Kirklees Local Plan Examination

Stage 1 – Initial Hearings

MATTERS, ISSUES AND QUESTIONS (MIQs)

Council Response

<u>Matter 7 - Retail needs and delivery</u>

1.1 This statement sets out the council's responses in relation to the Inspector's matters and issues Matter 7 - Retail needs and delivery. All the documents referred to in this statement are referenced within the main body of the statement.

Issue - Does the Plan set out a positively prepared strategy for the delivery of retail development, which is justified, effective and consistent with national policy?

Policy PLP 13 (section A only), 17, 18

Context: - Section A of policy PLP13 directs main town centre uses to a defined shopping centre hierarchy for the Kirklees District taking into account the role and function of each type of centre from principal town centre to local centre. It also sets outs where the creation of new local centres will be supported.
Policies PLP 17 and PLP 18 are focussed on Huddersfield and Dewsbury Town Centres respectively incorporating the role and function for the town, they highlight what new development proposals will be supported.

Questions

a) Is the assessment of future retail floorspace needs in the Council's Retail Capacity Study Update (2016) (LE36) soundly based and justified? Should these figures be identified in the Plan?

1.2 The council commissioned WYG Planning to undertake the retail capacity study update (WYG, August 2016) (LE36). The key purpose of the study is to provide an up to date assessment of retail needs and capacity in the Local Plan period to 2031, updating the principal findings of the 2014 study (LE33). The study was undertaken in accordance with the National Planning Policy Framework (NPPF) and National Planning Practice Guidance (NPPG) on Ensuring the Vitality of Town Centres and Housing and Economic Development Needs Assessment incorporating reviews of both and best practice to inform conclusions.

1.3 The August 2016 update has recently been republished[1] (August 2017[2]) with revisions to gross floorspace figures (LE36 Table 5, appendix 3) for current foodstores which has produced new quantitative need figures for convenience goods floorspace set out in section 5. The revised study – LE36.1 (August 2017) does not provide a significant deviation in convenience goods capacity identified for the district with a reduction in the convenience goods floorspace requirement. As such, it is considered that the retail and town centres strategy in the Local Plan remains robust.

[1] An error was highlighted with a gross floorspace figure in the update during the determination of a planning application, as a result a review of all gross floorspace figures was undertaken.
[2] LE36.1 Retail Capacity Study for Kirklees 2016 (republished September 2017)

1.4 The full retail capacity study undertaken by consultants, WYG Planning, published in February 2014 (LE33) incorporated a shopping survey of 1,000 households. This was undertaken to identify shopping patterns across a study area broadly reflecting the Kirklees Local Authority area and including parts of Bradford, Calderdale, Leeds and Wakefield where local residents would use retail facilities in Kirklees. The study area is broken down into 10 survey zones on a geographical basis to allow trends to be assessed on a local level and to consider shopping patterns to the district's principal and town centres and the study zones. The original household survey and study area have been used with up to date population and expenditure data to produce the updated assessment of quantitative retail need using a methodology consistent with the 2014 study and NPPG. Whilst there have been changes in convenience goods retail provision within the study area since the household survey, the changes are considered to be limited, and not significant in terms of redefining shopping patterns. It is therefore considered that the market shares identified by the householder survey remain appropriate for the study update (LE36.1, Paragraph 5.09).

1.5 The study area population has been calculated using Experian Micromarketer G3 data, 2014 estimate (issued in October 2015) (LE36.1, Paragraph 4.06). Experian is a widely accepted source of population and expenditure data. The population forecasts for Kirklees on which the 2016 study are based are consistent with the distribution of housing growth set out in the Local Plan and therefore represents an appropriate basis for modelling future retail need (LE36.1, Paragraphs 4.08-4.15).

1.6 Experian Micromarketer G3 data, 2014 has also been used to calculate convenience and comparison goods expenditure with the Experian Retail Planner Briefing Note 13 (LE36.1, Paragraphs 4.19-4.26) providing annual growth forecasts for convenience and comparison goods and a forecast for the proportion of expenditure that will be committed through special forms of trading such as internet sales.

1.7 In assessing quantitative need, existing development proposals, expected changes in shopping patterns and the future efficiency of retail floorspace have also been taken into account. The updated assessment of quantitative retail need is set out in chapter 5 of the Retail Capacity Study update (LE36.1) including a summary of the approach taken with a complete series of quantitative capacity tables in Appendix 3 which provide full details of the step by step application of the methodology.

1.8 The need for new convenience and comparison goods floorspace has been examined over five year reporting periods from 2016 to 2031. In the short term, Kirklees convenience goods capacity broadly equates to between 3,700-5,800 sq.m (LE36.1, page 48, Table 5.4) when this is subdivided by zones and taking into account recent commitments and market delivery a sufficient need is not demonstrated to justify the allocation of land for retail purposes. The quantitative need for comparison goods does not arise until 2021, at which point it is estimated to be between 4,500-9,000 sq.m, increasing to between 42,500-85,000 sq.m over the plan period (LE36.1, Page 65, Table 5.25). Due to difficulties in predicting the performance of the economy and shopping habits over time the assessment of long term need (beyond 10 years) is viewed with caution. Expenditure forecasts should be regularly reviewed to ensure that forecasts over the medium and long term are reflective of any changes to relevant available data.

1.9 Therefore any plan response to these figures needs to be proportionate to the district's overall retail hierarchy and support the existing town centres. To allocate additional land for comparison goods outside of the main town centres when limited capacity is identified, in addition to that already permitted through current commitments (LE36.1, Paragraph 5.56 and Appendix B of this MIQ response) in advance of any potential

AAPs (Huddersfield and Dewsbury) would undermine the vitality of the town centres as opposed to strengthening the retail core of the district.

1.10 It is therefore not considered to be justified on the basis of the evidence to allocate land for comparison goods. The council intends to produce Area Action Plans (AAPs) for Huddersfield and Dewsbury, which will review the evidence base and allocate land should it be needed.

1.11 Policy PLP13 provides a robust basis to determine windfall retail planning applications over the plan period, which provides a positive framework to respond to the latest “need” through market delivery whilst supporting the vitality of town centres.

1.12 Given the limited need in the first five years of the plan, the intention to produce town centre based AAPs and the uncertainty relating to longer term forecasting, alongside the market delivery through opportunities that exist in the main town centres it is not considered appropriate to include figures in the local plan.

b) Is there capacity in defined centres, on edge of centre sites or within existing urban areas to accommodate this scale of retail growth over the Plan period? If not, how/where will retail growth be accommodated? Are there implications for Green Belt boundaries and locations?

1.13 The revised Retail Capacity Study update 2017 (LE36.1, Table 5.4) identifies an expenditure surplus equating to a net convenience goods floorspace requirement of between 3,700 sq m and 5,800 sq m at 2016, increasing to between 8,200 sq m and 12,700 sq m at 2031 across the whole of Kirklees. The key planning permissions which have been granted for foodstores since the 2016 study account for 2,165 sq m of net floorspace (Appendix B of this MIQ response) leaving a net convenience goods floorspace requirement of between 1,535 sq m and 3,635 sq m in the short term. The permissions granted are on brownfield land, along arterial roads within urban areas serving local catchments. The council is also aware of a number of interests in developing new convenience stores within urban areas of Huddersfield and South Kirklees.

1.14 It is not until 2021 that an expenditure surplus is identified for comparison goods floorspace equating to a net requirement of between 4,500 sq m and 9,100 sq m increasing to between 42,500 sq m and 85,000 sq m at 2031 (LE36.1, Page 65, Table 5.25). Key planning permissions which have been granted since the 2016 study account for 2044 sq m of net comparison goods floorspace (Appendix B of this MIQ response) leaving between 2,456 sq m and 7,056 sq m at 2021. The permissions granted have been both in and out of centre within the urban area. The council is aware of an interest in developing new comparison retail stores within the urban area of North Kirklees.

1.15 As at 2016, Kirklees town centres had 372 vacant units equating to gross ground floor floorspace of 38,652 sq m. The vacant units are generally commensurate with the centre’s size in line with their role and function as set out the shopping centre hierarchy. The existing vacant floorspace in defined centres makes a contribution to meeting identified needs and in line with national and local policy should be considered for retail development in the first instance. Vacancy rates within town centres are continually monitored through the Town Centre Audit programme (Paragraphs 3.6 to 3.9 Town Centres Technical Paper BP15). This is Kirklees Council’s own annual/bi-annual assessment of the health of town centres which includes shop unit occupancy rates, usage and gross ground floor floorspace.

1.16 It is considered that retail growth will be accommodated within town centres and the urban areas in Kirklees as shown by recent permissions and current interest therefore there are no implications for Green Belt boundaries. The study (LE36.1, Page 51, Paragraph 5.33) indicates that re-assessment of retail need should be undertaken in the next five years given the uncertainties of predicting the economy's performance.

c) Do Policies PLP 17 and 18 provide sufficient clarity regarding the role of the forthcoming Area Action Plans and the delivery of retail growth in Huddersfield and Dewsbury town centres?

1.17 The policies provide a positive framework to support the vitality and viability of Huddersfield and Dewsbury town centres. They recognise the changing nature of both town centres and aim to support their regeneration and maintain their vitality. The policies (PLP17 and PLP 18), alongside other relevant policies in the local plan set the strategic context for the intended Area Action Plans (AAPs) by setting out what type of development will be supported and what should be retained and enhanced recognising the individuality of the centres, via a criteria based approach. The policies aim to strike an appropriate balance between a framework in advance of any AAPs but such that it wouldn't prejudice the opportunities and detailed delivery framework that the intended AAPs would deliver.

1.18 The policies (PLP17 and PLP18), alongside the additional policies in the Retailing and town centres chapter of SD1, recognise the role of Huddersfield and Dewsbury to deliver retail growth within the centres, albeit to deliver a reasonably limited need in the short to medium term, alongside delivering a range of other town centre uses, and increasing the opportunities for residential use within both centres as recognised by the Town centre delivery studies. (LE34 Kirklees Town Centre Delivery Study Huddersfield and LE35 Kirklees Town Centre Delivery Study Dewsbury). It is important to recognise that policy PLP14 (Shopping Frontages), identifies the primary shopping area within both centres aiming to strengthen the existing core in Huddersfield and concentrate retail provision in Dewsbury. This approach alongside the criteria in policies PLP17 and PLP18 aims to respond to the bespoke retail needs of both centres, for example recognising that Huddersfield was identified in the retail study as needing larger floor plate opportunities (SD1, PLP17, Criteria C) and that Dewsbury town centre has opportunities to increase residential uses e.g. Daisy Hill (SD1, Paragraph 9.43).

d) What quantum of retail development is anticipated on the mixed use allocation sites within Huddersfield town centre? (sites MX1906 and MX2101)?

1.19 MX1906 (land to the north of Trinity Street) has planning permission (2015/93827) on part of the site for a new food retail unit with a net sales area of (up to) 1,424 sq m, 2,470 sq m gross with the store proposed to be operated by Lidl (UK) GmbH. The agent for the owner of the site has recently provided details of a new masterplan for the full extent of the site with the planning application expected in autumn this year. The scheme briefly comprises of retail, office, residential, and a hotel, with an indicative figure of 2,300sqm retail.

1.20 MX2101 (land east of Southgate) is council owned and has been cleared. A draft development brief has been prepared which sets out the planning policy context in that the site is within the proposed local plan town centre boundary but outside the primary shopping area ('edge of centre' for retail development). On this basis acceptable uses in principle include offices, research & development, leisure, housing, while retail proposals would be subject to sequential test and (above the appropriate size threshold) an impact assessment. Not to prejudge the outcome of the sequential test and impact assessment where required, the Council has not stated any particular quantum of retail development that may be appropriate for the Southgate site. (This site has had a recently expired planning permission by Tesco (2009/93675) for 6,860 sq.m of retail floorspace, it is not anticipated that this former quantum of retail floorspace would be delivered through any new proposal)

1.21 It is not considered appropriate to define the quantum of retail development of either of the mixed use sites to maintain flexibility and support the delivery of the allocations. These key gateway sites are therefore mixed use to allow viable schemes to be delivered with an appropriate mix of uses managed through the town centre policies.

e) Is the list of defined centres and their role and function, as set out in Policy PLP 13 (section A), appropriately framed and justified? Is the hierarchy consistent with the role of Huddersfield and Dewsbury as outlined in Policies PLP 17 and 18?

1.22 The list of defined centres and their role and function has been determined by a comprehensive assessment of shopping centres in the District which have been monitored through the Kirklees Council's Town Centre Audit programme on a bi-annual basis since 2002 (Paragraphs 3.6 to 3.9 Town Centres Technical Paper BP15).

1.23 During 2014, all shopping centres within the district were surveyed to assess their role and function to establish a new shopping centre hierarchy which is appropriate and realistic for the Local Plan period (paragraphs 4.1.1 to 4.1.10 Town Centres technical Paper BP15 The survey recorded shop unit occupancy and nature of use using Experian GOAD sector and GOAD classifications. The sectors comprise of convenience, comparison, retail service, other retail, leisure services, financial & business services and vacant outlets. Classifications within these sectors provide further detail of shop unit use. Each of the shop units recorded has been measured and a gross ground floor floorspace in sq. m logged to provide data on the size of units operating in each centre.

1.24 An analysis of the 2014 survey data was undertaken to determine the number of units and diversity of uses within a centre and an average unit size to produce the new shopping centre hierarchy for the draft Local Plan. Comprehensive health checks of the six town centres in the district were also undertaken as part of the original Kirklees Retail Capacity Study (LE33, Chapter 5 and Appendix 6) and the findings taken into account.

1.25 The spatial relationship of uses within the study area of each of the centres including social and community uses have also been assessed and factored into the analysis and determination of the size of centre. The role and function each centre plays within its locality and the Local Plan subareas has also been taken into account. All centres in the hierarchy were resurveyed in 2016 and no significant changes have been identified which would change their position in the hierarchy. A summary of the 2016 shopping centre hierarchy is set out in Appendix A of this MIQ response. Definitions of Town Centre, District Centre and Local Centre outlined in former planning guidance (Planning Policy Statement 4: Planning for Sustainable Economic Growth (PPS4) Annex B, paragraph 4.1.4 Town Centres Technical Paper BP15) have been used in determining the hierarchy in the absence of more up to date definitions. Town centres are defined in the NPPF (Annex 2), however, no definition is provided in the NPPF or NPPG to differentiate between centres of different size.

1.26 As shown in the shopping centre hierarchy summary of the Retailing and town centres technical paper (BP15, appendix A) and the 2016 update (Appendix A of this MIQ response, Huddersfield and Dewsbury Town Centres have been classified as Principal Town Centres as they are materially larger than Batley, Heckmondwike, Cleckheaton and Holmfirth town centres as they perform a greater role in retail, leisure, office and administrative provision. Health checks undertaken as part of the Kirklees Retail Capacity Study (LE33) identified Huddersfield Town Centre as a regional centre placing the centre in the top 5% of all UK shopping centres considered (LE33, paragraph 5.07) Dewsbury Town Centre was within the top 20% (LE33, Paragraph 5.19) Regeneration of Huddersfield and Dewsbury Town Centres is identified in the Kirklees Economy Strategy and Local Plan policies PLP17 and PLP18 provide further detail to the principal town centre role and function set out in PLP13 on what new development will be supported. The Huddersfield and Dewsbury Town Centre delivery studies (LE34 Kirklees Town Centre Delivery Study Huddersfield and LE35 Kirklees Town Centre Delivery Study Dewsbury) provide evidence of the market for office floorspace and residential development, and recommendations for investment and intervention strategy to help facilitate growth and development in each centre concluded in chapter 7 of each report.

1.27 At district centre level, there is a significant range in the level of shop units and floorspace provision within the defined centres. However, the larger district centres are predominately within the urban area with the smaller district centres mainly within the Kirklees rural sub-area where settlements are generally well separated by green belt. These smaller centres provide a range of services to surrounding populations that have more limited access to higher order centres and as such play an important role in serving the local population.

1.28 Local centres in the hierarchy have been defined (SD2, Page 204, Paragraph 6.51) as they provide for day to day needs, serving small local catchments. They typically incorporate convenience retailers, hairdressers, health and beauty services and hot food takeaways.

f) What additional Local Centres are anticipated to be delivered over the Plan period?

1.29 Policy PLP 13 (Town centre Uses) provides for the opportunity for the delivery of appropriate new local centres subject to impact assessment and the sequential test to safeguard the vitality and viability of existing centres. The site promoters for the following strategic housing sites have indicated an additional level of service provision, potentially through the creation of new local centres:

- SS2 - H1747 - Bradley
- SS13 – MX1905 - Chidswell
- SS14 – H2089 - Dewsbury Riverside

1.30 The level of service provision will need to be commensurate with the level of growth proposed, this alongside the masterplan policy PLP 5 (SD1) which aims to ensure that planned growth is sustainable and meets the needs of residents, whilst supporting the existing community.

Appendix A

Shopping Centre Hierarchy 2016

Centre level	Centre*	Number of Units**	Total Unit Floorspace sqm	Average unit size sqm
Principal Town Centre	Huddersfield	689	122,246	177
	Dewsbury	325	42,922	132
Town Centre	Batley	131	25,389	194
	Heckmondwike	125	19,107	153
	Cleckheaton	160	18,048	113
	Holmfirth	151	13,886	92
District Centre	Mirfield	90	12,602	140
	Ravensthorpe	64	8,149	127
	Slaithwaite	58	5,516	95
	Marsh	71	5,812	82
	Milnsbridge	57	4,967	87
	Birstall	61	4,960	81
	Lindley	52	4,411	85
	Moldgreen	37	3,490	94
	Meltham	38	3,484	92
	Honley	33	3,030	92
	Marsden	33	2,494	76
	Skelmanthorpe	33	2,935	89
	Almondbury	27	2,136	79
	Kirkburton	30	2,157	72
	Denby Dale	23	1,418	62
Local Centres	61	1030	101526	99

* Publication draft Local Plan shopping centre boundaries used.

** Includes upper floors

Appendix B

Key Convenience and Comparison Goods Retail Commitments since the retail capacity study update to 31st July 2017

Convenience Goods

- **Former Kirklees College, Portland Street, Huddersfield, HD1** (planning permission reference (2015/93827) which provides for the erection of food retail unit (A1)

- **Dewsbury Fire Station, Huddersfield Road, Scout Hill, Dewsbury, WF13 3RN** (planning permission reference (2015/92563) which provides for erection of a class A1 unit

- **Leeds Road Retail Park, Leeds Road, Huddersfield, HD1 6PF** (planning permission reference 2016/92574) which provides for the erection of a class A1/A3 building

- **Fountain Court, Huddersfield Road, Roberttown, Liversedge, WF15 7QQ** (Planning permission 2017/90481) which provides for change of use to A1 and A3 uses

Once complete, the convenience goods commitments identified above will provide **2,165 sqm** of net retail floorspace .

Comparison Goods

- **Unit 7 & 8, Great Northern Retail Park, Leeds Road, Huddersfield, HD1 6ND** (Planning permission (2016/90630) which provides for erection of a replacement mezzanine floor within unit 7

- **Rapyal Business Park, Dewsbury Road, Marsh, Cleckheaton, BD19 5BT** (Planning permission 2016/93141) which provides for erection of a single storey showroom

- **Wharfeside Inn, Carr Lane, Slaithwaite, Huddersfield, HD7 5AG** (Planning permission 2016/93232) which provides for change of use to retail and independent art education and training centre

- **20-22, Cross Church Street, Fleece Yard, Sun Inn Yard and White Lion Yard, Huddersfield, HD1 2TP** (Planning permission 2016/92029) which provides for the erection of an extension to the existing Kingsgate Shopping Centre including a new cinema and restaurants and extension to the Next retail unit.

Once complete, the comparison goods commitments identified above will provide **2044 sqm** of net retail floorspace .

Other planning permissions with open A1 use
Note: these have not been included in retail commitments

- **Land at Warren Street/Chapel Street, Savile Town, Dewsbury** (Planning permission 2016/90023) which provides for the erection of 2 retail units

- **39-41, Huddersfield Road, Holmfirth, HD9 3JH** (Planning permission 2017/90203) which provides for change of use to retail and offices