CARLISLE CITY COUNCIL

Retail Impact Threshold

September 2015

CBRE

CONTENTS

CBRE

1.0 Introduction / Background Context

1.1 CBRE has been commissioned to advise Carlisle City Council on setting an appropriate locally set threshold for retail impact assessments. A new Local Plan has been submitted (June 2015) for independent examination and policy EC6 – *Retail and Main Town Centre Uses outside Defined Centres* currently proposes a 200 sq. m locally set threshold. This proposed local threshold was based on recommendations from the 2012 Carlisle Retail Study which forms part of the Local Plan evidence base.

1.2 The 200 sq. m local threshold is substantially below the 'national default' position of 2,500 sq. m as set out in paragraph 26 of National Planning Policy Framework (NPPF) and was primarily justified in the 2012 Retail Study as follows (relevant paragraphs included):

10.26 On the basis of our on-site survey fieldwork, which included a floorspace and fascia survey of the city centre and local centres, we recommend that the Council should adopt a local floorspace threshold of 200 m^2 (gross) for both convenience and comparison retail.

10.27 In relation to convenience retail, the on-site surveys identify that existing provision within the defined local centres is relatively small-scale and primarily orientated towards top-up shopping. The floorspace threshold therefore proposed would consequently enable the Council to make a balanced planning assessment of the likely trading impacts of new provision on existing local centres.

10.28 With respect to comparison retail, the city centre has a historic core with a conservation area designation covering the majority of the existing primary shopping area. Existing retail units within the city centre are relatively small and in some instance have constrained layouts. On this basis and having regard to current vacant units within the city centre, it is our view that a larger locally set floorspace threshold would potentially undermine the re-occupation of existing units and enable high street style comparison retailers to open small format units outside of the city centre.

1.3 However, subsequent to completing the 2012 Retail Study and during the course of preparing the Local Plan, the National Planning Practice Guidance (NPPG), published in March 2014, provides specific guidance on preparation of locally set impact thresholds. Therefore, this assessment seeks to address the requirements of NPPG (as detailed below).

National Planning Practice Guidance (NPPG)

1.4 The 'Ensuring the Vitality of Town Centres' section of the NPPG[1] details that the following must be considered in defining a lower threshold (compared to the national 'default' 2,500 m^2 threshold set in NPPF):

1) The scale of proposals relative to town centres;

2) The existing viability and vitality of town centres;

3) Cumulative effects of recent developments;

4) Whether local centres are vulnerable;

5) Likely effects of development on any town centre strategy; and

6) Impact on any other planned investment.

1.5 The local context in terms of each test is therefore assessed in sequence below.

[1] Paragraph: 016 Reference ID: 2b-016-20140306

2.0 Test 1 – Scale of Proposals Relative to a Centre

2.1 As set out under Test 2 (Vitality and Viability) later in the report, the last floorspace survey of the city centre was completed as part of the 2012 Retail Study; this utilised the available Experian GOAD category report for Carlisle at the time (May 2011). Accordingly, to enable a comparative assessment of changes in floorspace composition since 2012, the latest Experian survey (May 2014[2]) has been obtained; the changes are summarised below:

FLOORSPACE CATEGORY	2011 GOAD FLOORSPACE (SQ. M)	2014 GOAD FLOORSPACE (SQ. M)	2014 NET FLOORSPACE (SQ. M)[3]
CONVENIENCE	7,302	8,426	5,898
COMPARISON	61,046	58,733	41,113
TOTAL	68,348	67,159	58,983

2.2 The current proposals and committed developments within the city are summarised below.

CONVENIENCE

PROPOSAL	GROSS FLOORSPACE (SQ M)	NET FLOORSPACE (SQ M)	NET CONVENIENCE (SQ M)
15/0070 –FARMFOODS (SHADDONGATE)	745	726	726[4]
15/0218 – M&S SIMPLY FOOD (UNIT B1, KINGSTOWN RP)	1,388	832[5]	720
TOTAL	2,133	1,558	1,446

2.3 On the basis of the above, the net (average) convenience floorspace approved (c. 720 sq. m) is c. 12% of the net Experian GOAD floorspace figure (5,898 sq. m).

COMPARISON

2.4 As per the table below, the net (average) comparison floorspace of a proposal[6] (1,457 sq. m) is 3.5% of the net Experian GOAD floorspace figure (41,113 sq. m) detailed above.

PROPOSAL	GROSS FLOORSPACE (SQ M)	NET FLOORSPACE (SQ M)	NET COMPARISON (SQ M)
14/0965 – EXTENSIONS TO EXISTING RETAIL UNITS (THE LANES)[7]	1,875	1,312	1,312
15/0093 – EXTEND / AMALGAM EXISTING RETAIL UNITS (THE LANES)[8]	735	514	514
14/0849 – PROPOSED RETAIL UNIT (LOWTHER STREET CAR PARK)[9]	3,438	3,062	3,062

[2] Experian survey Carlisle City Centre on a yearly basis. However, the 2015 survey is not available as yet to utilise in preparing this assessment.
[3] Assumes 70% Gross to Net
[4] Assumes 100% convenience floorspace
[5] Includes 94 sq. m cafe
[6] Total net comparison retail divided by number of proposals
[7] Assumes 70% Gross to Net and 100% comparison floorspace
[8] Assumes 70% Gross to Net and 100% comparison floorspace
[9] Gross and Net figures taken from applicant's submission. Assumed that floorspace will be occupied for comparison retail

2.0 Test 1 – Scale of Proposals Relative to a Centre

14/0030 – MEZZANINES (UNIT 2 & 9, ST NICHOLASGATE RP)[10]	842	758	758
VARIOUS APP. REF (NEW UNIT 1 & 10, ST NICHOLAS GATE RP)[11]	2,338	1,639	1,639
TOTAL	9,228	7,285	7,285

2.5 The committed schemes are clearly not substantial in scale relative to the present floorspace composition of the city centre (as per the Experian GOAD survey definition). Convenience proposals would generally not be significant in the context of the city centre given that it primarily performs a limited top-up orientated convenience shopping function with main foodstores (mainstream and discounters) located outside of the city centre.

2.6 In terms of comparison retail, given the sub-regional shopping function that the city centre presently performs (as identified in the 2012 Study), proposals are generally smaller in scale and reflective of reconfigurations of existing retail floorspace (The Lanes proposed internal reconfigurations / St Nicholas Gate RP mezzanines) aside from the proposed new retail unit (3,438 sq. m) at Lowther Street which would realise development on a long-standing retail allocation site in the adopted Local Plan.

2.7 The lack of substantive comparison retail development activity in part reflects the City Centre Development Framework (CCDF) strategy which is being taken forward via proposed Local Plan allocation / policy and that the city has a number of well-established retail warehouse parks (Kingstown, London Road, St Nicholas Gate, Madford etc.).

[10] Assumes 90% gross to net and 100% comparison on basis that permitted convenience floorspace utilised

[11] Difference between existing Halfords Unit (12,512 sq. ft) and Approved New Unit 1 (33,023 sq. ft) plus New Unit 10 (4,659 sq. ft); assumes 70% gross to net and assumed on basis that permitted convenience floorspace utilised

3.0 Test 2 – Centre Vitality and Viability

3.1 The National Planning Policy Framework (NPPF) states that comprehensive up-to-date monitoring of centre performance is essential in enabling planning authorities to improve the vitality and viability of centres and effectively plan for the future.

3.2 A detailed healthcheck assessment was completed as part of the 2012 Retail Study; this was primarily based on the latest Experian GOAD category report available (May 2011). Therefore, in order to enable a comparative assessment of changes in floorspace composition of the centre since 2012, the latest Experian survey (May 2014[12]) has been used for consistency.

FLOORSPACE CATEGORY	2011 GOAD FLOORSPACE (SQ. M)	2014 GOAD FLOORSPACE (SQ. M)	FLOORSPACE CHANGE	2011UNITS	2014 UNITS	UNIT CHANGE
CONVENIENCE	7,302	8,426	**+1,124**	23	27	**+4**
COMPARISON	61,046	58,733	**-2,313**	178	176	**-2**
VACANT	16,035	12,625	**-3,410**	66	48	**-18**
TOTAL	84,383	79,784	-4,599	467	466	-1

3.3 The headline points arising from the table are as follows:

- The quantum of convenience floorspace and associated number of units has notably increased over the three year period.
- There has been a notable decrease in the quantum of comparison floorspace allied to a minor decrease in number of units occupied by comparison retail; this suggests that the units which have become vacant comprise larger floorplates.
- Positively, there has been a significant decrease in vacant floorspace and number of units within the centre. This is predominantly explained by a significant increase in leisure units in the centre between the two surveys (+ c. 4,900 sq. m / + 19 units).

3.4 Overall, on the basis of the change in floorspace composition of the centre since 2011, it is considered that the centre remains vital and viable.

MULTIPLE RETAILER REPRESENTATION

3.5 The changes in multiple retailer representation between the respective 2011 and 2014 Experian GOAD Category Reports are as follows:

Retail Sector	2011 GOAD FLOORSPACE (sq. m)	2014 GOAD FLOORSPACE (sq. m)	FLOORSPACE CHANGE	2011 GOAD No. Outlets	2014 GOAD No. Outlets	UNIT CHANGE
Convenience	4,097	3,911	**-186**	13	11	-2
Comparison	48,560	42,345	**-6,215**	112	101	-11
TOTAL	52,657	46,256	-6,401	125	112	-13

3.6 The table identifies that whilst there has been a minor decrease overall in terms of the quantum of convenience floorspace and the associated number of units, there has been a significant decrease in comparison (multiple) retailer representation since the 2011 GOAD Survey. The decrease may in part be attributable to the closure of Hooper's department

[12] Experian survey Carlisle City Centre on a yearly basis. However, the 2015 survey is not available as yet to utilise in preparing this assessment.

3.0 Test 2 – Centre Vitality and Viability

store (marketed for leisure units) and JJB at The Lanes Shopping Centre (Unit 46 – 1,523 sq. m at 1st floor level). There is also ongoing rationalisation of smaller units within The Lanes Shopping Centre to create larger floorplates to attract new retailers to the centre or to enable 'upsizing' of existing operations.

AVERAGE UNIT SIZE

3.7 The latest GOAD Centre Report (May 2014) details the following breakdown of unit sizes:

FLOORSPACE (SQ. M)	NO. OUTLETS	% OUTLETS
< 1,000 sq. ft (93 sq. m)	178	35.67%
1,000 sq. ft (93 sq. m) - 2,499 sq. ft (232 sq. m)	185	37.07%
2,500 sq. ft (232 sq. m) - 4,999 sq. ft (464 sq. m)	66	13.23%
5,000 sq. ft (464 sq. m) - 9,999 sq. ft (929 sq. m)	37	7.41%
> 10,000 sq. ft (929 sq. m)	33	6.61%
TOTAL	499[13]	-

3.8 As the table indicates, a significant proportion of the units surveyed are below 232 sq. m; this reflects in part the historic nature of the City Centre (English Street) and the fact that many retailers occupy smaller units.

[13] Experian Centre Report differs from Category Report in that the total number of outlets includes buildings not in retail (convenience / comparison), retail services, leisure services, financial and business services. The figures are therefore not consistent with the Category Report used to inform the centre vitality and viability assessment.

4.0 Test 3 – Cumulative Effects of Recent Development

4.1 In the intervening period since the 2012 Retail Study was published, a number of developments have lawfully commenced / completed as follows:

PROPOSAL	GROSS FLOORSPACE (SQ M)	NET FLOORSPACE (SQ M)	NET CONVENIENCE (SQ M)	NET COMPARISON (SQ M)
99/0842 – PROPOSED TESCO (UPPER VIADUCT STREET)[14]	3,715	2,415	1,932 (80%)	483 (20%)
09/0512 – PROPOSED SAINSBURY'S (BRIDGE ST)	8,886	5,514	3,750 (68%)	1,764 (32%)
09/1082 – PROPOSED TESCO (WIGTON ROAD)[15]	404	283	283 (100%)	NIL
10/0504 – PROPOSED ASDA (ST NICHOLAS GATE RP)	4,300	2,975	1,874 (63%)	1,101 (37%)
15/0146 – ALDI EXTENSION (KINGSTOWN ROAD)	-	290	N/A	N/A
13/0778 – PROPOSED ALDI (DALSTON ROAD)	1,532	1,140	915 (80%)	225 (20%)
14/0861 – LIDL EXTENSION (MADFORD RP)	-	187	N/A	N/A
TOTAL	18,837	12,804	8,754	3,573
AVERAGE[16]	2,691	1,829	1,251	510

4.2 As the table details, the main developments that have been commenced since 2012 have been predominantly foodstore-led with comparison floorspace very much an adjunct to the main convenience provision.

4.3 However, whilst the respective planning permissions for Tesco at Upper Viaduct Street (LPA ref. 99/0842) and Wigton Road (LPA ref. 09/1082) have been lawfully implemented, it has been announced that the schemes will not commence (as with many Tesco schemes nationally). If the floorspace figures for the respective Tesco schemes are removed from the schedule then the respective averages are as follows:

PROPOSAL	GROSS FLOORSPACE (SQ M)	NET FLOORSPACE (SQ M)	NET CONVENIENCE (SQ M)	NET COMPARISON (SQ M)
REVISED TOTAL	14,718	10,106	6,539	3,090
REVISED AVERAGE[17]	2,943	2,021	1,308	618

4.4 Overall, in terms of the impact of the committed developments that have come forward since the 2012 Retail Study, the impact on the city centre arising from the foodstore proposals above has been relatively benign given that:

- The existing mainstream foodstore provision in the city is located in out-of-centre locations (primarily Morrison's Kingstown, Asda Kingstown and Tesco Warwick Road). The city centre has a limited convenience offer which is predominantly orientated towards top-up shopping.
- As a sub-regional city, the retail provision within the city centre is primarily orientated towards high street comparison retail; the comparison floorspace within a foodstore is very much an adjunct to the main food offer and the depth of choice of goods (i.e.

[14] Technical start made on site but recently announced that store development will not proceed
[15] Technical start made on site but recently announced that store development will not proceed
[16] Calculated by dividing total floorspace figure by number of schemes (7)
[17] Calculated by dividing gross floorspace figure by number of schemes (5 as Tesco excluded)

4.0 Test 3 – Cumulative Effects of Recent Development

clothing, electrical) would be materially different in qualitative terms (predominantly own brand and value orientated).

4.5 As indicated in the floorspace surveys undertaken for both the City Centre (Test 2) and Local Centres (Test 4), there has been no significant material decline in centre vitality and viability since 2012; this is highlighted by the fact that despite the significant foodstore commitments, convenience provision (quantum of floorspace) within the city centre has increased since 2012 whilst the local centres retain their top-up orientated function.

5.0 Test 4 – Local / District Centre Vulnerability

5.1 A floorspace survey of local and district centres (Brompton and Longtown) was completed as part of the 2012 Retail Study. In order to understand the performance of the respective centres in the intervening period, new surveys[18] have been completed in order to establish changes in floorspace composition over time; the changes are summarised below.

LOCAL CENTRES - URBAN AREA

PETTERIL BANK ROAD

	2012 FLOORSPACE (sq. m)	2015 FLOORSPACE (sq. m)	FLOORSPACE CHANGE	2012 NO. UNITS	2015 NO. UNITS	UNIT CHANGE
A1 Comparison	102	495	+391	1	2	+1
A1 Convenience	2,041	1,796	-245	5	3	-2
Vacant	-	-	0	-	-	0

CENTRAL DRIVE / PENNINE WAY

	2012 FLOORSPACE (sq. m)	2015 FLOORSPACE (sq. m)	FLOORSPACE CHANGE	2012 NO. UNITS	2015 NO. UNITS	UNIT CHANGE
A1 Comparison	262	595	+333	2	5	+3
A1 Convenience	861	448	-413	6	4	-2
Vacant	126	-	-126	1	-	+1

BLACKWELL ROAD (CURROCK)

	2012 FLOORSPACE (sq. m)	2015 FLOORSPACE (sq. m)	FLOORSPACE CHANGE	2012 NO. UNITS	2015 NO. UNITS	UNIT CHANGE
A1 Comparison	165	565	+400	3	6	+3
A1 Convenience[19]	265	740	+475	2	4	+2
Vacant	-	77	+77	-	2	+2

WIGTON ROAD (CALDEWGATE)

	2012 FLOORSPACE (sq. m)	2015 FLOORSPACE (sq. m)	FLOORSPACE CHANGE	2012 NO. UNITS	2015 NO. UNITS	UNIT CHANGE
A1 Comparison	385	720	+335	7	8	+1
A1 Convenience	1,739	1,591	-148	4	3	-1
Vacant	50	-	-50	1	-	+1

[18] Completed by Carlisle CC Officers (August 2015)

[19] Plan amended from 2012 Retail Study survey to reflect correct Co-Op store area

5.0 Test 4 – Local / District Centre Vulnerability

STONEGARTH (MORTON)

	2012 FLOORSPACE (sq. m)	2015 FLOORSPACE (sq. m)	FLOORSPACE CHANGE	2012 NO. UNITS	2015 NO. UNITS	UNIT CHANGE
A1 Comparison	371	410	+39	2	3	+1
A1 Convenience	591	313	-279	4	2	-2
Vacant	-	-	-	-	-	-

NEWLAITHES AVENUE (MORTON)

	2012 FLOORSPACE (sq. m)	2015 FLOORSPACE (sq. m)	FLOORSPACE CHANGE	2012 NO. UNITS	2015 NO. UNITS	UNIT CHANGE
A1 Comparison	-	106	+106	-	1	+1
A1 Convenience	257	92	-165	2	1	-1
Vacant	-	-	-	-	-	-

HOLMEBROOK ROAD (WHERNSIDE)

	2012 FLOORSPACE (sq. m)	2015 FLOORSPACE (sq. m)	FLOORSPACE CHANGE	2012 NO. UNITS	2015 NO. UNITS	UNIT CHANGE
A1 Comparison	-	-	-	-	-	-
A1 Convenience	518	263	-255	4	1	-3
Vacant	-	-	-	-		-

DENTON STREET

	2012 FLOORSPACE (sq. m)	2015 FLOORSPACE (sq. m)	FLOORSPACE CHANGE	2012 NO. UNITS	2015 NO. UNITS	UNIT CHANGE
A1 Comparison	632	1,142	+510	9	12	+3
A1 Convenience	541	680	+139	7	5	-2
Vacant	208	716	+508	4	9	+5

SCOTLAND ROAD (STANWIX)

	2012 FLOORSPACE (sq. m)	2015 FLOORSPACE (sq. m)	FLOORSPACE CHANGE	2012 NO. UNITS	2015 NO. UNITS	UNIT CHANGE
A1 Comparison	293	130	-163	5	2	-3
A1 Convenience	851	658	-193	4	4	-
Vacant	-	121	+121	-	1	+1

CBRE

5.0 Test 4 – Local / District Centre Vulnerability

DISTRICT CENTRES

BRAMPTON

	2012 FLOORSPACE (sq. m)	2015 FLOORSPACE (sq. m)	FLOORSPACE CHANGE	2012 NO. UNITS	2015 NO. UNITS	UNIT CHANGE
A1 Comparison	978	1,456	+478	13	23	+10
A1 Convenience	1,244	1,465	+221	11	9	-2
Vacant	290	461	+171	4	7	+3

LONGTOWN

	2012 FLOORSPACE (sq. m)	2015 FLOORSPACE (sq. m)	FLOORSPACE CHANGE	2012 NO. UNITS	2015 NO. UNITS	UNIT CHANGE
A1 Comparison	906	1,608	+702	10	8	-2
A1 Convenience	530	653	+123	5	6	+1
Vacant	144	164	+20	2	3	+1

DALSTON[20]

	2015 FLOORSPACE (sq. m)	2015 NO. UNITS
A1 Comparison	322	4
A1 Convenience	529	3
Vacant	-[21]	1

CONCLUSIONS

5.2 Overall, the surveys identify that there has only been minor changes in floorspace composition of the local centres in the urban area since 2011. The identified floorspace changes potentially reflect 'churn' of operators rather than declining vitality and viability of a particular centre. Whilst there has been a significant increase in vacant units in Denton Street local centre, this is attributable to ongoing consolidation of the centre given its long linear configuration with 'dated' terraced accommodation. However, the centre retains a Co-Op convenience store to meet top-up convenience shopping needs (drive-by and walk-in) and therefore continues to perform a local centre rather than neighbourhood centre function (as per the NPPF definition).

5.3 All of the centres surveyed predominantly serve top-up orientated needs (albeit Aldi at Petteril Bank Road performs a main food shopping function) as well as providing basic retail services (presence of ATM machine etc.).

5.4 With respect to Brampton, Longtown and Dalston, whilst defined as district centres in the retail hierarchy under emerging Local Plan policy EC5, the existing retail provision within the respective centres is relatively small scale, orientated towards top-up orientated provision and includes a number of local independent operators (Dalston particularly small centre). The 2012 Retail Study identified that local residents within the two settlements

[20] Dalston not surveyed as part of 2012 Retail Study

[21] No VOA record of unit floorspace available

5.0 Test 4 – Local / District Centre Vulnerability

predominantly travel into Carlisle for their main shopping needs (both convenience and comparison). The centres therefore need to be viewed in isolation of the urban area.

6.0 Test 5 – Impact on Town Centre Strategy

6.1 The 2012 Retail Study identified a quantitative and qualitative need for the City Council to proactively plan for new Class A1 comparison retail floorspace in the town centre to meet future needs over the emerging Local Plan period. Whilst the city centre is identified to be vital and viable, it is concluded to not be achieving its full potential given its historic core (asset but restricts change / expansion), small retail units and department stores occupying multiple level units (or buildings).

6.2 In accordance with the NPPF (para. 23), the Study recommended that an assessment of suitable and deliverable sites within the city centre is completed to accommodate future identified (development) needs. This assessment was taken forward by commissioning a City Centre Development Framework to inform a site-specific allocation in the emerging Local Plan.

CITY CENTRE DEVELOPMENT FRAMEWORK

6.3 The City Centre Development Framework was published in February 2015 and is a non-statutory planning document which would be a material consideration in the determination of any subsequent planning application in advance of the new Local Plan being adopted.

6.4 The Development Framework reviews a number of character areas and thereafter site-specific options to accommodate new development within the city centre. With respect to accommodating the quantum of retail floorspace identified in the 2012 Study, the Rickergate area, primarily comprising the existing Civic Centre site (City Council owned), Ministry of Justice (MoJ) Courts complex and residential properties (part Council / part private owned), is identified as a logical extension to the existing defined city centre primary shopping area (PSA).

Physical Capacity Exercise

6.5 An initial physical capacity exercise, informed by an indicative layout plan, identifies that the Rickergate site could accommodate the following quantum of development:

ADDRESS / USE	FLOORSPACE (SQ. M)
CLASS A1 DEPARTMENT ANCHOR STORE	8,688
MSU RETAIL UNITS	5,130
SMALL RETAIL UNITS	2,976
RESTAURANT UNITS	1,929
TOTAL	18,723
RESIDENTIAL UNITS	31 NO.

6.6 With particular respect to the retail units, the preferred option comprises the following individual unit configuration / sizes:

UNIT	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL FLOORSPACE (SQ. M)
DEPARTMENT STORE	2,896	2,896	2,896	8,688
MSU 1	533	533	-	1,066
MSU 2	503	503	-	1,006
MSU 3	533	533	-	1,066
MSU 4	541	541	-	1,082
MSU 5	455	455	-	910

6.0 Test 5 – Impact on Town Centre Strategy

RETAIL UNIT 1	466	-	-	466
RETAIL UNIT 2	470	-	-	470
RETAIL UNIT 3	219	-	-	219
RETAIL UNIT 4	215	-	-	215
RETAIL UNIT 5	217	-	-	217
RETAIL UNIT 6	223	-	-	223
RETAIL UNIT 7	443	-	-	443
RETAIL UNIT 8	185	-	-	185
RETAIL UNIT 9	195	-	-	195
RETAIL UNIT 10	343	-	-	343
TOTAL	8,437	5,461	2,896	16,794

6.7 The schedule identifies that with the exception of a department store anchor, the proposed scheme would primarily accommodate floorplates of 500 sq. m gross and below (noting that the potential MSU units 1 to 5 would comprise two trading floors). The department store and MSUs are proposed to meet national multiple fashion retailer floorplate requirements (standard unit configurations) and therefore address the identified the quantitative and qualitative need for new comparison retail provision in Carlisle over the emerging Local Plan period to 2030. With respect to the other retail units (1 – 10), the schedule identifies smaller floorplates given the initial proposal to convert existing historic buildings within the MoJ Courts Complex.

LOCAL PLAN ALLOCATION

6.8 The preferred option defined in the City Centre Development Framework for the Rickergate site to accommodate identified Class A1 comparison retail needs has been formalised in the emerging Local Plan (publication version) under the following policies:

SP2 – STRATEGIC GROWTH AND DISTRIBUTION (POINT 4); policy details that the city centre will maintain and enhance its status by being the primary focus for further comparison retail development across the plan period. Specifically, sufficient land will be identified for 18,700 sq. m (net) comparison retail floorspace until 2030.

SP4 – CARLISLE CITY CENTRE (AND CALDEW RIVERSIDE); policy details that land to the north of Lowther Street including Rickergate has been identified for a potential future expansion of the Primary Shopping Area. Retail-led development proposals within this area will be supported where they are in response to identified needs, are guided by a comprehensive strategy and where it can be demonstrated that the proposal would integrate effectively with the existing Primary Shopping Area. Proposals within this area which would prejudice the ability to respond to an identified need to deliver additional comparison retail floorspace will be unlikely to be supported, unless the benefits of doing so outweigh the benefits of safeguarding the potential expansion.

CONCLUSIONS

6.9 On the basis of the above, it is clear that the City Council, in accordance with NPPF and NPPG requirements (the latter being an amplification of the former), establishes through the Development Framework and subsequent Local Plan policies, a city centre strategy which:

- Defines an appropriate and realistic role and function of the city centre over the plan period (to 2030);

6.0 Test 5 – Impact on Town Centre Strategy

- Identifies the most appropriate mix of uses to enhance the overall vitality and viability of the city centre; and
- Identifies an appropriate site through promoting a physical extension to the existing defined city centre primary shopping area (PSA) to accommodate the scale of assessed need for Class A1 comparison retail provision over the plan period.

6.10 On the basis of the above, the proposed locally set threshold needs to be set with regard to the proposed quantum of floorspace and likely type of individual unit configuration which could be delivered by the proposed city centre PSA expansion (allocation) site at Rickergate. As NPPF recognises, 'in-centre' schemes require longer gestation periods to be achieved and therefore the imposition of an appropriate locally set impact threshold in this instance is required so as to enable appropriate testing of the impact (particularly the existing, committed and planned investment test) of any proposal on a less constrained sites (e.g. out-of-centre retail warehousing locations in particular).

7.0 Test 6 – Impact on other Planned Investment

7.1 As detailed in previous sections, the Council has recently approved a number of planning applications at The Lanes Shopping Centre in the City Centre Primary Shopping Area (PSA). The proposals are to:

- **Application 14/0965 (6 – 10 Grapes Lane, The Lanes)**; provision of additional retail unit (2nd floor) of 1,875 sq. m); and
- **Application 15/0093 (Old Bush Yard, The Lanes)**; internal reconfigurations of existing retail units to deliver additional 735 sq. m retail floorspace. The applicant's submission details that the proposed scheme will create:

UNIT	FLOORSPACE (SQ. M)
3 NEW LANE (UNIT 5)	359
5 NEW LANE (UNIT 4)	377
9 – 13 GRAPES LANE (UNITS 2 & 3)	241
79 – 85 LOWTHER STREET, 15 GRAPES LANE (UNIT 1)	238

7.2 In terms of other planned investment, emerging Local Plan policy EC4 allocates a new district centre with a foodstore anchor, retail units, leisure and local services / community facilities at Morton to the south of the city.

7.3 There are no implications for the locally set threshold as any proposal for retail development which would serve the south of the city (overlapping catchment etc.) would ordinarily have to demonstrate compliance with the NPPF retail tests and particularly sequential compliance.

CBRE

8.0 Conclusion – Proposed Thresholds

8.1 Emerging Local Plan policy EC6 currently proposes a 200 sq. m locally set threshold for impact assessments. However, this threshold was based on advice in the 2012 Retail Study and predated the publication of National Planning Practice Guidance (NPPG) which set out the relevant tests to be considered in setting a lower threshold compared the 2,500 sq. m floorspace figure set out in the National Planning Policy Framework (NPPF).

8.2 Having undertaken an assessment of the local position against the NPPG tests, it is considered that the City Council should not rely on the NPPF default threshold of 2,500 sq. m and should continue to propose a lower locally set threshold through the emerging Local Plan. However, for the reasons set out below, the 200 sq. m threshold currently proposed through policy EC6 should be revised.

CONVENIENCE

8.3 On the basis of the analysis completed, it is recommended that the locally set impact threshold is increased from 200 sq. m to 1,000 sq. m (gross); this is based on the following primary factors:

- The Experian GOAD floorspace surveys for the city centre show that convenience floorspace has increased in the intervening period since the 2012 Retail Study was completed; this is despite a significant quantum of new convenience floorspace having opened outside of the city centre in the meantime (e.g. Sainsbury's Bridge Street, Asda St Nicholas Gate RP and Aldi Dalston Road).
- Despite the increase in convenience floorspace in the city centre since 2012, the convenience provision within the city centre still is primarily remains orientated towards meeting top-up rather than main food shopping needs. The main food shopping destinations in the city are outside of the city centre (large out-of-centre foodstores such as Asda Kingstown / Morrison's Kingstown as well as discount provision).
- There has been no decline in the health of the city centre; it remains vital and viable. As a sub-regional city, the retail provision within the city centre is primarily orientated towards high street comparison retail (clothing and footwear etc.).
- The floorspace surveys of local centres indicate that they all remain vital and viable; this is despite a significant quantum of new convenience floorspace having opened outside of the city centre in the meantime. All centres continue to perform a primarily top-up orientated shopping function (e.g. serve local residential areas).
- There are two large convenience commitments (Tesco Upper Viaduct Street and Morton district centre foodstore allocation) which have not come forward (operator pulled out / planning permission lapsed). The cumulative impact of these commitments (c. 1,932 sq. m net convenience approved for Tesco; 3,334 sq. m net for Morton) allied to the approved foodstore schemes which have come forward since 2012 implies that there is sufficient expenditure capacity to accommodate the proposals without significant adverse impact on the vitality and viability of the existing centres within the city.
- The average net convenience floorspace figure of unimplemented convenience commitments in the city is c. 720 sq. m net whereas the average for implemented schemes since 2012 is 1,250 sq. m net (albeit includes the Tesco Upper Viaduct Street scheme which has been lawfully implemented).

8.4 Consequently, the proposed lower threshold figure of 1,000 sq. m is midway between the c. 750 sq. m average of existing commitments and the 1,250 sq. m average of proposals implemented since the 2012 Retail Study.

8.0 Conclusion – Proposed Thresholds

COMPARISON

8.5 On the basis of the locally specific analysis, it is recommended that the locally set impact threshold is increased from 200 sq. m to 500 sq. m (gross); this is due to:

- The quantum of comparison floorspace within the city centre has decreased since the 2012 Retail Study (primarily due to Hooper's department store and JJB closing).
- There is planned investment in The Lanes Shopping Centre (City Centre PSA) to reconfigure / extend existing small units to create larger floorplates to attract retailers to the city or to enable existing retailers to 'up-size'. The proposed new retail units on New Lane and Grapes Lane would be in the order of c. 250 sq. m to 400 sq. m.
- The published City Centre Development Framework (CCDF), which is underpinned by a physical capacity exercise, identifies a range of unit sizes that could be accommodated within any proposed scheme. The proposed MSUs, which are intended to accommodate national multiple retailers, would occupy floorplates of c. 500 sq. m. A range of smaller units (<500 sq. m) are also identified within the MoJ Courts Complex.
- The preferred CCDF option to meet future comparison retail needs identified in the 2012 Retail Study is to extend the existing city centre primary shopping area (PSA) to the north (Rickergate / Civic Centre site). The preferred option has been taken forward through the emerging Local Plan process through policy / allocation SP4. The City Council clearly, in accordance with NPPF and NPPG requirements, has a city centre strategy to accommodate future development over the Local Plan period to 2030.

8.6 It is considered that setting a larger local threshold would undermine the proposed investment at The Lanes Shopping Centre (amalgamation of smaller units) and the future City Centre strategy articulated by the Development Framework. Therefore, the proposed threshold of 500 sq. m, whilst representing an increase on the original 200 sq. m figure set out in the 2012 Retail Study, is considered to provide sufficient opportunity for the City Council to robustly assess impact of any future edge / out of centre proposal which may absorb retailer demand which potentially could be accommodated within the proposed City Centre scheme (allocation).

DISTRICT CENTRES

8.7 Brampton, Longtown and Dalston are defined as district centres in the city-wide retail hierarchy. The centres are outside of the urban area and serve discrete rural hinterlands. The 2012 Retail Study identified that the centres predominantly meet day-to-day top-up shopping and service needs; most local residents within the respective centres primarily travelled to Carlisle to meet their main food and non-food shopping needs.

8.8 The retail provision within both centres are characterised by small units and comprise a mix of national chains (small formats) and local independents. However, the updated floorspace surveys identify that the centres remain vital and viable with no significant increase in vacancies.

8.9 On the basis of the floorspace survey results (local circumstances – small district centres) and the 2012 Retail Study findings, it is considered appropriate for the Council to set a specific impact threshold for the two settlements. An impact threshold of 300 sq. m (gross) for convenience and comparison retail proposals in existing district centres is therefore proposed in order to enable the Council to assess any application which comes forward.

8.0 Conclusion – Proposed Thresholds

8.10 The proposed district centre at Morton should be excluded from the impact threshold. Existing draft Local Plan policy EC4 should retain the requirement to assess the impact of any scheme at Morton on the City Centre to ensure that it ultimately serves future development (residential, business park etc.) in the southern part of the city (addressing the spatial deficiency in provision).