse impact on Stockport Town Centre.

**Handforth Parish Council** - Support the proposals. However, there was significant concern from councillors about the increase in traffic volume along Coppice Way and Earl Road, should this development be approved.

## **REPRESENTATIONS**

One letter of representation has been received making the following general observations on the proposal:

- There seems to be no overall policy or development plan for the Handforth Dean Retail /Business Park and The Stanley Green Retail / Business Parks. The two are merging which is a concern.
- Concerns over access and egress for all types of vehicular traffic and adequacy of parking. How is this site going to be developed in co-ordination with the Next Development?

Two letters have been received objecting to the proposal on the following grounds:

- Stanley Road and Earl Road are totally inadequate to cope with the traffic generated especially at peak times during finishing times.
- Madness to grant planning permission to this development without a strategic development of the roads serving Handforth Dean / Stanley Green / Next which are

merging into one. The situation is made worse due to the land lying on the boundary of two authorities with the consequence of no plan in place for the area.

- It is of paramount importance that Cheshire East Council undertakes a thorough and independent assessment of all out of centre retail developments.

Two further letters have been received as a result of further information being submitted by the applicant and a further period of consultation. One letter on behalf of Eskmuir, the owner of the Grosvenor Shopping Centre in Macclesfield Town Centre and one letter on behalf of Peel Holdings objecting to the proposal on the following grounds:

- Sequential and impact tests not fully considered by applicant.
- No reason to depart from employment allocation in local plan.
- No changes to this allocation in emerging local plan.
- Updated Cheshire Retail Study should be published prior to determining the application.
- Application should be considered cumulatively with many other emerging proposals for out of centre retail:
  - Next, Earl Road, Handforth (12/4652M)
  - Land off Earl Road, Handforth (16/0138M)
  - Barracks Mill, Black Lane, Macclesfield (15/5676M)
  - Land off Congleton Road (SMDA) (14/0282M)
- Above proposals indicate up to 46,000sqm of out of centre retail is emerging.
- Applicants have failed to demonstrate flexibility as required by para 24 of Framework
- Not set out precise parameters which constitute boundaries for their search.
- Not demonstrated what need their development seeks to serve.
- No consideration by the applicants of what contribution a more central site is able to make to accommodate the proposal
- Failed to assess any part of the Peel Centre within sequential assessment (extant consent at unit 6)
- Also not assessed the disused gas holders site at the rear of the Peel Centre which is soon to be remediated.
- Peel centre is sequentially preferable
- Not assessed health of designated centres in the catchment area and therefore cannot be certain that the development would not have a significant adverse impact upon them.
- Not followed the very standard methodology of 'like impacting like' when applying trade diversions
- Trade draw levels provided by applicants include many anomalies
- Bridgefield and Merseyway developments in Stockport town centre have not been adequately assessed.
- Ability for the proposals to impact upon the redevelopment of Unit 6 and the Gas Holders site to the rear of the Peel Centre should be assessed

## **APPLICANTS SUBMISSION**

The following documents accompany the planning application, and can be viewed in full on the application file:

- Sustainability Statement
- Planning & Retail Statement

- Design & Access Statement
- GCN Appraisal
- Bat Roost Potential Appraisal
- Energy Assessment
- Tree Survey and Arboricultural Implications Report
- Environmental Site Investigation Report
- Extended Phase 1 Habitat Survey
- Flood Risk Assessment
- Transport Assessment

## **APPRAISAL**

The key issues in the determination of this application are:

- Loss of employment land
- Retail impact
- Highways safety and traffic generation

## **ECONOMIC SUSTAINABILITY**

### **Loss of Employment Land**

The application site is located within an area of Existing Employment Land as identified in the Macclesfield Borough Local Plan. The existing warehouse building is occupied by Gradus Carpets, and the part of the existing office building is occupied by Pets at Home.

Policy E1 of the local plan states that “Both existing and proposed employment areas will normally be retained for employment purposes” and policy E2 states that “On existing and proposed employment land, proposals for retail development will not be permitted”. It is therefore clear that the proposal is contrary to policies in the adopted development plan.

Planning decisions must be made in accordance with the development plan unless material considerations indicate otherwise. The Framework is a significant material consideration and includes a presumption in favour of sustainable development. This means that where the development plan is absent, silent or relevant policies are out of date, permission should be granted unless any adverse impacts of doing so would significantly outweigh the benefits, when assessed against the policies in the Framework as a whole; or specific policies in the Framework indicate development should be restricted.

Policies E1 and E2 of the Macclesfield Borough Local Plan are considered to be consistent with the Framework to the extent that they seek to provide and retain a range of employment land in order to facilitate sustainable economic growth. However, paragraph 22 of the Framework states that, “Planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose”.

Policy EG3 of the emerging local plan also seeks to protect existing employment sites for employment use, unless there are environmental problems that cannot be mitigated or the site is no longer suitable or viable for employment use. For it to be no longer suitable or

viable, there should be no potential for modernisation or alternate employment uses, and no other occupiers can be found.

With regard to the employment land issue, the applicant makes reference to the application which granted consent for the Next store on the opposite side of Earl Road. They maintain that similar to the Next site, the application site has experienced very low market demand for the approved office buildings since permission was granted in 2008, evidenced by the fact the units have never been constructed. Furthermore, another building owned by the applicants of 2407sqm on the opposite side of Epsom Avenue to the application site that was speculatively constructed following planning permission granted in October 2001 has never been occupied and remains vacant over 10 years after being built. The same permission also approved a second office building of the same size, which has not been constructed due to the absence of demand.

The applicant concludes that given that 16,149sqm of approved class B floorspace has been available between the application site and the opposite site to the north of Epsom Avenue for a number of years, but never taken up, it is reasonable to conclude that demand does not exist for this type of floorspace in this location and there is therefore no reasonable prospect of the site being used for that purpose.

However, since the suspension of the local plan process, a revised employment forecast of 31,400 additional jobs (2010-2030) at an annual economic growth rate of 0.7%, requiring the provision of 378ha of employment land. This compares with the previous figures of 13,900 additional jobs, 0.4% annual growth rate and 351ha of employment land proposed in the local plan strategy.

The Council's statement to the resumed hearings for the local plan states that with regard to the distribution of the additional 27ha of employment land, it is noted that the north of the Borough will continue to be attractive to businesses keen to be based in locations with easy access to Manchester City Centre. As such there is a strong case to allocate a substantial proportion of any additional land to the north of the Borough.

The Spatial Distribution Update Report also submitted as part of the resumed local plan process concluded, having taken account of a full range of planning considerations including the Green Belt, that 19ha of additional employment land should be allocated in the main northern towns of the Borough. Of course due to the particular constraints of the northern part of the Borough, it is likely that this may involve taking land out of the Green Belt, to achieve this. Therefore if planning applications on already identified sites such as the application site are approved, this will exacerbate the situation, and further sites potentially in the Green Belt will have to be found.

Added to this, whilst the applicant's comments regarding the absence of any interest in their existing office developments / permissions are noted, the fact remains that the buildings on the site are currently occupied for employment uses. It is therefore impossible to conclude that there is no *"reasonable prospect of a site being used for that purpose"*. The land allocation is currently being reviewed as highlighted above through the local plan process and as noted there is a requirement for more employment land provision, particularly in the north of the Borough.

Consequently there is not considered to be any material planning considerations to justify the loss of the employment land. The proposal is therefore contrary to policies E1 and E2 of the Local Plan.

### **Retail Impact**

Policy S2 of the Macclesfield Borough Local Plan deals with proposals for new retail development outside of existing centres. This policy includes that there should be a proven need for the proposal. However, the Framework supersedes this and does not require applicants to demonstrate the need for the development. The Framework does require that proposals demonstrate that they satisfy both the sequential test and the impact assessment tests. Paragraph 27 of the Framework is clear that where an application fails to satisfy the sequential test or is likely to have significant adverse impacts, it should be refused.

On this basis, the Council need to be satisfied that there are no more sequentially preferable sites available and that there would not be a significant adverse impact on investment in centres within the catchment of the proposal or on town centre vitality and viability. The Council have obtained specialist retail advice on this proposal from White Young Green (WYG), and the issues raised by them are incorporated below.

### **THE SEQUENTIAL APPROACH**

Paragraph 24 of the Framework requires:

*“applications for main town centre uses to be located in town centres, then in edge of centre locations and only if suitable sites are not available should out of centre sites be considered... Applicants and planning authorities should demonstrate flexibility on issues such as format and scale.”*

The site is allocated as an Existing Employment Area under policies E1, E2 and E3 of the MBLP. The site sits to the north of Handforth Dean Shopping Centre which is not a designated retail shopping area. The nearest centre is Wilmslow town centre which is approximately 2.5km to the south. Therefore, the site is located in an out of centre location. There are a number of site and application specific factors relevant to consideration of the site at Earl Road under the sequential test. These are summarised as follows:

- The proposed site is 1.87 ha;
- The proposed car park consists of 240 spaces (including 17 disabled spaces) 40 cycle parking spaces and 10 motorcycle spaces;
- There is a total floorspace of 6035sq.m. and a net sales area of 5,130sq.m.;
- The development is divided into seven units, five are for non-food retail and two are for non-food retail, cafe/restaurant or sandwich;

The Framework states that the application of the sequential test should be proportionate and appropriate for the given proposal. The test also requires a demonstration of flexibility for the proposed development. If no town centre sites are found, preference should be given to accessible sites in an edge of centre or out of centre location that are well connected to the town centre. Only if there are no suitable sequentially preferable locations, the sequential test is passed. The NPPG also mentions that robust justification must be provided to show if certain main town centre uses have particular market and locational requirements that may only be accommodated in specific locations.



The applicant has referred to a number of appeal cases and judgements to give an appropriate and informed context to the sequential test. These cases together with the Framework identify two important points. Firstly, the Secretary of State does not consider disaggregation to form any part of the sequential test and, as a consequence, there is no requirement to consider whether any element of the application proposal could be disaggregated to another site. Secondly that in order for an alternative site to be found to be sequentially preferable, there needs to be a realistic prospect that the site could support such a use in the 'real world'. In other words, the refusal of planning permission at the subject application site should bring with it a realistic prospect that a materially similar development (allowing for some flexibility) could be accommodated at the alternative site.

#### Area of search

The applicant considered that the type of retailers who would be interested in the proposed development would seek stores which meet the following criteria:

- Close to an established retail destination;
- Proximity of similar retailers; and
- On site/dedicated car parking.

In the applicants Planning & Retail Statement (PRS), the "area of search" for sites was focused on sites in four town centres namely Handforth District Centre, Macclesfield Town Centre, Stockport Town Centre and Wilmslow Town Centre.

In considering the likely catchment area of the subject application, it is noteworthy that the proposed development will in effect act as an extension to an established out of centre retail destination. This not only relates to Handforth Dean, but the wider A34 corridor which includes Stanley Green Retail Park and Cheadle Royal (John Lewis and Sainsbury's). The existing popularity of the wider retail offer will increase the likelihood of linked trips and will extend the catchment area of the proposed development beyond that which one would typically expect had the development been a new, free-standing retail park.

The applicant has considered a larger area of search and concluded that no sequentially preferable sites can be identified within or on the edge of the centres of Cheadle, Cheadle Hulme, Hazel Grove, Bramhall, Handforth, Poynton, Alderley Edge, Alsager, Congleton, Middlewich, Knutsford and Sandbach. There has been no identification of these particular sites considered to be able to validate against. However, no potential sites are known to exist in these areas and therefore the area of search adopted is considered to be acceptable and that all possible potential sequential sites have been assessed below.

#### Flexibility

There is no requirement to consider whether any element of the proposal could be disaggregated as part of the sequential approach. However, in the context of flexibility, the Rushden Lakes decision is clear that format and scale are central to the requirement of flexibility and as such, it is important for the applicant to provide a full justification behind the proposed business format and floorspace requirement to inform the sequential assessment. WYG has previously requested that the applicant provides further evidence with regards to why the application site was the only suitable site to accommodate the proposed development and why the level of floorspace was required to be delivered when no retailers had shown any commitment to the scheme.

The applicant has now responded providing additional information with regards to the types of retailers they envisage the scheme will attract and accommodate. The applicant has provided a list of potential retailers seeking representation within the area, some of which are looking for a dual representation, some of which are looking to replace existing provision. The applicant states that the list has been compiled by property agents Morgan Williams. The list includes a variety of retailers, which can be broadly divided into the following type:

- 7 'bulky' goods (non food) retailers
- 6 discounter/household goods retailers (with a small element of food)
- 4 clothing and footwear (fashion) retailers
- 2 sports/outdoor retailers
- 1 toy specialist retailer

It is not confirmed whether the retailers have been approached for this scheme in particular or whether they would be interested in occupying a unit at the site. As such, there is still very much a speculative nature to the proposal and a significant degree of uncertainty in terms of the scheme. Furthermore, there is still a limited amount of evidence provided by the applicant with regard to the overall quantum of floorspace required to make the scheme viable.

However, the list provided by the applicant has been useful in providing a steer as to the type of goods likely to be sold from the units and therefore a suitable control over the use of the floorspace. The applicant states that the types of retailers likely to be accommodated at the site have a requirement to be located adjacent to other retailers to enable them to trade successfully. It is considered that this is likely to be the case, although it is important to recognise that both M&S and Tesco are already present just metres away from the site. The applicant asserts that this is in light of the potential to create linked trips, the requirement for high footfall and need for dedicated adjacent parking.

The applicant has considered various sites in and on the edge of Handforth District Centre, Macclesfield Town Centre, Stockport Town Centre and Wilmslow Town Centre.

#### Handforth district centre

Handforth accommodates local shopping requirements on a limited scale. Some of the smaller units would be able to accommodate the A3/A5 units proposed by the application. However, in relation to the sequential approach to development, it should be assessed whether the whole scheme (with a degree of flexibility) could realistically be moved to another location. Any potential sites in Handforth are too small to accommodate the whole scheme and therefore there are no known sequential sites that could be considered available or suitable for the proposed development in Handforth district centre

#### Macclesfield town centre

*"Silk Street", Macclesfield (Duke Street Car Park, Exchange Street Car Park and Churchill Way)*

Deloitte has referred specifically to recent tender documentation produced by the Council relating to this site. It is acknowledged that it is the Council's aspiration to provide a leisure-led development and that bids have been put forward by developers on that basis. However, this does not detract away from the fact that elements of retail to improve the overall town centre offer could still form part of the wider masterplan for the sites. However, in light of the latest tender invitations and the clear aspirations of the Council to deliver a leisure-led scheme, WYG is now satisfied that the site could not accommodate the proposed development and quantum of retail floorspace proposed even when for allowing for a

sufficient degree of flexibility. In any event, WYG is satisfied with the applicant's conclusion that the site at Silk Street does not represent a sequential alternative to the application site.

*Former TJ Hughes, Roe Street*

The site is too small for the proposed development and it has recently been let so it is no longer considered to be available as it has been recently occupied by B&M in September 2014.

*Macclesfield Train Station*

The site is currently used as town's train station and therefore WYG agree that the site is unsuitable for the proposed development. There is no information suggesting that it is available in short term and therefore can be discounted as a sequentially preferable site.

*Craven House, Churchill Way*

The site extends to 0.05ha which is too small for the proposed development and therefore can be discounted as a sequentially preferable site.

*Former Cheshire Building Society*

The site located in the Primary Shopping Area extends to 0.4ha which is too small for the proposed development. Therefore it is not suitable for the proposed development.

*Macclesfield Town Centre Vacant Units*

None large enough to accommodate the proposed development.

*Black Lane, Macclesfield*

This site is considered to be in a more sustainable location than the application site, particularly with the inclusion of a bridge across the River Bollin as part of the recently submitted outline application proposals (15/5676M). However, it is considered that the two retail parks will serve different catchments, both in size but also nature. As recent appeal decisions have indicated, what is required to be proven is that development at a sequentially preferable site should not be delayed, stalled or otherwise impaired by development permitted at a less central location. There is no evidence to suggest that the development at Earl Road would prejudice or stall the development at Barracks Mill due to the different catchments these proposals will serve. As such, on sequential grounds both developments could progress, as they would trade within related but different catchments. Whilst it is considered that the site at Barracks Mill is available for the proposed scale of retail development, WYG is satisfied that the site is not suitable to accommodate a development which will serve the same catchment area as the development at Earl Road.

Stockport town centre

*Bridgefield*

Permission exists for the construction of a cinema, restaurants, shops and associated works. The level of A1 retail units is constrained to 1,605 sq.m and therefore only represents approximately 25% of the proposed development at Earl Road and therefore Bridgefield is unlikely to be able to accommodate the whole proposed development.

*Merseyway*

None large enough to accommodate the proposed development.

### *Knightsbridge*

The site is currently occupied by a range of uses and is not being actively marketed. Therefore, it is considered that although the site would be suitable for the scale of the development proposed, it appears that it is unavailable for the proposed development in the short term. There is not any development being proposed on this site that that could be considered comparable to the proposed development at Earl Road and therefore does not represent a sequentially preferable site.

### *Fletcher Street Car Park*

The site extends to 0.3ha and therefore the site is considered to be too small for the proposed development (even after significant flexibility) and therefore unsuitable.

### *Former Royal Mail Sorting Office, Exchange Street*

The former Royal Mail sorting office site extends to 0.25ha, located at an edge of centre location. The site is still owned by Royal Mail and is not being actively marketed; therefore it appears that it won't be available in the short term. In any event, the site is too small for the proposed development and therefore is not suitable and should be dismissed as a sequentially preferable site as it is unlikely to be able to accommodate the level of proposed development or even a reduced form after reasonable flexibility has been applied.

### *Stockport Town Centre Vacant Units*

None large enough to accommodate the proposed development.

The representation from Stockport MBC also identifies a number of potential sites in Stockport:

### *Unit 6 Peel Centre*

In relation to Unit 6 Peel Centre, WYG have confirmed after discussions with the owners and the agents of the Peel Centre, it is unlikely that this site is available immediately although it is suitable to accommodate some of the proposed development. It is therefore dismissed on that basis.

### *Peter Carlson showroom site*

Although no site area has been provided by Stockport MBC, the total floorspace currently on the site is limited to 1,300 sq.m of floorspace over two storeys. This cannot accommodate the proposed development even after a reasonable level of flexibility is allowed for.

In terms of generic sites, Stockport Council also identify the Stockport Exchange area within the town centre, it is confirmed that this area benefits from a mixed use planning permission including office and hotel led development with commercial ground floor units restricted to a maximum of 2,600 sq.m. The level of floorspace is below that being proposed at the application site and is floorspace assigned to the ground floor of multi-level buildings and therefore is unlikely to be comparable to that being proposed at Earl Road.

The [Stockportexchange.co.uk](http://Stockportexchange.co.uk) portal which sets out the parameters of the wider masterplan and the eight phases of development that are being promoted has been reviewed. The website confirms that the multi-storey car park has been completed with the offices now under construction and the hotel coming in 2017. Given the advancement of the development, it is

considered that the site is not available nor suitable for the proposed development and for the purposes of the sequential approach can therefore be discounted.

Finally, Stockport MBC also identify a number of small units that are located within a series of district and local centres, including Bramhall, Cheadle Heath, Cheadle, Gatley and Heald Green. They state that these defined centres are located within the estimated catchment area and should be considered. This would require disaggregation, which is not necessary to meet the test, and from review of the identified units and sites identified, it is considered that they are all too small when compared to the proposed development and therefore are not considered suitable for the purposes of the sequential approach.

#### *Gas Holder site to rear of Peel Centre*

The late representation from Peel Holdings has identified a former gas site to the rear of the Peel Centre in Stockport. This site will be examined and reported in an update.

#### Wilmslow town centre

##### *Alderley Road, Wilmslow*

The Site extends to 0.2ha and is allocated for mixed use development, and is too small to accommodate the proposed development in its entirety or even with a degree of flexibility; the proposed development would not be able to be accommodated within the site and therefore is not considered suitable. The applicant also confirms that the site is not available as a number of operators are present and the site is not available in a reasonable time period.

#### *Wilmslow Town Centre Vacant Units*

It is unlikely that any vacant units would be suitable to accommodate the proposed scheme either in whole or in part (with a degree of flexibility).

### TOWN CENTRE IMPACT

The two key impact tests identified by paragraph 26 of the NPPF are considered below. The tests relate to:

- the impact of the proposal on existing, committed and planned public and private sector investment in a centre or centres in the catchment area of the proposal; and
- the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area, up to five years from the time the application is made.

#### Impact on existing, committed and planned public and private investment

##### *Handforth District Centre*

In relation to the potential expansion areas on the edge of Handforth District Centre, as there are no plans to take it further, it is considered that the proposal would not have any impact on investment in this centre.

##### *Macclesfield Town Centre*

At the time of the application, the applicant had a significant interest in the scheme at Silk Street and had submitted a bid for one of the opportunities. They state that they would not jeopardise its own existing investments by promoting an alternative scheme, and maintain that there is no realistic risk of detrimental impact on investment.

In light of this information and the aspirations for a leisure-led redevelopment, WYG are satisfied that the proposed development is unlikely to have a significant adverse impact on planned or committed investment within Macclesfield.

#### *Stockport Town Centre*

In light of Peel Holdings recent objection, the impact on investment in Stockport will be reported in an update.

#### *Wilmslow Town Centre*

There is no known investment that would be affected by the proposed development.

#### Impact of the proposal on town centre vitality and viability Including Local Consumer Choice and Trade in the Town Centre and Wider Area

Trade draw identifies the origin (for example where people live) of those who are likely to spend their money at the proposed development. Trade diversion identifies the source of turnover of the proposed development from existing retail facilities (defined centres and other destinations). As such, by identifying the likely trade draw, it is then possible to analyse where the residents of that catchment area or those zones undertake their comparable shop, and then undertake an assessment of trade diversion based on those existing shopping patterns. It is important to note that the primary purpose of identifying the trade draw of a proposal is to recognise the proportion of trade that a development is likely to receive from customers within and outside its catchment area. As the guidance within the NPPG states, the best way to assess trade draw for new a development is to look at existing proxies of that type of development in other areas. Ideally, it should be undertaken on a zone by zone basis.

The location of the application site means that shopping patterns in both the Stockport ('SRSU') and Cheshire ('CRSU') Retail Studies need to be analysed to identify the likely trade draw of the proposed development. The applicant has provided estimated levels of trade draw from the Zones identified in the two studies, by applying a percentage from each zone, but do not provide any further analysis to explain where the figures come from.

Consequently the Council's own retrieval consultant (WYG) has analysed the applicant's trade diversion and impact figures below, based on their understanding of the likely trade draw of the scheme.

The applicant has also provided an update with regards to the levels of turnover and trade diversion of the proposed development, using an updated sales density of £10,000 and a reduced quantum of floorspace. WYG agrees that the updated sales density assists in the overall assessment of the proposed development in terms of impact.

Based on the amended figures and a gross to net ratio of 85%, the total turnover of the proposed development is estimated to be £51.30m at 2014, rising to £57.81m at 2019. WYG is satisfied that this estimated turnover represents a robust approach to assessing the quantitative impact of the proposal.

The applicant was asked to provide an assessment of the potential impact the proposal could have on the overall vitality and viability of Macclesfield and Stockport town centres, not only in

quantitative economic terms but also in qualitative terms, looking at the key indicators and how these may be impacted upon as a result of the proposal. WYG requested that Deloitte looked at the potential impact particularly in light of the reduction in market share of Macclesfield and Stockport over the past ten years. This will enable the Council to fully consider whether the quantitative impact figure put forward by the applicant would have a significant impact on the health of the centres, or not. However only limited detail was provided by the applicant.

As part of the ongoing work with Cheshire East to update the retail evidence in the CRSU, WYG has now undertaken an update on the assessment of the overall vitality and viability of Macclesfield. In addition, they have reviewed the assessment of Stockport town centre which was undertaken as part of the SRSU in 2014. Some of the key diversity characteristics are summarised below.

### *Macclesfield*

WYG recognises that Macclesfield is well represented in the comparison goods sector with a higher than average percentage of units and floorspace, although both the number and percentage has fallen since the last survey in 2009. Mill Street and the Grosvenor Centre provides a location for a number of the major national retailers, with a number of the town centre's largest stores found on these streets, including Marks & Spencer, New Look, Boots, Dorothy Perkins and Burtons. Chestergate and Exchange Street offer a range of shops such as jewellers and fashion outlets. The indoor malls of the Grosvenor Centre also provide important facilities for independent traders.

The percentage of vacant units within Macclesfield town centre has remained consistently above the national average. The amount of units vacant within the centre from 2006 has risen from 57 in 2006 to 71 in 2009. The percentage of vacant floorspace was below the national average in 2006, around the national average in 2009 and now above the national average in 2015. The amount of vacant floorspace in Macclesfield has increased since 2009 from 8,400 sq.m to 15,310 sq.m in 2015.

Macclesfield contains 14 of the 'top' 27 retailers within the town centre boundary. Further retail development aimed at attracting national multiple retailers is due to shortly commence at the Grosvenor Centre, with TK Maxx being an intended operator. This will remove the largest vacant unit within the town centre, which has been vacant for a number of years. Despite Macclesfield's higher than average vacancy rate, it does have some good national multiple retailers for a town of this size, which will be added to upon the completion of the new retail development next to the Grosvenor Centre. It is also noted that with the development of the Silk Street site for a leisure-led development, there is the opportunity to enhance the town centre and assist to increase visitor's dwell time within the centre.

However, there are some concerns over the health of the centre which needs to be addressed to ensure the centre continues to compete with other centres both within Cheshire East but also further afield in Greater Manchester.

### *Stockport*

The SRSU concludes that the town centre has lost market share since 2004, confirmed by its fall in the national rankings and household survey results. In the comparison goods sector, the main national multiples include M&S, Debenhams, BHS, Next, Primark, H&M and Boots,

with the majority of the larger comparison retail units located within the Merseyway Shopping Centre and at the Peel Centre.

There is a high vacancy level, particularly in terms of the number of units, although a number of these units are relatively small and only three vacant units measure over 500 sq.m. The town centre benefits from a strong diversity in the functions it performs as an important civic centre, as an important centre for education and health, and as an office location in the wider South Manchester market. The centre also has a number of key strengths in relation to its unique, historic heritage; in relation to the successes stimulated by the Portas initiative; and in relation to the way the Council and its investment partners have responded to the recession.

Overall, Stockport has a significantly high number of vacant units, although the types of units are relatively small and therefore not necessarily suitable to accommodate large format national multiples. As such, a number of the larger retailers are now located at The Peel Centre on the edge of the centre, which attracts a high proportion of shopping trips. There are deficiencies within the centre but the Council is working hard to regenerate key areas to enhance the overall provision and offer.

The above summaries demonstrate that both Macclesfield and Stockport have struggled over the past ten years and have higher than average vacancy rates and a lack of modern format retail units to accommodate national multiple retailers. It is therefore in this context that the consideration of quantitative impact needs to clearly be considered.

#### Trade Diversion and Impact

On behalf of the Council, WYG have provided their assumptions with regard to trade diversion figures, which are based on existing shopping patterns from those living in the identified catchment area.

#### **WYG's Assumed Trade Diversion and Impact of the Proposal 2019**

<b>Centre</b>	<b>Trade Diversion to Proposal</b>	
<b>Cheshire East Centres</b>	<b>(%)</b>	<b>(£m)</b>
Macclesfield	25.00%	£14.45m
Congleton	2.50%	£1.45m
Wilmslow	2.50%	£1.45m
Nantwich	1.50%	£0.87m
<b>Stockport Centres</b>		
Stockport	25.00%	£14.45m
Cheadle	1.00%	£0.58m
Cheadle Hulme	1.00%	£0.58m
Bramhall	1.00%	£0.58m
<b>Out of Centre Destinations</b>		
Handforth Dean	10.00%	£5.78m
Proposed Next	5.00%	£2.89m
Cheadle Royal	5.00%	£2.89m
The Peel Centre	5.00%	£2.89m
Stanley Green Retail Park	5.00%	£2.89m



In light of the above, in the table below, WYG then provide the cumulative impact on the centres identified by both the applicant and WYG, when taking into account committed schemes. The figures used include the diversion to the committed schemes, as provided by the applicant and use the pre-development turnovers from the applicant's submitted quantitative assessment.

#### **Applicant's and WYG's Cumulative Impact Assessment 2019**

<b>Centre</b>	<b>Deloitte Cumulative Impact</b>	<b>WYG Cumulative Impact</b>
<b>Cheshire East Centres</b>		
Macclesfield	6.6%	8.0%
Congleton	1.8%	1.8%
Wilmslow	2.9%	3.4%
Nantwich	1.7%	1.4%
<b>Stockport Centres</b>		
Stockport	5.9%	6.3%
Cheadle	2.0%	2.0%
Cheadle Hulme	2.6%	2.6%
Bramhall	2.6%	2.6%
<b>Out of Centre Destinations</b>		
Handforth Dean	7.9%	7.1%
Proposed Next	-	-
Cheadle Royal	4.7%	4.7%
The Peel Centre	4.5%	5.0%
Stanley Green Retail Park	3.3%	39.0%

It is important to note that a more recent household survey has been undertaken and therefore the turnovers of the centres within Cheshire East have been updated as part of WYG's work on the update to the Cheshire East Retail Study. It is expected that the Study and the associated figures will be released soon but for the time being, the proposal has been reviewed based on the current published information.

Following an assessment of cumulative impact based on the WYG revised trade diversion figures above, it is possible to calculate that in terms of the defined centres, the highest impact is estimated to be felt on Macclesfield (8.0%) and Stockport (6.3%) town centres.

In light of the current health of Macclesfield and Stockport, there are some concerns that impacts on these two centres to that level has the potential to cause some damage to the overall vitality and viability and their market shares. However, WYG considers that if the proposed floorspace was suitably controlled to reflect the nature of the retailers proposed as set out within Deloitte's submission, then the potential impact on the centres could be mitigated. WYG suggests that a condition could provide thresholds for certain types of goods, to ensure that the proposed units do not compete directly with retailers in the town centres and instead, performs as a more 'traditional' out-of-centre retail destination with a proportion of the floorspace dedicated to bulky goods retailers.

## **ENVIRONMENTAL SUSTAINABILITY**

### **Character and appearance**

The application site is located within an Employment Area which is characterised by buildings built more for function than form. The proposed retail units adopt a relatively simple form with

parapet around the roof and entrance features for each unit. The design is considered to be adequately in keeping with the local area. It is a little unfortunate however that the proposed development will face onto what is the back door and service yard of the new Next store opposite that is currently under construction.

The sustainability statement outlines that the proposed building could achieve a BREEAM rating of 'very good'.

### **Accessibility**

The applicant maintains that the site is well located in terms of its proximity to pedestrian and public transport services, and its connections to Handforth Dean Retail Park and the proposed Next retail unit.

However, accessibility was a significant issue raised at the time of the Next application for the site on the opposite side of the road, and remains so with the current proposal. The hourly bus Service (312) between Handforth Dean and Stockport runs along Earl Road, and there are some free services operated by Tesco which would be within a short walk of the site. Apart from these services the nearest are those along Wilmslow Road and Station Road in Handforth, about a kilometre away, which provide services to other destinations including Manchester and Wilmslow. The transport assessment confirms that a travel plan will be prepared to encourage the use of other forms of transport. However, without adequate provision for non car modes, a travel plan will be largely ineffective.

Mitigation is therefore required to make the development acceptable in planning terms, as it was for the extant office permission. The office permission secured contributions towards bus stops in the vicinity, improvements to provision for pedestrians and cyclists in the vicinity and a contribution towards public transport improvements. The same would be required for the current proposal.

In addition, accepting the fact that most users of the site will inevitably use the private car, the provision of electric car charging points is recommended, as it was with the Next scheme. Such provision has also been recommended by environmental health.

### **Amenity**

There are no residential properties within close proximity of the application site. As such, no significant amenity issues are raised.

### **Highways**

The proposed development has a new access onto Earl Road with the servicing taking place using Epsom Avenue and Arkle Avenue. The proposed access is located in the same position as the approved office development and is close to the end Earl Road.

There would be 240 parking spaces provided within the site including disabled parking and there also is 40 cycle parking spaces proposed.

### **Traffic Impact**

In considering the traffic impact of the development the applicant has taken into account the existing permission for the office development on this site compared to the proposed retail development. There are specific differences between approved office and proposed retail

developments in that the peak hour impact is predominately in the am for the office and less so for the retail proposal. The evening peak for the retail is the worse case in terms of traffic generation and needs to be considered. The applicant has stated that only 50% of trips to this development will be new trips on the network. Whilst it can be accepted that due to the proximity of the site to other retail destinations a reduction can be made for linked and transferred trips the figures presented in the TA does not provide evidence that this proposal would warrant such a reduction in trips.

Considering the figures submitted, the office development has a higher traffic generation than the proposed retail development in the morning and evening peak hours. This development would have a higher impact at the weekend than the approved office development but the level of existing background traffic flows on the network is lower and the major junctions on the A34 are not operating at the same level of pressure as in the daytime morning and evening peaks.

The applicant has undertaken junction assessments at locations where the development would have a material impact and these are Stanley Road/Earl Road traffic signals and at the Stanley Road / A34 roundabout. Clearly, these junctions are not within CEC and are the responsibility of Stockport and comments on the development impact of the proposals on these junctions should be sought from Stockport. The development does add additional traffic to the CEC road network especially at Coppice Way junction although these are small percentage increases and does not constitute a severe impact on the road network.

#### CEC Highways Summary

The previous permission for Office development on this site is a material consideration on this application, as the new current proposal for a retail use would produce less traffic than the office development and therefore can be seen as a benefit in highway terms. There will be a number of trips to the site that will have already travelled to the nearby Handforth Dean and Stanley Green retail parks and as such the number of new trips will be reduced but not in the opinion of the Head of Strategic Infrastructure to the level proposed by the applicant. However, taking a 30% reduction in trips which is more reasonable, this will not materially change the impact on the CEC road network but would increase the level of traffic using the Stockport junctions.

There were a number of contributions agreed relating to the mitigation of the impact of the Office development and some of these mitigation contributions are relevant in regard to this application i.e the improvements to pedestrian and cycle routes and also improvements to public transport as this would be pooled with the contribution secured to public transport from the Next application. Contributions to mitigate the traffic impact, is a matter for Stockport to consider as the major impact falls at junctions under their control.

#### Stockport MBC Highways

Stockport MBC Highways note that the proposed retail development would be far from ideally located for access by travel modes other than the private car.

In addition, the proposed development will have an unacceptable and demonstrably severe impact on the operation of the Earl Road/Stanley Road junction and this would justify refusal unless the impact can be mitigated by bringing forward the delivery of improvements to the junction. This requires the applicant to either prepare a package of improvements which could

be delivered under a planning condition and appropriate highway legal agreement or agree to the payment of a financial contribution under the terms of a S106 Agreement. The terms of the s106 would be the same as for the approved office development.

It should be noted that this matter is not referred to in the applicant's submitted Heads of Terms and therefore this may result in an additional reason for refusal. The applicant's position on this will be clarified and will be reported in an update.

## **Ecology**

The nature conservation officer has provided the following comments on the application:

### Habitats

The open area of habitat located to the south of the application site supports sufficient indicator species to be designated as a Local Wildlife Site.

This habitat would be lost as a result of the proposed development with a subsequent loss of biodiversity. The significance of this loss has not been outlined to date and will be reported in an update.

### Bats

An initial bat survey has been submitted in support of the application. The buildings affected by the proposed development offer limited potential for roosting bats and therefore roosting bats are unlikely to be present or affected by the proposed development.

### Great Crested Newts

Having regard to the character of the nearby water bodies, the location of the application site and its distance and isolation from the nearby waterbodies, that great crested newts are unlikely to be affected by the proposed development.

### Hedgerow

Hedgerows are a priority habitat. The proposed development would result in the loss of a section of hedgerow from the interior of the site. The submitted landscape plan includes the planting of a native species but this does not appear to be in the form of a hedgerow. So whilst there would be suitable native species incorporated into the scheme there would still be a loss of hedgerow habitat.

### Nesting Birds

In the event that planning consent is granted conditions would be required to safeguard nesting birds.

## **Trees and landscape**

The proposal will necessitate the removal of 14 trees for the development of which six have been assessed as Moderate (B) category trees, with the remaining 8 trees Low (C) category. A further four trees are proposed to be removed as they have been assessed as poor quality.

In the wider context, existing trees within the site do not present a significant contribution to the amenity of the area. Within the immediate vicinity, trees fronting Earl Road and to the south of the site adjacent to the existing public footpath provide some contribution to the

street scene (essentially lacking in other parts of the estate) and screening function to the public footpath.

The majority of tree losses are as a consequence of proposed parking provision and internal access arrangements and leaves little scope for any significant planting in mitigation. A landscape proposal has been submitted in support of the application, but this is not over generous in its detail.

Should planning consent be granted, conditions relating to tree retention, tree protection and landscaping will be required.

### **Flood Risk**

The Flood Risk manager had reviewed the proposals and confirms that there are no objections on flood risk grounds.

The developer will need to provide evidence that there will be no increase in flood risk either on or off-site as a result of the increase in impermeable area, and accordingly a condition requiring the detailed proposals for the disposal of surface water is recommended.

### **Contaminated land**

The Contaminated Land team has no objection to the above application subject to the following comments with regard to contaminated land:

- The application area has a history of depot use and therefore the land may be contaminated.
- The submitted report, REC December 2014, provided both phase I and phase II information, however, all the site investigation works were carried out in 2004 prior to demolition of the previous structure. Whilst some effort has been made to revise the information there has been no current site walk over or site investigation so it is uncertain whether any land contamination issues may have arisen in the 10 years since the report was produced. As such further information is requested:
  - A current detailed site walk over;
  - Existing site investigation locations overlaid onto a current day map and the proposed new development layout map;
  - A review of the investigation locations for discussion and if information gaps exist a (small scale) post demolition investigation be carried out.

In the event of approval, appropriate conditions would be required.

### **SOCIAL SUSTAINABILITY**

With regard to the social role of sustainable development, the applicant is offering £12,500 for public open space and £12,500 for recreation and outdoor sports. It is not clear how these figures have been produced. Comments from Ansa are awaited and the open space requirement for the development will be reported in an update.

### **ECONOMIC SUSTAINABILITY**

The applicant has stated that the proposal would create approximately 70 FTE jobs, and has offered £282,000 towards *employment generation (which could include investment in people*

*and skills development, apprenticeships, or infrastructure works to allocated employment sites in Handforth).*

A contribution was secured as part of the Next scheme on the basis that at that time there was no reasonable prospect of the Next site being used for employment purposes, therefore in an attempt to make the remaining employment site more attractive to B1, B2 and B8 occupiers, contributions towards the infrastructure of the wider employment site were secured as part of the overall planning balance in order to increase the chances of it being brought forward for employment development. The site is currently the subject of an application for a substantial retail development, which would indicate that the contribution towards infrastructure for employment uses has had limited effect in encouraging such uses to the site. It is not clear exactly what use the proposed financial contribution would be in this case, given the loss of an employment site that is currently in active use, and the significant need for more sites within the Northern part of the Borough. A more appropriate offer, given the conflict with policy would be the provision of an alternative site to mitigate for the loss.

The proposal will lead to a loss in the amount of employment land in the Borough.

## **PLANNING BALANCE**

The application site is allocated as an Existing Employment Site in the Macclesfield Borough Local Plan where policies E1 and E2 seek to provide and retain a range of employment land in order to facilitate sustainable economic growth.

Paragraph 22 of the Framework states that, “Planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose”.

Paragraph 14 of the Framework applies where it states that LPAs should grant permission unless any adverse impact of doing so would significantly and demonstrably outweigh the benefits from it, when assessed against the Framework as a whole; or specific policies in the Framework indicate development should be restricted.

The benefits in this case are:

- Creation of 70 FTE jobs.
- Contribution towards employment generation
- Contribution towards open space provision

The development would have a neutral impact upon the following subject to mitigation:

- There is not considered to be any significant drainage implications raised by this development.
- The impact upon trees is considered to be neutral.
- The impact upon the residential amenity/noise/air quality/landscape and contaminated land could be mitigated through the imposition of planning conditions.
- Highway impact would be broadly neutral due to the scale of the development having regard to the previous permission and appropriate mitigation
- Retail impact on existing centres subject to appropriate conditions

The adverse impacts of the development would be:

- The loss of employment land
- Loss of biodiversity

The justification for policy E2 of the local plans explains that retailing is not permitted (on existing employment sites) because it would reduce the amount of employment land available and provision is made elsewhere for retailing. It is acknowledged that the proposal would generate a significant number of jobs; however it is not considered that the merits of the proposal should be judged by the numbers of jobs it creates. B8 uses are an employment use and do not typically generate the same number of jobs as a B1 or B2 use with a comparable floorspace. Employment allocations are important to provide land for substantial buildings (including warehouse buildings) that cannot be located elsewhere such as in town centres or countryside locations. The proposal will result in the loss of employment land at a time when the Council is actively seeking additional employment land allocations as part of its emerging local plan. The need for sites is such that even Green Belt locations are currently being considered for employment purposes. The loss of the application site would exacerbate this situation and place further pressure to locate sites within the Green Belt.

The proposal is therefore contrary to policies E1 and E2 of the Macclesfield Borough Local Plan, and the caveat within paragraph 22 of the Framework which seeks to avoid the long term protection of employment sites where there is not reasonable prospect of it being used for employment purposes does not apply. The two buildings on the application site are occupied and therefore it cannot be concluded that there is no reasonable prospect of the site being used for employment purposes.

The loss of employment land is considered to significantly and demonstrably outweigh the benefits of the proposal.

## **RECOMMENDATION**

It is recommended that the application is refused due to the loss of employment land.

