

Carlisle District Local Plan Examination

Matters, Issues and Questions (MIQs)

Matter 5:

Economy

Statement by Carlisle City Council

November 2015



Contents

Matter 5: Economy		Page
Issue 1: <i>Whether the LP will support sustainable economic growth</i>		
Q1	Will the LP strategy be effective in improving the qualitative offer of employment land in the area?	1
Q2	Is the protection of existing employment land justified and consistent with national policy?	2
Issue 2: <i>Whether the policies in the LP will support the viability and vitality of town centres, consistent with national policy.</i>		
Q1	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 (EB 012) 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). Is it justified?	3
Q2	The LP makes a major allocation in Policy EC4 for a foodstore at Morton with a capacity of 8,175m ² . Is this justified and is there a need to control the amount of convenience and comparison split of floorspace that can be accommodated?	4
Q3	Land to the north of Lowther Street including Rickergate is identified in Policy SP4 for a potential future expansion of the Primary Shopping Area. (a) Is this proposal justified by the evidence, particularly in relation to flooding? (b). What other reasonable alternative options were considered?	4
Q4	Policy SP 4 identifies Caldeu Riverside as a significant regeneration opportunity. Does the evidence that underpins this allocation demonstrate that the development of this site would not undermine the delivery of sequentially preferable site opportunities in the City Centre, in particular the future expansion of the Primary Shopping Area and if so, will the policies be effective in ensuring the vitality and viability of the city centre is enhanced?	7

Issue 1:

Q1. Will the LP strategy be effective in improving the qualitative offer of employment land in the area?

1.1 The Carlisle Employment Sites Study 2010 [EB 010] undertook a qualitative and quantitative assessment of the employment sites within the District and concluded that whilst there was sufficient employment land available within the District to meet the need there were some qualitative issues with some of the sites which should be addressed to make them more fit for purpose. The Plan's economic strategy is focused on encouraging and facilitating investment in existing sites through realising the residual capacity within existing employment areas alongside improvements to the quality of these areas where possible.

1.2 The identification of designated Primary Employment Areas and a clear policy framework regarding their protection and development (Policy EC 2) is considered to provide the certainty required by businesses and investors. It should be noted that many of Carlisle's larger existing employment sites fall within the M6 strategic corridor which is a priority for the Cumbria LEP. An example of the effectiveness of the Plan's strategy for employment land can already be seen with work (secured through LEP and HCA funding) underway at Durrhill Industrial Estate to deliver a programme of infrastructure improvements including access to additional undeveloped land alongside public realm improvements to aid the overall attractiveness of the location. Private sector led improvements are also fundamental to improving the qualitative offer of employment land, and an effective local plan strategy which supports investment is key to providing the confidence to support delivery. An example of where this is currently happening in Carlisle is at Rosehill Industrial Estate where significant changes and improvements are taking place.

1.3 Planning will also operate alongside other initiatives including the Kingstown FAMO (Future Asset Management Opportunities) where the Council is seeking to maximise opportunities from its assets at Kingstown Industrial Estate (one of the City's largest such estates) through the appointment of a private sector partner.

1.4 In addition to improvements to existing sites the Plan allocates an additional 45 ha of employment land to provide a wider choice of locations for companies to invest. The Plan also recognises the need for employment land to be identified as part of Carlisle South.

Q2. Is the protection of existing employment land justified and consistent with national policy?

1.5 Policy EC 2 – Primary Employment Areas seeks to protect existing employment land, ensuring that employment areas are retained for viable employment uses and not lost to alternative uses. The policy allows for uses beyond the traditional B1, B2 and B8 employment uses, specifying that Sui Generis uses may also be acceptable. Beyond this, the policy is also clear to establish a flexible, case by case approach for other alternative uses on employment sites – particularly where it can be demonstrated that sites may be failing or unviable, provided that such uses would not jeopardise the overall employment land strategy for the District or reduce the availability of employment opportunities. The policy also allows for the change of use of an employment area that is having an adverse impact upon local amenity and/or neighbouring residential properties.

1.6 It is considered that this is wholly in conformity with the NPPF. It is consistent with Paragraph 19 as the protection of employment areas, and the jobs and opportunities such areas provide, directly supports economic growth. It is consistent with Paragraph 21, as the use of an employment land designation makes it clear to potential investors as to where employment development will be welcomed and promoted by the Council; and where the relevant infrastructure/proximity to networks is likely to be strongest. It also provides security and support for existing business sectors, reassuring them that their continued use in an employment area will be protected. It allows for unanticipated, appropriate uses to be accommodated through its provision for certain Sui Generis uses on a case by case basis; likewise it allows for a rapid response to changes in economic circumstances by accepting that sometimes the continuation of employment use is no longer viable, with alternative uses perhaps proving more suitable for the location. This final point demonstrates that the policy is also in conformity with Paragraph 22 of the NPPF in that it does not enforce the long term protection of those primary employment areas that have no reasonable or viable prospect of continued employment use. The

policy is explicit that in such circumstances alternative uses will be considered on a case by case basis, having regard to market signals.

1.7 The policy approach presented within Policy EC 2 is considered to be justified. It ensures adequate protection of employment areas is provided in order to support economic growth and a vibrant business sector. It also allows for flexibility towards the use types allowed in such areas, particularly where the continued employment use is no longer viable. This approach is in complete conformity with national policy.

1.8 In respect of the retention of sites designated as primary employment areas the Council has assessed whether the continuation on a site by site basis of a number of sites within this designation is still appropriate. Judgements in this regard have also been informed, where appropriate, by way of reference to the Employment Sites Study [EB 010]. Where sites continue to be shown as Primary Employment Areas this is due, in most instances, to the contribution they make to a wider employment area and their predominantly ongoing employment use.

Issue 2:

Q1. 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 (EB 012) 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). Is it justified?

2.1 In response to the publication of the NPPG which set out the tests for establishing a locally set retail threshold the Council commissioned CBRE to review the threshold in the 2012 Retail Study [EB 012] and advise on setting an updated appropriate local threshold (200sqm) for retail impact Assessments. This updated analysis [EL1 005d], utilising up to date data on retail health within the local and District centres (as set out in policy EC5) and the City Centre, recommended that a range of thresholds be applied. The report suggested the threshold for convenience retail increase to 1000 sqm (gross) with a revised threshold of 500sqm (gross) for comparison retail with a separate suggested threshold of 300sqm (gross) to apply to Brampton and Longtown.

2.2 These upwardly revised figures result from applying the relevant NPPG tests for establishing a locally set threshold, as well as reflecting an improving picture of retail health within the defined centres. The assessment does however confirm the need to retain a locally set threshold to ensure that new, larger scale retail development proposals do not have a negative impact upon the established or planned (Morton) centres within the District. Modifications to take forward the recommendations from this assessment are already before the examination [EL1 006b MM12, MM13,MM14].

Q2. The LP makes a major allocation in Policy EC4 for a foodstore at Morton with a capacity of 8,175m². Is this justified and is there a need to control the amount of convenience and comparison split of floorspace that can be accommodated?

2.3 The Council have proposed removing the figure of 8,175sqm from policy EC 4 [see MM10 EL 006b] in reference to the size of the foodstore at Morton. This change is considered to reflect the reality of future convenience retailing patterns and the expiry of the retail consent. This approach allows for a greater degree of flexibility whilst still recognising that retail provision should be foodstore led. On this basis it is considered that a reference to a convenience versus comparison split of floorspace would not be relevant or appropriate within the policy, and instead any split should be considered through the process of development management as and when specific proposals are forthcoming.

Q3. Land to the north of Lowther Street including Rickergate is identified in Policy SP4 for a potential future expansion of the Primary Shopping Area.

(a) Is this proposal justified by the evidence, particularly in relation to flooding?

2.4 The key evidence underpinning the identification and selection of land for a potential future expansion of the Primary Shopping Area is the City Centre Development Framework (CCDF) [EB 014]. The process of Sustainability Appraisal [SD 003] has also been material in the selection of this area over and above the alternatives with paragraphs 4.40 – 4.49 relevant in this regard.

2.5 With regards to the risk of flooding it is acknowledged that the majority of the area in question is within Flood Zone 3, being defined as having a “high probability” of flooding in the PPG. It is material to note however that this area benefits from engineered flood defences installed at a significant cost following the floods of 2005, which is not reflected in the EA’s modelling – a standard approach of the EA which reflects a need to recognise that such defences could in theory fail.

2.6 The need to identify an extension of the Primary Shopping Area reflects a need to accommodate additional retail and ancillary leisure floorspace across the plan period. The NPPG identifies, through Diagram 2 within the Flood Risk and Coastal Change section, that all development should be directed towards those areas at the lowest risk of flooding and therefore Flood Zone 1. Where this is not possible it clarifies that Flood Zone 2 should be considered next, and within this those areas where the risk of flooding is lowest. Only where there are no reasonably available sites in Flood Zones 1 or 2 should sites in Flood Zone 3 be considered.

2.7 Of the three options to accommodate additional retail and leisure growth considered by the CCDF, only land within the vicinity of the Citadel was within Flood Zone 1. As documented however the opportunity at the Citadel, whilst important for the City Centre for wider reasons, is unable to respond to meeting the required development needs and in this regard is not a true reasonable alternative. Given Caldew Riverside is detached from the wider City Centre, and sequentially less preferable from a retail planning perspective in national policy terms, as well as also falling within Flood Zone 3, this can equally be seen to not constitute a reasonable alternative. On this basis the land to the north of Lowther Street including Rickergate, despite being within Flood Zone 3, can be seen to be capable of passing the sequential test.

2.8 Diagram 2 of the NPPG makes clear that where development is being considered within Flood Zone 3 having passed the sequential test, that highly vulnerable uses should also be subject to an exception test. Table 2 of the NPPG identifies however that ‘retail’ and ‘leisure’ uses are defined as ‘less vulnerable uses’ and as such no exceptions test is necessary. To the contrary Table 3 of the NPPG identifies, by way of a matrix, that ‘less vulnerable uses’ are “appropriate” within Flood Zone 3.

2.9 Policy CC 4 of the Local Plan sets out the circumstances in which development proposals would have to be accompanied by a detailed Flood Risk Assessment (FRA), with this requirement applying to any proposals coming forward within the Lowther Street/Rickergate locality. It would be the process of the FRA which would afford regard to the risks specific to the precise scale and form of development proposed and which would ultimately highlighted any necessary mitigation measures. Importantly it would be through this process where regard would be legitimately afforded to any existing defences and more detailed consideration given to residual risks in the event of a breach scenario. It should be noted that the Council's SFRA [EB 016] includes a breach analysis for the Rickergate area which assesses the residual flood risk and flood hazard which would result from a failure of the defences. It should be noted however that this constitutes a starting point and is not a substitute for a detailed FRA specific to a development proposal.

2.10 The Environment Agency (EA) have been engaged and consulted at key stages of the Plans preparation including with regards to its evidence base. Whilst it is acknowledged that the EA raised concerns with respect to the draft CCDF, this in part reflected the inclusion of a residential element as a small component of an indicative mixed use scheme. It also reflected the EA's opinion that much stronger and more explicit references to the risk of flooding and the consequential implications of this for development proposals was required within the CCDF report, the final draft of which was amended to adequately respond to these concerns – achieved through making clear that in accordance with Plan policies, development proposals would have to be accompanied by a Flood Risk Assessment. At no stage in the evolution of the Pan has the EA formally objected to the identification of the land in question for development purposes, and no concerns were raised at the most recent Regulation 19 consultation stage. With respect to the residential element of the CCDF this was included as it was considered it would respond more appropriately to the existing residential properties along Corporation Road and the corner of Peter Street – this component is however not essential to delivery of any scheme. In any event it is important to acknowledge that the proposals for the area set out in the CCDF are indicative only.

2.11 It is also worth noting that redevelopment of the area north of Lowther Street including Rickergate, as outlined within the CCDF, should seek opportunities to reduce the overall level of flood risk in the area in line with the NPPG. Additionally all new

development in the area should be designed, in line with a FRA, to take into account appropriate flood resistant and resilience measures. Redevelopment of the area in question could therefore result in improvements in respect of flood risk and resilience within the area north of Lowther Street including Rickergate, when considered against the existing developed area.

2.12 It is therefore contended that based on the above reasoning the identification of land at Lowther Street including Rickergate as a potential expansion of the Primary Shopping Area is justified by the evidence, including with respect to flooding.

(b) What other reasonable alternative options were considered?

2.13 Paragraphs 4.40 – 4.49 of the Sustainability Appraisal Report [SD 003] detail what alternatives were considered with regard to identifying ‘Land to the north of Lowther Street including Rickergate’ as a potential future expansion of the Primary Shopping Area. These options included, aside from Lowther Street/Rickergate, land in the locality of the Citadel and land at Caldew Riverside, which are consistent with the options highlighted through the City Centre Development Framework (CCDF) [EB 014]. These same paragraphs of the SA make clear why the selected area was chosen and equally why the other options were discounted. The CCDF is also of relevance in this regard.

Q4. Policy SP 4 identifies Caldew Riverside as a significant regeneration opportunity. Does the evidence that underpins this allocation demonstrate that the development of this site would not undermine the delivery of sequentially preferable site opportunities in the City Centre, in particular the future expansion of the Primary Shopping Area and if so, will the policies be effective in ensuring the vitality and viability of the city centre is enhanced?

2.14 Recognition of the site’s sequentially less preferable location and constraints regarding its availability were considered and documented through the process of the City Centre Development Framework [EB 014] and are also reflected in the Sustainability Appraisal [SD 003 – see paras 4.40 – 4.49]. Consequently the site is not allocated for retail purposes within the Plan nor as an area for a potential future expansion of the Primary Shopping Area, but is instead defined as a regeneration opportunity. It is not a site which the Council considers to be, and, based on the

consultation responses to the CCDF, which the retail industry/market consider to be well suited to comparison goods retailing of a nature that would compete with or likely prejudice the Primary Shopping Area including any future expansion.

2.15 Notwithstanding that the Plan should be read as a whole and that the provisions of Policy EC 6 would apply to development proposals at the Caldew Riverside site, Policy SP 4 reiterates and is therefore explicit that proposals for main town centre uses at this location would be subject to sequential and impact testing. This is an important safeguard through which consideration of the impacts of any proposal on the vitality and viability of the City Centre would be afforded, with the thresholds proposed for inclusion within the Plan considered to ensure that this safeguard is effective.

2.16 The need to identify the site as a regeneration opportunity reflects, notwithstanding the challenges facing the site, the importance of bringing it back into beneficial use. The identification of the opportunity within the Plan is therefore important from a promotional aspect with the guiding principles set out considered to constitute a proportionate framework to guide proposals which may emerge within the lifetime of the Plan.