

Application No: 16/0138M

Location: LAND AT, EARL ROAD, HANDFORTH

Proposal: Erection of retail and leisure development comprising Class A1 retail units, Class A3 cafes and restaurants, Class D2 gym and Class C1 Hotel.

Applicant: Martin Ridgway, CPG Development Projects Limited

Expiry Date: 18-Apr-2016

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 solely 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 allocating additional employment land as part of its emerging local plan. The need for sites is such that even Green Belt locations are currently being identified for future employment purposes in the north of the Borough. The loss of the application site would exacerbate this situation and place further pressure to locate sites within the Green Belt.

Despite the identified substantial benefits it is considered that the applicants have failed to demonstrate that there is no reasonable prospect of the site being used for employment purposes. The proposal is therefore contrary to policies E1 and E2 of the Macclesfield Borough Local Plan, policy EG3 of the CELPS and paragraph 22 of the Framework.

Accordingly the application is recommended for refusal.

SUMMARY RECOMMENDATION

Refuse

PROPOSAL

The application seeks outline planning permission for the construction of 23,076sqm of class A1 retail floorspace and 2,274sqm of class A3/A5 floorspace along with associated car parking, access and servicing arrangements and landscaping. This application seeks approval for access, appearance, layout and scale, with landscaping reserved for subsequent approval.

The application has been amended and reduced in scale since the original submission in January 2016. The amendments include the removal of the originally proposed hotel.

It should be noted that there is a separate application for part of this site referred to as Phase 2 (application 16/0802M). However, the larger retail scheme (the subject of this application) encompasses both Phase 2 and Phase 3 as a single application.

SITE DESCRIPTION

The application site comprises 4.8 hectares of open employment land as identified in the Macclesfield Borough Local Plan. The site lies within the Stanley Green Business Park / Industrial Estate, to the east of the A34 Handforth bypass adjacent to the Handforth Dean Retail Park.

RELEVANT HISTORY

There have been a number of applications for mixed use developments on the site since 1995, which have included proposals for cinema, leisure and retail development. All of which were refused.

The most relevant of these was:

83294P – Erection of retail warehousing – Refused 04.04.1996, Appeal dismissed 23.11.1998

The most recent planning permission on the site was:

04/1091P - Renewal of planning permission 01/2683P for use of land for car parking from 01/04/05 to 31/03/10 – Approved 17.06.2004

On the wider site

16/0802M - Erection of four restaurants and three drive-thru restaurant/cafe's along with associated car parking, servicing and landscaping – not yet determined (Phase 2)

16/3284M - Erection of retail floorspace – not yet determined (Phase 1B)

12/4562M - Erection of Class A1 retail store with conservatory, garden centre, ancillary coffee shop and associated car parking – Approved 23.10.2014

On the adjacent site off Epsom Avenue

16/5678M - 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. (Resubmission 15/0400M) – not yet determined

15/0400M - 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 – Refused (loss of employment land) 08.03.2016 – Appeal scheduled for June 2017

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 (MBLP) -

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)

Neighbourhood Plan policy

The Handforth Neighbourhood Plan is at the early stages of formulation and has had its Neighbourhood Area Designation confirmed (Regulation 7) but there are no policies material to the current application at this time.

Other Material Considerations

National Planning Practice Guidance

Cheshire East Local Plan Strategy – Proposed Changes Version (CELPS)

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

CONSULTATIONS

United Utilities – No objections subject to conditions relating to drainage

Environment Agency – No objections subject to condition relating to drainage of hardstanding areas.

Natural England – No comments to make

Manchester Airport – Comments awaited

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 conditions relating to highways improvements and a planning obligation to fund the monitoring of the travel plan.

Flood Risk Manager – Comments awaited

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:

- Other sites should be included in sequential assessment
- More flexibility of the scheme's format could be demonstrated
- Proposal will impact upon ongoing investment in Stockport at Redrock, Stockport Exchange, Merseyway, Market Place and the Underbanks
- Impact should be assessed up to ten years from the time the application is made.
- Retail assessment looks at impact on the comparison goods sector only
- Applicant does not consider the impact of the proposal on Stockport's District Centres
- Stockport Town Centre has a high vacancy rate
- Scope to significantly adversely impact on Bramhall, Cheadle and Cheadle Hulme District Centres

Wilmslow Town Council - Expressed concerns about the likely increase in traffic congestion on neighbouring roads which would also be exacerbated by additional housing nearby as identified in the Cheshire East Local Plan.

Handforth Parish Council – Strongly support the application as it will provide welcome employment opportunities in Handforth, and with the discontinuation of the 378 bus service, provide employment within walking distance from the residential areas of the parish.

REPRESENTATIONS

9 letters of representation have been received objecting to the original plans on the following grounds:

- Impact on traffic levels
- Generic reference in transport assessment on cycle and pedestrian access
- Local footpaths could be upgraded
- Impact on local centres
- Need for co-ordinated and fully informed assessment of all out of centre retail applications
- Contrary to town centre first policy
- Proposal will not promote sustainable travel
- Scheme will simply relocate existing employment opportunities
- Inadequate parking and servicing
- Loss of wildlife habitat
- Additional landscaping required to Earl Road
- No evidence that catchment area takes account of SEMMMS link road, therefore catchment area incorrectly drawn
- If catchment is incorrect then sequential site assessment should be widened
- Flexibility of form not demonstrated
- Without identifying the need that a development seeks to serve it is impossible to demonstrate flexibility of form
- Need levels not identified
- Sequential assessment flawed and inadequate
- Risk of a diversion of investment by retailers to the proposed development, e.g. Debenhams in Macclesfield
- As anchor shopping centre for regional centre (Manchester) impact upon Arndale Centre should be quantified and examined
- Anomalies between the levels of trade draw felt by centres. Applicant does not appear to have followed a like-impacting like methodology as prescribed by NPPG.
- No assessment of how SEMMMS will affect trade draw rates
- Turnover rates appear to be incorrect, for example, the turnover levels for Stanley Green and Altrincham Retail Parks seem very low
- Proposal would have a material affect on the retail hierarchy of the area
- Total net comparison goods floorspace at Handforth Dean would be greater than that in Macclesfield and Altrincham town centres
- Emerging local plan only identifies local scale retail for this area
- No marketing information submitted to demonstrate site no longer required for employment purposes
- Residents of High Peak likely to choose proposed development over Stockport Town Centre following completion of SEMMMS (both are same distance from High Peak)
- Impact on planned investment in Stockport
- The floor space for Peel Centre has been double counted within applicant's assessment
- Impact on Peel Centre and Stockport Town Centre should be examined as a combined entity

44 letters of support have been received from local residents noting that the development will:

- Support local job creation
- Creates 1200 jobs when operational and 300 jobs during construction
- Create additional business revenue for the Council
- Traffic will be well managed / improvements to road network
- Provide a better range of shops locally
- Bring investment to the area
- People will not have to drive as far, e.g. to the Trafford Centre
- Suitable location with access to public transport links
- Provides enhanced wildlife environment
- Is a good plan for a brownfield site
- Will make a positive contribution to Handforth
- Encourages shoppers to stay local
- Currently £250m in local retail spend leaves Cheshire every year in places such as the Trafford Centre
- Developer will enter into partnerships with local colleges to ensure local people will benefit from the jobs.

A second round of public consultation has taken place following the receipt of revised plans. Further representations will be reported as an update.

APPLICANTS SUBMISSION

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

- Marketing Activity Report
- Retail Impact Assessment Reports
- Design & Access Statement
- Surface Water Drainage Strategy
- Tree Survey Report
- Environmental Site Investigation Reports
- Biodiversity Offsetting Report
- Ecological Assessment
- Nesting Bird Survey
- Employment Land Market Report
- Flood Risk Assessment
- Transport Assessment
- Landscape Report

APPRAISAL

The key issues in the determination of this application are:

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

ECONOMIC SUSTAINABILITY

Economic Benefits

The applicant has identified the following economic benefits arising from the proposal:

The Employment Densities Guide 3rd Edition has been used to estimate the likely number of full time equivalent (FTE) jobs that would be created by the proposed development.

The employment density for the main anchor unit has been based on the figures published by Next for their similarly sized store which has recently opened on the southern section of the wider site. To estimate the remainder of the retail units, an appropriate mid-point between high-street and retail warehousing has been used, which is considered to be a reasonable assumption given the nature of the proposed development and its likely tenant line-up. The figures for the restaurant and drive-thru units are based upon the standard A3 employment density figures provided.

On the basis of these assumptions, the development will generate approximately 730 FTE jobs in addition to the 200 created by Next. Overall, both developments will provide 930 FTE jobs which contribute significantly to the 31,400 jobs forecast to 2030 for Cheshire East.

The proposed development will bring the vacant site back into use and provide approximately 730 additional jobs when operational. Based on the revised jobs growth, the proposed development will generate approximately 2.3% of the borough's overall employment need to 2030 and 47% of the average annual forecast. The applicant has also indicated that they are willing to agree a local employment plan, in order to maximise employment opportunities for local people. A similar approach was adopted with the Next scheme.

As a substantial retail scheme, the proposed development would also make a significant contribution to the economy of Cheshire East, with more expenditure being retained in the Borough.

These are considered further, below, in the planning balance.

Loss of Employment Land

The application site is located within an Existing Employment Area as identified in the Macclesfield Borough Local Plan. The last use of the site was as airport parking, which ceased in 2010 and the site has since remained vacant.

Employment Areas are defined in the glossary to the Macclesfield Borough Local Plan as:

The existing and proposed areas which are intended to cater for a mix of employment development including general industry, business uses and storage and distribution (see elsewhere in Glossary for more detailed definitions of these classes of employment development). The primary purpose of an employment area remains employment. For the avoidance of doubt, retailing is excluded from the definition of employment.

Policy E1 of the Macclesfield Borough 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. Paragraph 14 states development proposals that accord with the development plan should be approved without delay, and; 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 E1 does state that "both existing and proposed employment areas will normally be retained for employment purposes". Use of the word "normally" does suggest that there may be occasions when employment land could be used for alternative purposes, as with paragraph 22.

In the Cheshire East Local Plan Strategy, Employment Land is defined as:

Land identified for business, general industrial, and storage and distribution development as defined by Classes B1, B2 and B8 of the Employment Land Town and Country Planning (Use Classes) Order 1987. It does not include land for retail development nor 'owner specific' land.

Policy EG3 of the emerging local plan strategy 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. The footnote to this policy states to demonstrate that no other occupiers can be found, the site should be marketed at a realistic price reflecting its employment status for a period of not less than 2 years. The emerging local plan is at an advanced stage and therefore this policy can be afforded significant weight.

With regard to the employment land issue, the applicant makes reference to the fact that the site has been allocated for employment purposes for 20 years and that within that time, not one planning application has been made for employment uses. The application is accompanied by a Marketing Activity Report prepared by Engine of the North, which looks at the marketing of the site between 2011 and 2015.

It should be noted that the land is owned by the Council and has been marketed by its own development company 'Engine of the North'. This is a separate entity to the Council acting as Local Planning Authority.

This report concludes that:

- Marketing Boards have been present on site since 2012 and have generated very limited end user interest for Employment Uses.

- In March 2012, the Council directly sought general expressions of interest as part of a soft marketing exercise. A wide variety of proposals from developers and occupiers were received.
- In 2014-2015 and in accordance with a Cabinet resolution, the site was marketed for a wide variety of potential land uses including employment, retail, leisure and sui generis uses such as car showrooms.
- This generated substantial interest and a large number of offers. No offers were received from any Employment occupiers either for part of the site or the whole.
- Only one offer was received to develop the whole site for Employment Use, but was not supported by named end users. This was also the lowest offer received, creating an issue for the Council in terms of its legal obligation to achieve best value. In addition, the offer was conditional on a site investigation. Ground conditions were known to be poor and the low residual value indicated by the offer limited the ability of the proposal to absorb abnormal costs whilst remaining financially viable. The developer who submitted this offer is no longer trading.
- Offers based on mixed use proposals were, for the most part, retail/leisure schemes with around 2-3 acres set aside for Employment Use.
- The option of selling the site in individual lots was not pursued beyond the first round of bids. It was initially believed that this approach might yield the highest overall value for the Site as a whole but on examination this proved not to be the case.
- A second round of bids was held in October 2014. 10 developers were shortlisted. In all instances, the offers submitted were based on a comprehensive retail/leisure scheme with no Employment Uses.

In addition to this, an Employment Land Market Report has also been submitted by the applicant, which notes that:

- NPPF discourages the retention of sites in an employment allocation if there is no reasonable prospect of it coming forward for that use
- Release of the application site would not only benefit Handforth but also Cheshire East's wider employment needs in the Borough
- Employment land review dated 2012 identifies a potential shortfall of employment land 51 hectares, however subsequent studies undertaken in 2015 and 2016 identify potential additional sites, which would provide up to 4 times the required land supply.
- Employment land take up has historically been 13.54 hectares per annum but only 3.28 hectares of this has been in the northern part of the borough, in which the site is located.
- There have been structural changes within the office market, meaning that the application site will never be brought forward for a flagship B1 office development. Out-of-town office development is now only likely to happen on the premier business parks in the area and there is an ample supply of these in the marketplace in which the site sits
- Speculative office development that has taken place on an adjacent plot to the application site which was constructed over seven years ago, has never been occupied.
- The application site is in the north of the borough where there is significantly less demand for industrial land. The industrial logistics market is concentrated in the south

of the borough, a fact highlighted by both Arup and Ekosgen in their reports on Employment Land, and reflected in the employment land take-up figures

- Recent current and future demand for industrial and logistics premises is more than likely to be concentrated on the motorway corridors away from residential accommodation due to the requirements for excellent access and 24/7 usage.
- As demand increases for these prime sites there will be a resultant decrease in the take up of secondary sites, which are more suited to smaller local businesses. The application site has all the characteristics of a secondary site, in that it is in a mixed-use location near to retail and remote from the motorway network.
- Recently available existing industrial units closest to the application site have been taken up by leisure uses, including a gym and trampoline centre
- Due to the secondary nature of the site and the abnormal costs of development, the site is not a viable for continued employment use. The applicant has undertaken a viability analysis of the site for employment and their findings are that, due to the constraints of the site and the market for the location, it will never be delivered for employment use.
- The loss of this site from employment will not have a detrimental effect on the supply of existing employment land and there are still high quality office development sites in preferential locations close by. Furthermore, there are development sites which are more suited for smaller industrial and warehouse uses, with an ample supply of existing buildings to meet any demand in the area in which the application site is located.

The applicant's overall conclusion is that having regard to all of the above information, 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.

The report on the marketing of the site covers a period from 2010 when the site was marketed on a short-term leasehold basis. This exercise did not lead to any short term lettings, but did generate interest from parties wishing to buy. This included interest from companies, some of them local, who were looking for employment floor space within the Borough. It is not explained why the site was marketed only on a short term leasehold basis at that time, and such a strategy may have deterred other interested parties, such as those looking for more long term commitments, pursuing their interest in the site any further. The report also states that the Council responded to the interest they did receive by considering alternative ways of delivering suitable floor space. This resulted in a paper being taken to Cabinet in November 2011. Therefore, rather than capitalising upon the interest that had been shown in 2010, the marketing appears to have stalled until March 2012, which may have led to the loss of the previous interest shown in the site.

No specific details of the 2012 marketing exercise have been provided. Therefore, whilst it is noted marketing boards were erected around the site it is not clear if these boards acknowledged the employment allocation of the land, whether the site offered a generic development opportunity or whether the site was being marketed at a price that reflected its employment status. It is however accepted that neither of the 2 parties who expressed interest in employment use on part of the site in 2012 pursued their interest through to a formal offer.

Limited interest during this time cannot have been entirely unexpected when the UK was gradually leaving a significant period of recession in 2008 and 2009.

A report commissioned by the Council and prepared by Deloitte apparently identified (the report has not been submitted with the application) that a development containing only offices and light industrial uses would be unviable in the current market. As a result of this, the formal marketing activity between 2014 and 2015 explicitly moved away from employment uses and the Council's cabinet approved the disposal of the site *"for a range of potential land uses, including employment, retail, leisure and sui generis use such as car showrooms"*, despite the allocation in the local plan remaining as employment land.

The incorporation of these wider uses within the marketing material for a site owned by the Council may have deterred other potential employment use occupiers from expressing an interest. Would a potential occupier seeking a warehouse development make an offer when faced with competition from potential retail users who would undoubtedly make higher offers?

Consequently, only 1 out of 28 offers received from this campaign consisted entirely of employment uses. The higher offers received were based on exclusively retail / leisure schemes. As the marketing report notes the Council has a legal obligation to obtain best value from the sale. Typically, this obligation is discharged by accepting the highest price. In this case, the highest offers were for retail proposals, which would be significantly more profitable than an employment use. Whilst a further consideration is the likelihood of the sale completing, and it is relevant that all of the offers were conditional, with most being conditional on planning and site investigation, it is reasonable to conclude that in a bidding war, high profile retail uses would always prevail over employment uses. It is considered that in this case best value should also reflect the employment allocation of the site, and that the Council's wish or "obligation" to secure the highest price for the land appears to have influenced the marketing strategy for the site. This limits the weight that can be afforded to the marketing of the site.

The applicant maintains that the site is not viable for an employment use, notably due to the ground conditions, and the additional costs this incurs. A viability appraisal has been provided for small and mid-box industrial and warehouse uses, which results in a loss of just under £5.1 million rendering development for employment use unviable. The appraisal is however very high level and appears to adopt a broad brush approach to the assessment and figures included within it.

In addition the applicant's Employment Land Market Report notes that there is a relatively weak market and continued availability of significant amounts of high quality office space in the prime business parks of south Manchester, which makes the application site unattractive for potential office uses.

In terms of industrial and logistics uses, the applicant explains that there is a two-tier market. The first tier are those prime sites mainly comprising large greenfield areas close to motorway junctions and remote from retail and housing providing excellent accessibility. The second tier includes those sites catering for the local market and closer to historic industrial areas where there has been a decline in activity and some redevelopment for alternative uses, principally housing and retail or leisure. The take up of these sites is very slow and

investment into many of these sites has been minimal for many years. The applicant considers that the application site sits very firmly in the second tier.

Whilst these comments are acknowledged, the applicant's marketing report does state that the site is widely acknowledged to occupy a prime location, prominent, adjacent to the A34 and next to Tesco / M&S. The site has excellent access into Manchester City Centre along the A34, the M60 is approximately 4 miles to the north of the site along the A34, and the completions of the SEMMMS link road will also improve accessibility to the airport and the M56.

It should also be noted that the employment land requirement in the emerging local plan, which was originally based upon the 2012 Employment Land Review (ELR) undertaken by Arup, has increased from the previously proposed 351ha within the submission version of the Local Plan Strategy to a gross requirement now of 378ha. This new higher figure is based on the latest (2014) Cheshire & Warrington Econometric Model (CWEM) employment projections, as opposed to the 2011 figures that the Council's 2012 ELR was based upon.

The employment evidence base collated by the Council to support the proposed quantum and distribution of land to meet employment requirements includes a report by Ekosgen called 'Alignment of Economic, Employment & Housing Strategy'. This report (July 2015) assesses levels of potential employment growth over the Local Plan period in light of the publication of updated economic projections; and the associated implications for employment land requirements, including Cheshire East's ability to capture such growth, based on the area's historic performance and the availability of employment land and associated infrastructure.

This report notes 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 proposed distribution of employment land across the Northern settlements of Cheshire East has been accordingly increased in the Proposed Changes Version of the Local Plan Strategy.

The proposed level identified for Handforth is 22ha, which includes 12ha within the proposed North Cheshire Growth Village, plus an additional 10ha. The latest iteration of the Local Plan Strategy notes that on 31 March 2013 there was a supply of 9.72ha (which includes the application site), leaving 0.28ha to be found via the site allocations process to meet the 10ha requirement. However, it should be noted that the supply also appears to include the site of the new Next store, and as such the area to be identified through the site allocations may be higher.

The Local Plan Strategy is expected to be adopted later this year, and already the Council is faced with proposals that have implications upon the amount of employment land identified to be required from the period to 2030. The loss of this site to a non-employment use would require alternative allocations to be made, which given the constraints of the northern part of the Borough is likely to require the removal of land from the Green Belt, which should not be done except in exceptional circumstances.

As noted above, the marketing strategy of the site as detailed by the Engine of the North submission (on behalf of the applicant) may have had the potential to deter potential employment occupiers, when the opportunity of retail development on the land is presented to the market, and makes the site more attractive to non-conforming users, that have much deeper pockets. The lack of interest over recent years could also be a consequence of market confidence due to the particular timing of the proposal in the years following the recession in 2008/2009. Added to this, the emerging Local Plan is seeking to set the blueprint for Cheshire East to 2030, and is therefore a long term strategy, which would be undermined by the loss of required employment land at these initial stages of the plan. Having regard to these matters, there is not considered to be any material planning considerations to justify the loss of the application site as employment land at this time. The proposal is therefore contrary to policies E1 and E2 of the Macclesfield Borough Local Plan and policy EG3 of the emerging Cheshire East Local Plan Strategy.

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 to the original scheme are briefly summarised below.

In relation to the sequential approach to development and noting recent Judgments and appeal precedent in respect of the application of the test, it is not considered that any of the sites identified by the applicant would be available and suitable to accommodate the proposed development, either in part or as a whole, even when applying a sufficient degree of flexibility.

In terms of impact of the proposal upon existing, committed and planned private or public sector investment in a centre or centres in the catchment area of the proposal, some concerns were raised with regard to the potential impact of the proposed development on the Silk Street scheme in Macclesfield and the Redrock scheme in Stockport.

Turning to town centre vitality and viability, WYG had outstanding concerns with regard to the potential impact of the proposal on both Stockport and Macclesfield town centres. Overall, it was concluded that the original proposal had the potential to have a significant adverse impact on the defined centre of Stockport and does not have sufficient information to conclude that the proposal will not have a significant adverse impact on Macclesfield town centre.

These concerns relating to the impact of the development upon Stockport and Macclesfield town centres has been the subject of detailed discussions between the applicant, officers and the Council's retail consultant. As a result the scheme has been reduced in scale and whilst a final updated appraisal is awaited from the Council's retail consultant, it is expected to demonstrate that there will be no significant impact upon these centres.

These updated details are currently the subject of a period of public consultation and final scrutiny by the Council's retail consultant so a more detailed appraisal of the retail impact will be provided as an update.

In addition, since the deferral of application 16/5678M, it is now necessary to consider the cumulative retail impact of the current proposal together with application 16/5678M. Further details are awaited from the applicant and the applicant for 16/5678M, and again will be reported as an update.

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 similar form to the existing Next unit, but will have some variation in height and materials. The larger units will have a stone finish with substantial glazed elements and aluminium louvres to the upper sections of the front elevations. The smaller units are finished in brick with two-storey glazed frontages. The restaurant units in the centre of the site serve to break up the expanse of the car park, together with tree and shrub planting, and provide a public square with outdoor seating. Pedestrian connections are provided to the Public Right of Way to the north, to Earl Road to the west and to the wider Handforth Dean Retail Park to the south. The design is considered to be of a relatively high standard for a retail development, befitting this prominent site at the gateway to Cheshire East, and is in keeping with the local area. The proposal is therefore considered to comply with policies BE1 and DC1 of the local plan.

Amenity

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

Noise

Environmental Health initially recommended a condition requiring a noise impact assessment to be submitted due to the proximity of the hotel to the A34. The hotel has now been removed from the scheme and the noise assessment is therefore not necessary.

In addition due to there not being any residential properties within the vicinity of the site, conditions relating to pile foundations are not considered to be necessary.

Air Quality

Environmental Health also recommends conditions relating to the submission and implementation of a travel plan, electric vehicle infrastructure and dust control which are considered to be necessary to ensure that local air quality is not adversely affected.

Highways

The Head of Strategic Infrastructure has provided the following comments on the application:

Safe and suitable access

From the north, vehicular access will be taken via the dumbbell roundabouts beneath the A34, between the A34 / Coppice Way junction and the A555 grade-separated junction. From the south, vehicles will access via Coppice Way and Long Marl Drive. Access to the development will be via an existing five arm priority controlled roundabout junction with the A34 / Handforth Dean Retail Park. In order to accommodate the proposed development, improvements are proposed to the site access junction. Improvements will include the addition of a second circulatory lane, a left turn slip from the site access into the A34 northbound merge and the widening of the approach arm onto the roundabout from under the A34 resulting in an acceptable access strategy.

Service vehicle access to the proposed development will be via a dedicated service vehicle access off Earl Road as per planning application 12/4652m (the existing Next store's planning permission).

Servicing of the cafes and restaurants will take place, through the car park, via the customer access off A34 / Handforth Dean Retail Park northern access / egress.

The proposed development would be supported by the provision of 557 car parking spaces, including 39 disabled spaces and six electric charging spaces. In addition, 12 motorcycle parking spaces will also be provided and cycle parking for up to 60 cycles. The Head of Strategic Infrastructure raises no objections to this level of parking provision.

Network Capacity

Travel demand associated with the proposed uses has been estimated based on gross floor area (GFA) using trip rates derived from the TRICS database. These rates have been agreed and utilised in the VISSIM modelling work that has been undertaken to assess the impact of the vehicular traffic from the development on the operation of the surrounding public highway network at year of opening and five years in to the future. In addition standalone junction capacity assessments have taken place at the following junctions at Weekday PM and Saturday peak period using appropriate software (in brackets):

- Stanley Road/ Earl Road – LINSIG;
- A34/ B5094/ Stanley Road – ARCADY;
- A34/ A555 Manchester Airport Eastern Link Road – ARCADY;
- A34/ Handforth Dean Retail Park northern access/ egress – ARCADY;
- A34/ Handforth Dean Retail Park southern access – ARCADY.

As part of the assessment process it was imperative to ensure that the proposed retail development did not result in severe harm (NPPF context) to the operation of the highway network and did not prejudice the development of the North Cheshire Growth Village (NCGV) (site CS30 in the emerging Local Plan Strategy).

The VISSIM modelling illustrated that the development could be accommodated on the highway network and does not stymie the NCGV as mitigation in the form of widening at A555 interchange to provide 4 lanes on the northern and southern sides of the circulatory

roundabout achieves this, accordingly it would be appropriate to require this mitigation to be brought forward as part of the NCGV proposals.

In order to accommodate the proposed development, and to ensure that any delays are within acceptable levels, demonstrated by being contained within acceptable modelled service levels, improvements are required to the site access junction and the Coppice Way roundabout. Improvements proposed include the addition of a second circulatory lane, a left turn slip from the site access into the A34 northbound merge and the widening of the approach arm onto the roundabout from under the A34. In addition mitigation at the Coppice Way roundabout is proposed involving the realignment and signalisation which will accommodate development traffic, future background growth and the North Cheshire Growth Village strategic plan site (CS30) at the future year assessment timeline.

The above mitigations assume that the Poynton Relief Road is in place however in the event that this is not the case a sensitivity test has been undertaken modelling the eventuality that this road is not delivered in the envisaged timeframe. These results have demonstrated that even without the relief road in place the proposed development can be accommodated on the highway network within acceptable network operational tolerances.

In summary the VISSIM traffic modelling has demonstrated that, with the proposed mitigations in place, the development is acceptable from a network capacity perspective.

Accessibility

The site is served by an hourly bus service along Earl Road (Mondays to Saturdays 0800-1800) linking the site to residential areas to the north of the site and Stockport town centre. Apart from this service the nearest are those along Wilmslow Road and Station Road in Handforth (together with the train station), about a kilometre away, which provide services to other destinations including Manchester and Wilmslow. However, pedestrian routes to these facilities are such that they may deter some people using these options during hours of darkness.

The transport assessment confirms that a travel plan will be prepared to encourage staff and customers to use of other forms of transport. However, without adequate provision for non-car modes, a travel plan will be largely ineffective.

To improve sustainable access obligations to enhance the existing bus service / infrastructure along Earl Road are contained within the 'Next' planning permission which will be payable given that this development has been implemented. In addition, it was identified as part of the Orbit proposals on the opposite side of Earl Road that contributions towards bus stops in the vicinity, improvements to provision for pedestrians and cyclists in the vicinity and a contribution towards public transport improvements were required. These measures were originally secured as part of the approved (and extant) office development on the Orbit site. In the event that all the current retail proposals are approved, careful consideration will need to be given to who is required to contribute what towards these improvements as part of a s106 agreement, given the limited public transport options that are currently available.

In addition to pedestrian and cycle access via the main vehicular access off the A34/ Handforth Dean Retail Park northern access/egress, the applicant has stated that they are proposing to provide an additional dedicated pedestrian/ cycle access off Earl Road, in the

vicinity of the consented Next store and a connection to Spath Lane via the bridge under the A34. The applicant will also enhance the footway link at the southern end of Earl Road to facilitate access into the existing retail development to the south. However, further clarification is required on the specific details of this.

Highways conclusion

The results of the traffic modelling, along with the sustainable measures discussed above, demonstrate that the proposed development is acceptable from a network operational performance and connectivity perspective subject to conditions relating to the improvement of the Coppice way roundabout, the site access and footpath access to the wider retail park.

This assessment has made comment on the area that falls within the jurisdiction of Cheshire East Council; the assessment of the impact of this development on areas that fall outside of the jurisdiction of Cheshire East Council will need to be made by the relevant highway authority. In terms of the impact upon the Cheshire East Highway network, for the reasons outlined above the proposal is considered to be acceptable.

Comments from Stockport MBC Highways are awaited.

Ecology

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

Woodland

The woodland towards the north of the site appears upon the national inventory of priority habitats. Woodlands of this type are a material consideration for planning. In addition woodland habitats are also present in the eastern half of the application site. These woodlands support a number of characteristic floral species.

A line of more mature trees is present on the eastern boundary of the site which appear to have been associated with a former historic hedgerow, whilst the bulk of the woodland appears to have started to become established in the 1980s.

With the exception of the more mature trees on the eastern boundary and a narrow strip of woodland along the stream to the north the bulk of the woodland habitats (covering approximately 1.6ha) would be lost as a result of the proposed development. Macclesfield Borough Local Plan policy NE7 seeks to retain and enhance existing woodlands. The loss of the woodland from the site is therefore clearly contrary to this policy

The nature conservation officer's initial recommendation was that the scheme should be amended to allow for the retention of the existing woodland in order to avoid a loss of biodiversity as a result of the development of this site. However, as an alternative mitigation options have been explored to compensate for the impact.

In order to inform the amount of compensatory habitat required as mitigation 'The Biodiversity Impact Assessment Calculator' has been used. This assessment calculator has been developed by Warwickshire County Council as part of the offsetting pilot project. The use of this calculator as a way to quantify the mitigation requirement was agreed with the nature conservation officer.

The nature conservation officer has confirmed that the offsetting calculation appears to be undertaken appropriately and the results of the assessment broadly reflect the nature conservation value of the woodland lost. A commuted sum £180,000 for the current application (phase 2 and 3 of the proposals combined) is required to mitigate for the impact.

Of course in order for the financial contribution to be of any use, a site needed to be identified that could accommodate the mitigation proposals. As woodland is being lost, albeit plantation woodland, this should be replaced with at least a proportion of new woodland planting. Woodland in the Cheshire East area is considered to be a rare habitat feature and therefore its value for biodiversity is considered to be high. 9.6ha of replacement woodland habitat is required, and as noted above, the associated costs for this have been calculated to be £180,000. This allows for set up costs, woodland creation and for 30 years of management and maintenance costs.

Following discussions with the Council's Countryside and Ranger Service, an area of land known as Dean Valley has been identified as an appropriate mitigation site. The valley follows a section of the River Dean, which extends from Station Road in Styal to Styal Road in Wilmslow. The Council have aspirations to improve the biodiversity value of this area, with a long term goal of developing a Country Park connecting up Styal to the Wilmslow area.

The proposals outlined above do provide appropriate mitigation for the loss of the broad leaved plantation woodland on the application site.

Bats

The submitted ecological report identifies a number of trees with bat roosting potential. It appears likely that a number of these trees would be lost as a result of the proposed development. The applicants were asked to carry out and submit further bat surveys to assess the potential impacts of the proposed development upon roosting bats. Further surveys were carried out which confirmed that no bat roosts were present within any of the trees, and therefore there are no further implications with regard to roosting bats.

Nesting Birds

Protected and priority ground nesting bird species have been recorded as either breeding or attempting to breed on the application site. This includes 2 pairs of Lapwing (priority species) and 1 pair of Little Ringed Plover (protected). The proposed development will result in the total loss of the suitable habitat present on the site for these species.

An updated nesting bird survey has confirmed the continued presence of nesting Little Ringed Plover so if planning consent was granted compensatory habitat for this species would also be required. It is anticipated that this would take the form of an appropriately designed green roof, and a condition requiring details of this to be submitted for approval is therefore recommended.

Badgers

Badgers are known to occur in this broad locality, but no evidence of badgers was recorded during the submitted survey. Badgers are therefore not currently considered to present a constraint on the proposed development.

However, if planning permission is granted a condition is recommended requiring the undertaking and submission of an updated survey prior to the commencement of the development.

Trees and landscape

The submitted tree survey identified 66 individual trees and eight groups of trees and shrubs within the application site. Two strips of woodland are located within the site, one strip of woodland follows the eastern boundary of the site adjacent to planting that forms the embankment of the adjacent A34 bypass, and the second follows the northern boundary adjacent to Spath Brook.

Trees within the site are not protected by a Tree Preservation Order or lie within a Conservation Area. The northern woodland (part G2, G3, G4 and G5) adjacent to Spath Brook is identified as a priority habitat in the National Forest Inventory (NFI) – Spath Lane corridor.

Trees have been categorised in accordance with BS5837:2012 Trees in Relation to Design, Demolition and Construction – Recommendations with four individual trees (3 Oak and 1 Beech; 13, 22, 38 and 33) of High quality and value (A category) and 24 individual trees and 7 groups of trees of moderate quality and value (B category).

The remaining low quality and value trees (C) category should not necessarily be a constraint but should however be considered for retention where development allows.

Eleven trees were identified as poor quality (U category), which are in such a condition that they cannot be retained in the context of the current land use including several Oak with significant dieback and poor quality Birch and Willow.

It is anticipated that most (if not all) high, moderate and low category trees including woodlands along the northern and eastern boundaries of the site will be directly lost to accommodate the development. The retention of optimal canopy cover is an integral part of the requirement to meet national climate change adaptation and resilience strategies and whilst the submitted landscape strategy identifies a proposed narrow strip of Oak and Beech planting within the site adjacent to the northern access road and specimen planting within proposed car parking areas and adjacent to internal roads it is unlikely to be sufficient to compensate for the loss of the woodland and local canopy cover.

Macclesfield Borough Local Plan policy NE7 seeks to retain and enhance existing woodlands. The loss of the woodland from the site is therefore clearly contrary to this policy. However, as noted above in the Ecology section of this report appropriate mitigation is provided on a much larger scale in a location where the future of new woodland planting can be secured into the future.

Flood Risk

The Environment Agency (EA) has noted that the layout for the proposed development shows woodland/screen planting and access vehicles adjacent to the southerly bank of Handforth Brook, which is acceptable in principle. The layout for the proposed development indicates a proposed crossing over Handforth Brook, just downstream of the A34 subway at the north-

east corner of the site. This proposed crossing over the brook will require consent from the EA as will any proposed surface water outfall structure into Handforth Brook.

Surface water is being proposed to discharge directly to in Handforth Brook, and the EA recommend a condition requiring surface water draining from areas of hardstanding to be passed through an oil separator or series of oil separators.

The Flood Risk Manager has requested clarification on a number of points relating to drainage, which have now been provided, and further comments are awaited.

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 and military use and therefore the land may be contaminated.
- Various reports have been submitted in support of the application. These reports make recommendations for further works to be undertaken prior to and during the development:
 - Areas of the site have potentially been used for waste disposal in the past (in particular around TP2 and evidence also in TP6-11 in the Terrafirma investigation). We would expect these areas to be remediated so as to not pose an environmental or geotechnical risk to the proposed development. Evidence of free-phase hydrocarbon contamination was encountered in TP2 around an old fridge. Due to the unknown age of this fridge, coolants used in the past such as Freon may be present in these soils – this, and the potential for further buried wastes in this area, should be discussed further. If necessary, further investigations in this area should be undertaken to more fully understand the ground conditions and the potential risks to identified receptors.
 - Site investigations and assessments have demonstrated a low potential risk to the proposed development from ground gas risks. As such, no gas protection measures are considered necessary for this site.
 - A detailed methodology for dealing with asbestos impacted soils should be provided to us prior to development commencing.
 - A radiation method statement has been submitted previously and comments raised on the method statement have been addressed by the radiological consultant. This method statement and the results of the subsequent comments should be adhered to during site works.

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

SOCIAL SUSTAINABILITY

Open space

Having regard to the Council's SPG on Planning Obligations the development does trigger the requirement for open space contributions in lieu of on site provision, as the development will create some demand for open space / recreation facilities. These contributions amount to £376,460 for open space and £376,460 for outdoor sport and recreation. Given the location of the site and its distance to existing facilities that would be utilised by staff and customers of

the proposed development, the impact upon them unlikely to be so significant that it would require mitigation amounting to the sums identified above. For the Next scheme and the Orbit scheme in this area, the requirements were factored down to provide a more realistic figure to mitigate for the impact of the development. Discussions are ongoing with the applicant in this regard.

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. Policy EG3 of the emerging Local Plan Strategy also seeks to protect existing employment sites for employment use, unless premises are causing nuisance or environmental problems, or the site is no longer suitable or viable for employment use.

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 states development proposals that accord with the development plan should be approved without delay, and; 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.

Planning decisions must be made in accordance with the development plan unless material considerations indicate otherwise. The aforementioned policies are considered to be consistent with the Framework, and the proposal is not in accordance with these policies. Therefore the key issue is whether there are other material considerations that would outweigh the policy presumption against this development.

There are very clear benefits arising from the proposal in that the development will bring a vacant site into active use and provide approximately 730 additional jobs when operational. Added to this will be the benefits arising from construction jobs, benefits to the construction industry supply chain, potential for increased trade for local businesses, and higher levels of economic activity within Cheshire East. These factors taken together, but particularly the creation of this number of jobs in the context of the local plan goal of creating 31,400 jobs to 2030, is a significant benefit of the proposal that does carry substantial weight.

It should also be acknowledged that the standard of design and materials to be adopted is above that, which is normally expected for a retail development, and the scheme would provide a development that is appropriate to its position at the northern gateway of the Borough. Moderate weight can be afforded to this.

In terms of neutral impacts, the ecological and tree issues are considered to be appropriately mitigated. The mitigation for this also feeds into the wider aspirations of the Council to create a Country Park on the land area identified as the mitigation site. Whilst comments from Stockport MBC Highways are awaited, the highways impact upon Cheshire East highways

has been found to be acceptable subject to appropriate improvement works. The impact upon residential amenity / noise / air quality and contaminated land is either acceptable or could be mitigated through the imposition of planning conditions.

Comments from the Flood Risk Manager are awaited, however it is not anticipated that there will be any significant drainage implications raised by this development.

The retail impact upon existing centres, both as an individual development and in terms of the cumulative impact with other developments is still to be concluded. Clearly, preventing the continued leakage of retail spend out of the Borough is a positive benefit but the planning system exists to guide sustainable development to appropriate locations and allowing this development could act as a precedent for the loss of other allocated employment sites in other towns for retail purposes. Any recommendation will be subject to the outcome of this outstanding work which will be reported as a written update.

Weighing heavily against the benefits identified above is the loss of employment land.

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. Although it is not considered that the merits of the proposal should be judged solely by the numbers of jobs it creates, the creation of 730 FTE jobs is a large number and must be given significant weight.

Employment sites are allocated to create a range of good quality employment opportunities that will drive the future economic growth of the Borough, supporting business sectors that are key to the future economic success of the Borough. Employment uses are defined as the 'B class' employment uses, namely office, light industrial, general industrial and storage and distribution uses. It is accepted that within those uses, some sites and 'B' uses will result in fewer jobs than others, but they all fit in within and integrated economy. For example, 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.

Our economic strategy is about providing better jobs. Handforth is close to the airport and has a synergy with other sites within the locality and wider region. We are already under pressure to provide more high quality employment sites and are having to allocate green belt sites to achieve this. The removal of a good employment site that is not in the green belt makes no sense in terms of our economic strategy. Given the extent of Green Belt in the northern part of the Borough, the loss of the application site would exacerbate this situation and place further pressure to locate sites within the Green Belt.

The viability appraisal seeks to demonstrate that the site is not viable but this is a very high level assessment, and for this reason can only be afforded limited weight. In recent years the marketing appears to have been directed away from employment uses, to more open ended possibilities, which has led to interest from developers with retail aspirations, against which employment operators cannot compete. Employment operators are effectively priced out of the site, when the Council is "obligated" to secure the highest price for the site and best value.

This is combined with the timing of the Council looking to dispose of the site in a period of economic uncertainty.

For these reasons it is not considered that it has currently been demonstrated that there is no reasonable prospect of the site being used for the allocated employment use in accordance with paragraph 22 of the Framework. Similarly, it has not been demonstrated that the site is no longer suitable or viable for employment use, there is no potential for modernisation or alternate employment uses and that no other occupiers can be found in accordance with policy EG3 of the CELPS.

Consequently, there are currently no material planning considerations that would outweigh the normal presumption against non-employment uses contained within policy E1 of the MBLP. The proposal is therefore also contrary to policy E2 of the MBLP.

RECOMMENDATION

It is recommended that the application is refused for the following reason:

- 1. The proposal will lead to a loss in the amount of employment land in the Borough, at a time when the Council is allocating Green Belt sites through the local plan process to provide adequate employment land to meet the needs of the Borough to 2030. This is considered to significantly and demonstrably outweigh the benefits of the proposal. It has therefore not been satisfactorily demonstrated that there is no reasonable prospect of the site being used for employment purposes, as required by paragraph 22 of the NPPF and policy EG3 of the emerging Cheshire East Local Plan Strategy. The proposed development is therefore contrary to policies E1 and E2 of the Macclesfield Borough Local Plan, policy EG3 of the Proposed Changes Version of the emerging Cheshire East Local Plan Strategy and paragraph 22 of the Framework.**

In the event of any changes being needed to the wording of the Committee's decision (such as to delete, vary or add conditions / informatives / planning obligations or reasons for approval/refusal) prior to the decision being issued, the Head of Planning (Regulation) has delegated authority to do so in consultation with the Chairman of the Strategic Planning Board, provided that the changes do not exceed the substantive nature of the Committee's decision.

Should this application be the subject of an appeal, the Head of Planning Regulation will be seeking delegated authority to enter into a S106/S111 agreement. Given that comments from Stockport MBC are awaited and it is likely that there will be an impact upon their highway network, the full list of Heads of Terms, and assessment against the CIL Regulations, will be reported as an update.

