

SUMMARY
PROOF OF EVIDENCE

on

RETAIL

I/R-01A

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On Behalf of It's Our City

Planning Inquiry APP/A2335/V/09/2095002

Canal Corridor North Site, Lancaster

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Summary of retail proof of evidence

- 1.1 Section 3 of the proof describes the way in which planning policy on the treatment of the Canal Corridor North site evolved between 2002 and 2008, coincident with the appointment of Centros (Miller) as the city council's preferred developer in March 2005.**

- 1.2 SPG8 (CD65) was produced in 2002 as the development brief for the Canal Corridor site. The brief split the site into three distinct opportunities. The limited vision for the potential of retail development was reflected in the principles of development for each site. The 'Principles of Development' for 'Site 1: The Mitchell's Brewery and Bottling Plant' stated that:**

'6.5 The City Centre Strategy proposes a comprehensive mixed-use development of considerable quality making use of this major development opportunity. ...The location of any new retail floorspace at the western end of the site linked to strong linkages to the City Centre;'

Para. 6.12 '...A large retail unit on the Brewery site could be linked with the City Centre via an arcade of smaller shops.'

- 1.3 For 'Site 2 -The Alfred Street Workshops and the Heron Chemical Works', the brief stated at paragraph 7.8 that**

'This area is relatively remote from the City Centre and the Primary Bus Corridor and has a residential emphasis. The Council would not wish to encourage retail, commercial, leisure, food and drink uses and other uses likely to attract a lot of people.'

- 1.4 For 'Site 3 - St Leonardgate Car Parks', the principles of development refer to landscaped car parking; an access road to it; and pedestrian and cycle route permeability. There is reference that**

Para 8.8 'Development proposals affecting car parks in this area will be considered if equivalent replacement provision is provided.'

- 1.5 SPG 6 The City Centre Strategy (CD64) was also produced in 2002 ahead of the appointment of Centros as preferred developer. The emphasis is on preserving and enhancing the 'Primary Shopping Area' in the city centre:**

'3.9 The maintenance of Priority Area 1 – The Primary Shopping Area as a first rate safe, attractive shopping location with the best possible environmental quality and standards of maintenance; where most of the centre's clothing and

footwear shops and key high street multiples are located and where the vacancy rate is at or below current levels.'

- 1.6 The switch to large-scale retail development of the Canal Corridor site was first evident in the BCSC chart dated October 2005 (I/R-09) where 32500 sq.m. GLA of retail space was described in the site listing.**
- 1.7 The evolution of planning policy to accommodate this scale of development was manifested in the Core Strategy (CD62) which identified the Canal Corridor as the locale for 'most [new] comparison goods retailing'.**
- 1.8 The Economic Regeneration topic paper (I/R-02) echoed this.**

'5.17 The only realistic option to ensure that Lancaster City Centre maintains its market share, improves its retail offer and satisfactorily meets the comparison needs identified in the Lancaster and Morecambe Shopping Study is a planned expansion of the City Centre incorporating strong pedestrian links and sensitive design. The Core Strategy cannot allocate a site for such an extension and the necessary consideration of options can only be addressed through the allocations document. However there is a current planning application for a major retail development east of Lancaster City Centre. This scheme is still the subject of negotiation [sic] and detailed floorspace figures for this scheme have yet to be submitted but an overall figure of 44,411 sq m gross retail floorspace [2007 figure: increased in 2008 to a maximum gross of 46314 sq.m.] is put forward in the application.'
- 1.9 Centros' application has coincided with an obvious metamorphosis of development plan policy as evidenced by the Core Strategy, the economic regeneration paper, and the deletion of key LDLP policies.**
- 1.10 Section 5 deals with an examination of the needs assessment as required by PPS6.**
- 1.11 Following receipt of the draft retail Statement of Common Ground on 13th May and new data for population and convenience/comparison expenditure in each of the WYG LRS 16 study zones, it was clear that WYG on behalf of the LPA was intending a fundamental restatement of all data presented hitherto, including the 2006 baseline study which was commissioned to inform the LDF/Core Strategy and which ME was directed to use by the LPA. This will be the fourth statement of need.**

- 1.12 When assessing the need for a proposed development, PPS6 recommends that, wherever possible, any assessment should be based on the assessment carried out for the development plan document, updated where required. Here the update was presented four working days before proofs are to be submitted, without even being explicitly acknowledged as such, in a do-it-yourself format but with values for key assumptions unstated. Certainly to date the applicant and LPA have failed to demonstrate, on an intellectually defensible basis, that need is proven.**
- 1.13 Aside from the baseline data, I look at the range of assumptions that have been used to inform the quantitative model. In the needs assessment detailed in ME's 2008 Retail Impact Assessment and appraised by WYG in September 2008, the primary catchment area was extended from zones 1,2,3 and 6 in WYG's 2006 LRS (CD101) to include zones 4 and 5: respectively the northern part of Wyre district and the upper Lune valley centred on Kirkby Lonsdale.**
- 1.14 The projected comparison goods market share of Lancaster city centre with the Centros scheme built was assumed to increase from 47.7% to 67.4% of the enlarged catchment area without any detail being provided on how this might be achieved.**
- 1.15 Because the comparison goods expenditure growth rate of 3.8% per annum (used in the LRS and then ME's need assessment) was inadequate to provide the headroom for the extension of retail capacity, WYG employed a rate of 5% per annum, just when economic conditions were deteriorating and the same source – MapInfo – was pointing to 3.8% as being too high.**
- 1.16 The rate of increase of comparison goods sales floorspace productivity was assumed to increase at 1.5% when Experian's Retail Planner briefing note was stating that 2.2% was more realistic, thus closing down further on the headroom for additional capacity.**
- 1.17 More detailed appraisal of the needs assessment awaits the proof incorporating the new data. But clearly to date the methodology adopted has not been a robust approach to assessing quantitative need for retail floorspace in Lancaster city centre. The methodology applied by ME and WYG has been far too simplistic and optimistic.**