

## **KNOWSLEY LOCAL PLAN: CORE STRATEGY**

### **KNOWSLEY METROPOLITAN BOROUGH COUNCIL**

#### **HEARING STATEMENT 6**

#### **Matter 6 RETAIL AND TOWN CENTRE REGENERATION**

*Issue: Whether the KLPCS is sufficiently clear, effective and robust to ensure timely delivery of town centre regeneration and appropriate amounts of retail floorspace.*

#### **Questions**

**6.1 The KLPCS proposes indicative capacity figures for comparison and convenience floorspace which include extant planning permissions. Why isn't the scale of extant permissions mentioned in the KLPCS, especially as all of the capacity at Kirkby appears to be committed?**

6.1.1 The figures for comparison and convenience floorspace to be delivered up to 2028 in KLPCS (tables 5.3 to 5.5, page 62-64) encompass the floorspace associated with extant planning permissions (including Kirkby Town Centre) plus additional required capacity. The base date of the time period has been updated to 2012 to reflect the removal of specific requirements for convenience retail in Stockbridge Village and Halewood following completion of schemes in these locations between 2010 and 2012 as identified in the Technical Report - Planning for Retail in Knowsley (paragraph 5.4.7, page 42 (TR04)).

6.1.2 The Council intends to publish up to date information relating to the scale of extant planning permissions through its Monitoring Reports. On this basis, the Council does not consider it necessary to show the precise scale of extant permissions within the KLPCS. This is because any figure presented in the KLPCS may become quickly out of date and therefore provide misleading information when implementing policy CS6. There are also practical constraints in providing an accurate breakdown of the comparison and convenience floorspace associated to extant permissions at this stage. This is because the outline planning permission for Kirkby Town Centre in particular, retains flexibility to account for end user requirements.

6.1.3 The next Monitoring Report is due to be published in December 2013, and will include the most recent information on extant permissions relating to retail. These figures suggest that developments with extant planning permission in Knowsley have an aggregate floorspace of 57,969 sq.m Gross Internal Area (GIA). However, the additional floorspace associated with the commitments, having allowed for demolitions (particularly in Kirkby Town Centre) and replacements of existing space, amounts to 36,227 sq.m GIA. A full breakdown of the extant permissions as at August 2013 is provided at Appendix 1 (Table 1).

- 6.1.4 The extant permissions include provision for a net gain, after demolitions, of 32,503 sq.m GIA within an expanded Kirkby Town Centre comprising:
- A potential range of additional convenience floorspace of 4,750 sq.m – 7,000 sq.m;
  - A potential range of additional comparison floorspace of 24,635 sq.m - 26,885 sq.m;
  - Floorspace for A3/A4 uses totalling 868 sq.m. which will have permitted development rights for conversion to A1 retail to provide flexibility for the end user.
- 6.1.5 The existing commitment at Kirkby Town Centre is accommodated within the range of requirements identified for this location in the KLPCS (Tables 5.3 and 5.4 pages 62-63).
- 6.1.6 The maximum amount of comparison goods floorspace within Kirkby Town Centre under the extant permission is for an additional 27,753 sq.m GIA (26,885 sq.m, in the second bullet point above, together with 868 sq.m in the A3/A4 units). This maximum remains below the upper floorspace range for this location in the KLPCS (Table 5.3, page 62). Additional capacity for growth remains within Kirkby Town Centre to meet any further requirements which may arise up to 2028, subject to impact considerations.
- 6.1.7 In contrast, the capacity for additional convenience floorspace relates to a requirement for provision within Kirkby Town Centre as evidenced within the Knowsley Town Centres and Shopping Study - Stage 2 (EB13). On this basis, the Council is satisfied that the range of convenience retail within Kirkby Town Centre provided by the existing commitment will address the evidenced need during the plan period. This justifies the reproduction of these figures within KLPCS (table 5.5, page 64).
- 6.1.8 As stated above and in policy CS6 clause 6, delivery of the retail floorspace required for each location will be monitored through the Council's Monitoring Reports. Periodic updates to the Town Centres and Shopping Study will also be undertaken as part of this process which will identify any implications for policies in the KLPCS and/or any potential actions required.
- 6.2 It appears that the capacity for convenience floorspace at Kirkby derives from planning permission for a convenience unit of between 4,750-7,000 sq m (paragraph 5.4.10, Planning for Retail in Knowsley (TR04)). Most very large convenience stores combine convenience with comparison goods – is it realistic to assume that the total provision will comprise solely convenience floorspace?**
- 6.2.1 Evidence in the Knowsley Town Centres and Shopping Study – Stage 1 (EB12) and Stage 2 (EB13) and Planning for Retail in Knowsley (TR04) forecast individual needs for both comparison and convenience floorspace. This reflects the differing nature of needs and demands for these types of uses. However the approach in KLPCS policy CS6 does not imply or assume that in all circumstances these types of needs will be met independently, or

that an individual unit can only comprise convenience or comparison floorspace.

6.2.2 The above approach is supported by the existing commitment for retail development in Kirkby Town Centre, which includes planning permission for a large retail unit of up to 14,000 sq.m GIA (referred to as a foodstore), which will have a minimum floorspace for convenience goods of 4,750 sq.m GIA, but which will also provide for the comparison goods which are now part of the offer expected in a large foodstore. Thus, the floorspace ranges set out for Kirkby Town Centre in Tables 5.3 and 5.5 of the KLPCS are consistent with the indicative parameters attached to the extant consent, but allow for future flexibility. Any subsequent delivery of development is intended to be monitored according to each retail sub-category in the Council's Monitoring Reports.

### **6.3 Is the scale of retail development in Kirkby town centre based on a sound analysis of need and consistent with the overall strategy? Is development of the scale proposed viable and likely to be achieved?**

6.3.1 Justification for the scale of retail development proposed in Kirkby Town Centre has been informed by numerous sources of evidence, including the Knowsley Town Centres and Shopping Study (EB12 and EB13) and Kirkby Town Centre - Capacity for New Retail Floorspace Report (AD16). Evidence from these documents was used by the Council in the Technical Report - Planning for Retail in Knowsley (TR04) to determine the scale of requirements for the plan period, and informed by the existing planning permission. Consequently the figures proposed for Kirkby Town Centre are lower than those recommended in the Knowsley Town Centres and Shopping Study - Stage 2 (page 42, (EB13)) and closer to the recommendations of the Kirkby Town Centre - Capacity for New Retail Floorspace Report (AD16). The figures in KLPCS (table 5.3, page 62) for the three town centres (Kirkby, Huyton and Prescott) do however each include an equal distribution of net additional growth in comparison retail up to 2028 of 4,100 sq.m. to 6,800 sq.m. GIA for flexibility purposes. In the case of Kirkby this is added to the existing commitment of circa 24,600 sq.m GIA. An unallocated reserve is also included to accommodate growth across Knowsley's entire hierarchy of centres, although this is unlikely to be attributed to Kirkby town centre specifically due to the level of potential flexibility offered above the existing commitment at present.

6.3.2 In terms of the scale of retail development required in Kirkby Town Centre, the Knowsley Town Centres and Shopping Study - Stage 2 (EB13) concluded that the previous strategy outlined in the Knowsley Replacement Unitary Development Plan was unlikely to secure the step change in profile which is necessary to secure its regeneration. In turn, the under-performing town centre would contribute to further loss of affluent, well educated and aspirational residents. Therefore, regeneration of the town centre is urgently needed to break this cycle of decline. Consequently, there is a need for intervention if the market failure in Kirkby Town Centre which has persisted for decades is to be alleviated. The qualitative need is equally as urgent in both

the comparison and convenience retail sectors, as evidenced by the low expenditure retention rates in the catchment area for Kirkby Town Centre together with the poor quality and choice of the existing retail offer.

- 6.3.3 Following completion of the existing commitment, Kirkby town centre would become the largest centre in the Borough; although not to the extent that this would put at risk the spatial strategy for either Prescott or Huyton. This is because each town centre has distinct catchment areas identified in the Knowsley Town Centres and Shopping Study - Stage 1 (EB12). This would continue to be the case after the development, as catchment areas for convenience retail are localised with major foodstores existing in the other centres, whilst comparison retail expenditure will continue to leak from catchments for Prescott and Huyton with an attraction towards higher order centres nearby such as St. Helens and Liverpool respectively. In terms of the sub-regional shopping hierarchy described in the Technical Report - Planning for Retail in Knowsley (table 3.2, page 25 (TR04)), Kirkby would remain a third tier centre alongside Prescott and Huyton, and much smaller than the closest second tier centre in St. Helens.
- 6.3.4 Evidence regarding economic viability is set out in documents associated with the existing planning permission for redevelopment of Kirkby Town Centre (permission ref: 10/00505/OUT). The applicant submitted the Kirkby Town Centre Regeneration - Supplementary Town Centre and Retail Statement (AD17). This evidence was independently checked by the Council's own consultants and assessed whether 'sequentially preferable' options offered a viable (and therefore deliverable) approach. The conclusion is set out in the Committee Report for the application (CR08) and was that the scale, phasing and distribution of retail floorspace proposed in the scheme were necessary to ensure a viable means of delivering the quantitative and qualitative retail improvements, town centre regeneration and expenditure claw back recommended in the Knowsley Town Centres and Shopping Study - Stage 2 (EB13). The phasing of the scheme, including elements within the current designated town centre, is secured as far as possible by conditions and / or legal agreements attached to the planning permission.
- 6.3.5 The Council is not aware of any evidence which would disprove the suitability or viability of the existing commitment. The Knowsley Economic Viability Assessment (EB06) also confirms in general terms the viability of retail development in Kirkby Town Centre.

#### **6.4 Is the expansion of Kirkby town centre proposed in policy CS 10 justified by evidence? Is there a realistic prospect of the Merseytram line to Kirkby town centre being implemented?**

- 6.4.1 The Knowsley Town Centres and Shopping Study - Stage 2 (EB13) identifies a clear quantitative and qualitative need for additional retail facilities in Kirkby town centre, supported by the physical opportunity and socio-economic needs which exist there. The study also identifies that any scheme which comes forward in Kirkby would need to be of sufficient critical mass to reverse the decline of the centre, and claw back the expenditure of residents which is

currently lost to other centres. It also identified that, due to the scale of development required and the extent of land availability in the existing Kirkby Town Centre, there is a need to expand the town centre to the south of Cherryfield Drive. Policies CS6 and CS10 of the KLPCS are informed by this evidence.

- 6.4.2 The scale of the existing commitment in Kirkby Town Centre requires town centre expansion, although it is not entirely consistent with the recommendations of the Knowsley Town Centres and Shopping Study – Stage 2 (EB13), in so far as the phasing of development allows some development to the south of Cherryfield Drive before in-centre development. This was justified as part of the planning application process on viability grounds, as explained above in the response to Question 6.3, with a number of ‘sequentially preferable’ alternatives discounted on this basis. The Council is aware of no evidence which calls into question the conclusions set out in the Committee Report for planning reference: 10/00505/OUT (CR08).
- 6.4.3 With regard to the status of Merseytram, the Merseyside Integrated Transport Authority (ITA) decided in principle in August 2013 to cease its policy aim to deliver this project. This decision was subject to consultation with relevant stakeholders following which it is proposed that a further report will be presented to the ITA on 5 December 2013 seeking approval to remove the 3-line Merseytram project as one of the policy aspirations within the Local Transport Plan, and to close down the project in planning policy and development control terms. This expected policy change (which has arisen after submission of the KLPCS to the Secretary of State) would necessitate modifications to remove references to Merseytram in policy CS10 and elsewhere in the KLPCS. However the overall strategy for Kirkby Town Centre remains largely unaffected by any potential modification of this nature.
- 6.5 KLPCS paragraph 6.59 is positive about extending Prescott town centre boundary towards Cables Retail Park, but policy CS 14 refers to “potentially” extending this designation – why the discrepancy? Would a further town centre extension to include Cables Retail Park bring significant retail benefits?**
- 6.5.1 The approach set out in the KLPCS (paragraph 6.59, page 101 and Map 5.1, page 38) aims to facilitate an extension of the town centre boundary to include Sewell Street and improve linkages to Cables Retail Park. This approach is informed by recommendations in the Knowsley Town Centres and Shopping Study (EB12 & EB13), the presence of an existing commitment at Sewell Street (planning ref: 09/00345/FUL renewed by 13/00354/RPP), and supported by master planning relating to development opportunities in and around Prescott Town Centre (page 11 (AD19)).
- 6.5.2 The precise position of the new town centre boundary will be defined in the Local Plan: Site Allocations and Development Policies (KLPSADP) in accordance with policy CS14, clause 4. However it is accepted that there is an inconsistency in the use of “potentially” at Policy CS14 clause 1c. The

Council would therefore be happy to consider the following potential modification.

**Potential Main Modification\***

Amend policy CS14 clause 1.c to read:

*Improving linkages and integration between Cables Retail Park and the existing town centre, including appropriate new town centre development along Sewell Street, and ~~potentially~~ extending the designated town centre boundary in this direction; and*

- 6.5.3 In terms of whether there are any benefits of including Cables Retail Park within the expanded town centre, policy CS14 already offers considerable scope for restructuring of retail provision within the retail park. The Council has not identified any benefits of designating Cables Retail Park as part of the town centre other than potential for reductions in commercial yield and resultant increases in capital value within the retail park. This would only offer retail benefits to Prescott Town Centre and the wider community if some of the enhancement in capital value could be invested in improving the linkages between Cables Retail Park and Prescott Town Centre, particularly along Sewell Street.
- 6.5.4 The consideration of any unsecured benefits in this regard is balanced with the other spatial consequences of designating Cables Retail Park within Prescott Town Centre. This would include other locations along Manchester Road and Warrington Road being brought into the 'edge-of-centre' category, whereas they should more properly be regarded as 'out-of-centre' locations. On this basis, the Council does not on balance consider it appropriate for the KLPCS to contain a commitment to extend Prescott Town Centre to include Cables Retail Park.
- 6.6 How will the broad distribution of sites for retail development between the three town centres be managed? Are the floorspace figures a ceiling which would prevent town centre retail development which exceeds them?**
- 6.6.1 The indicative distribution of retail floorspace in the KLPCS (tables 5.3 and 5.5, page 62–64) is informed by evidence in the Knowsley Town Centres and Shopping Study - Stage 2 (EB13). This document assessed four growth options (page 38 (EB13)) in terms of varying distributions of need for each of Knowsley's town centres. The Technical Report - Planning for Retail in Knowsley (Appendix D, page 68 (TR04)) appraised a further option which emphasised growth in Kirkby with limited growth in Huyton and Prescott and an unallocated reserve to provide flexibility. This additional growth option is pursued by the KLPCS and is considered to be deliverable based upon consistency with existing commitments at Kirkby Town Centre (including expansion to the south of Cherryfield Drive) and in Prescott (at Sewell Street / Kemble Street) with flexibility for additional growth during the plan period as

required. Although the capacity shown for Huyton Town Centre is not based on current commitments or site opportunities it is reasonable to include the figures shown for this centre based upon scope for potential remodelling of vacant land and premises to accommodate growth as demand arises. This is noting the history of investment in Huyton including the Asda Wal-Mart in 2004 and the redevelopment of the former Asda site, now known as Cavendish Walk in 2006.

6.6.2 The Council intends to use the indicative distribution of capacity for new retail floorspace in the KLPCS (tables 5.3 and 5.5, pages 62-64) to inform the allocation of sites in the KLPSADP. This process will include further consultation with land owners and other stakeholders.

6.6.3 The floorspace figures in the KLPCS (tables 5.3-5.5, pages 62-64) do not comprise absolute ceilings. These figures do however indicate a realistic range of plan period delivery which is proportionate to the opportunities and extent of need in each centre relative to stages of the plan period, with some added flexibility reserved to account for unexpected changes and demands in the town centres. The effectiveness of this approach relies upon appropriate monitoring of performance against time periods in the KLPCS (Table 5.4, pg.63 (CS01)) using the base level of the floorspace range as the minimum target relative to Knowsley's needs. This approach is intended to limit unnecessary out of centre growth and is consistent with advice in the Knowsley Town Centres and Shopping Study - Stage 1 (EB12) and Stage 2 (EB13) that retail investment in Knowsley should be primarily focused and prioritised upon addressing the poor performance of town centres. This approach also accords with the sequential test in the NPPF (paragraph 24, page 8 (PG01)).

6.6.4 The aspirations for retail growth in policy CS6 are realistic, deliverable and retain flexibility to account for additional investment requirements in town centre retail development which may arise over the plan period. Monitoring Reports will be used to assess annual progress and if commitments exceed the upper thresholds of the ranges which are set, the Council may prepare an updated Knowsley Town Centres and Shopping Study in advance of scheduled reviews.

**6.7 How will the phased release of comparison goods floorspace be achieved in the absence of any phasing mechanism in the KLPCS? Given the substantial under-trading throughout the borough, why is a phased approach necessary?**

6.7.1 KLPCS policy CS6 clause 6 states that the recommended phasing in Table 5.4 (page 63) is indicative. The phasing shown is not intended to be restrictive or prevent opportunities being taken for appropriate in-centre retail development, nor should it be used as a performance measure which would prevent delivery of sustainable plan period growth at the earliest opportunity. For this reason, a specific phased mechanism was excluded from policy CS6.

6.7.2 As explained in response to Question 6.6, the KLPCS (table 5.4, page 63) identifies ranges of comparison floorspace required to meet Knowsley's needs over defined time periods, rather than over fifteen years. This approach is likely to limit any justification for unnecessary out of centre growth early in the plan period, by providing a transparent measure of performance relating to delivery of in-centre development based needs and capacity identified in the Knowsley Town Centres and Shopping Study --Stage 2 (EB13). Performance against the figures in KLPCS (Table 5.4, page 63) will be assessed annually in the Council's Monitoring Reports. This approach will allow flexibility to respond to levels of delivery and updated evidence concerning needs and distribution in accordance with policy CS6 clause 6.

**\* Note regarding modifications**

*The suggested potential modifications to the KLPCS set out in this statement are put forward to assist the consideration of this matter at the hearing sessions. These and any other potential modifications would need to be approved by the Council's Cabinet and undergo formal public consultation before being considered for inclusion in any version of the KLPCS which is finally adopted.*

**Appendix 1: Supporting Tables relating to Existing Retail Commitments**

**Table 1: Existing Retail Commitments – as at 15<sup>th</sup> August 2013**

Planning Application Reference	Address	Status	Date Permission Granted	Expiry Date (end date for submission of Reserved Matters for Outline)	Location	Total A1 Floorspace Before Demolitions/ Replacements (Gross Internal Area - sq.m)	Convenience (Gross Internal Area - sq.m)	Comparison (Gross Internal Area - sq.m)	Net Additional A1 Floorspace After Demolitions / Replacements (Gross Internal Area - sq.m)
09/00345/FUL	W & E Motors Together With Land To North And South, Sewell Street, Prescott	Full Planning Permission	20.08.2010	20.08.2013*	Edge of centre	2,454	1,338 (minimum)	Unspecified	2,454
09/00360/OUT	Land Between Cronton Road And M62 Motorway (Junction 6), Huyton	Outline Permission	22.06.2011	22.06.2014	Out of Centre	675	Unspecified	Unspecified	675
10/00505/OUT	Land To The North & South Of Cherryfield Drive, Kirkby Town Centre	Outline Permission	17.06.2011	17.06.2016	In Centre & Edge of Centre	50,187	4,750 (minimum)	45,687 (up to)	32,503
11/00320/OUT	Land Adjacent Nexus Business Park, Off School Lane, Knowsley Business Park,	Outline Permission	25.10.2011	20.10.2014	Out of Centre	260	260	0	260
11/00564/FUL	Hillside House, Hillside Road, Huyton	Full Planning Permission	21.12.2011	21.12.2014	Edge of centre	75	Unspecified	Unspecified	75

Planning Application Reference	Address	Status	Date Permission Granted	Expiry Date (end date for submission of Reserved Matters for Outline)	Location	Total A1 Floorspace Before Demolitions/ Replacements (Gross Internal Area - sq.m)	Convenience (Gross Internal Area - sq.m)	Comparison (Gross Internal Area - sq.m)	Net Additional A1 Floorspace After Demolitions / Replacements (Gross Internal Area - sq.m)
12/00161/FUL	Total Westvale Service Station, Whitefield Drive, Westvale, Kirkby	Full Planning Permission	06.09.2012	06.09.2015	Out of Centre	160	160	0	63
12/00405/FUL	Kirkby Market, Market Square, Kirkby Town Centre	Under Construction	25.10.2012	N/A	In Centre	2,750	Unspecified	Unspecified	-238
12/00544/FUL	Cables Retail Park, Steley Way, Prescot	Full Planning Permission	19.11.2012	19.11.2015	Edge of centre	240	240	0	240
12/00742/FUL	5C Cables Retail Park, Steley Way, Prescot	Full Planning Permission	07.03.2013	07.03.2016	Edge of centre	1,168	836	Unspecified	195
<b>Total Floorspace</b>						<b>57,969</b>			<b>36,227</b>

\* Replacement planning application submitted for renewal of time limit (ref: 13/00354/RPP) granted permission on 16<sup>th</sup> October 2013 and remains extant until 16<sup>th</sup> October 2018.

Source: Knowsley Council (Local Plan Monitoring), 2013