

Reference: MA/MA/1003708/L039m

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30 September 2010

John Woodward
Planning Department
Liverpool City Council
Municipal Buildings
Dale Street
Liverpool
L2 2DH

Dear John

Re: Proposed Redevelopment of Edge Lane Retail Park

Further to our substantive pre-application discussions, we are very pleased to be in a position to submit this major application for your determination. Please find enclosed 4 hard copies of the application material (as well as twenty CD copies), plus two cheques with an aggregate fee for £121,965 made payable to Liverpool City Council in respect of the application fee in accord with the Fee Regulations.

The content of the application material is provided as a separate tabular enclosure for your convenience. We also enclose copies of the application form and certificates, and confirm that those referred to (in respect of the certificates) have been notified prior to the deposit of this application.

We are pleased to set out the key matters and the rationale behind these proposals. These are informed by knowledge of the City, existing retail provision, regeneration needs and the applicable evidence base. This is integral to the case Derwent Holdings wishes to promote in support of its overall proposals.

The Proposed Development

The application proposes a much needed redevelopment of Edge Lane Retail Park, as well as bringing in adjacent land areas to provide a much more effective and well planned commercial facility that will provide substantive improvements to the economic performance of the Eastern Gateway, a paradigm shift in terms of built quality and the occupier profile, and very extensive uplift in terms of net employment creation resultant from the implementation of this proposal.

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LRQ 400 3060

In terms of end uses, the development provides the following:

- 47 retail units
- 4 restaurant units
- 1 leisure units (for 3 occupiers)
- Ancillary plant structures
- Internal bus stop areas
- 1795 car parking spaces
- 224 cycle spaces (106 for staff)
- 154 motorcycle spaces

In respect of floor areas, the development will provide 82,775m² gross external floor area, inclusive of commercial development and ancillary plant structures. These ancillary plant structures include provision for combined heat and power plants, which are an illustration of Derwent's commitment to deliver low carbon development. Furthermore, Derwent is also pleased to confirm that the development will provide public conveniences inclusive of a Changing Places facility, which ensures that otherwise disadvantaged communities (such as those adults with profound and multiple learning disabilities) and their carers needs are genuinely met.

The application has been prepared following substantive dialogue with the Council's officers, members and their retained advisors, as well as other stakeholders including CABE. The application is proposed to be phased, as has been endorsed by the Council and their advisors, but ensuring that improvements to the Edge Lane frontage are provided as soon as is practicable.

Key Indicators of the Opportunity

In key terms, the opportunity provides:

- £200m investment to the Eastern Gateway;
- 1600 net additional jobs;
- Improvements to 0.5 mile length of key gateway to the city centre;
- 47 non food retail units;
- 3 leisure units;
- 4 restaurants;
- Substantial investment in public realm;
- Major investment in highway infrastructure;
- Replacement park provided at developer expense;
- Enables the extension of Rathbone Hospital, with substantial subsidy to MerseyCare; and
- Replacement sports pitch facilities to be funded by the applicant

Why is the Proposed Development Important?

This is a significant development, which has been prepared by the project team but has emerged from aspirations stretching back more than a decade. Derwent seeks to deliver a step-change improvement in terms of the look, performance and feel of the Retail Park. However, previous proposals were judged too ambitious and thought to create potential for adverse impacts and

precedents elsewhere in the City Council area. These concerns are understood, and the proposal for submission is much reduced in scale and the extent of potential for impacts and precedents are substantially mitigated.

This development forms part of a series of development proposals by the applicant under the banner of "Edge Lane Central" (ELC). This approach has been endorsed by the Council and Liverpool Vision, and the resultant Development Framework was adopted by the City Council on 15th January 2010. This Framework set out the scale and importance of the opportunity, and promoted an application strategy whereby the component elements should be applied for on a separate basis when appropriate to do so (for five component sites). All five component sites have now been taken forward for planning applications, two of which have already been approved. However, they are intrinsically linked, both on a physical and financial level, and it is this application which underpins the implementation of the residual four schemes in the public domain.

There are several key factors that cannot be ignored in the context of the overall case in support of DHL's wider proposals and it is helpful to set them out at the outset. They are as follows:

- i.) the area within which ELC lies has for many years been in need of regeneration;
- ii.) DHL is a significant landowner that puts them in an unique position to deliver these multiple developments;
- iii.) the overall proposals are underpinned by the need to and related benefits associated with rationalising and improving an existing retail park and related satellite sites; and
- iv.) the high costs involved in delivering DHL's proposals given their composition, the need for cross-subsidy, and scheme quality.

These are key material considerations in any subsequent planning decision on the proposals, and we consider these to be of utmost significance. The broad approach allows for economies of scale and a degree of cross-subsidy, and it is only on this basis that they offer the potential to comprehensively regenerate the area. The overall package is designed to ensure that developments generating a reasonably positive financial return cross subsidise those generating a negative or marginal return.

The focus of the overall proposals is an enlarged and reconfigured retail and leisure park absorbing retail floorspace from several disparate satellite sites, including those known as the Halfords and Carpet World sites. The new park would be of a high quality and contain a considerable amount of new hard and soft landscaping.

The existing Rathbone Road Park would be integrated into the enlarged retail and leisure park and replaced by a better quality park on the Robinson Willey site, alongside residential uses. Industrial uses displaced by the new retail park would be relocated onto the Halfords site.

The Skelly's and Carpet World sites would be merged to facilitate a major extension to the existing Rathbone Hospital. The size and configuration of these sites provides the potential for a number of new care facilities and a generous amount of hard and soft landscaping onto Edge Lane to be provided, maximising the visual relationship of the site and new buildings with the road. This proposal now benefits from an extant planning permission.

Finally, a small parcel of land on the north side of Edge Lane off Mill Lane would be redeveloped for residential purposes. Again, this proposal now benefits from an extant planning permission.

The key driver in financial terms is the reconfigured and enlarged retail and leisure park.

Whilst this is the use that might trigger the need for the new park, it is also the use that effectively pays for it. It is this development which is fundamental to engendering a position whereby the other broad-based regeneration benefits (replacement park, health care facilities, family housing, highway investment and new employment development) can be delivered on the ground in a timely fashion.

Regeneration Needs of the Area

Many parts of the City have and will continue to be the focus of initiatives designed to deliver regeneration, and this has been and will remain the case until the area is regenerated. Indeed, the poor quality physical environment and economic performance of the Edge Lane Corridor has been a cause of concern for many years, and resulted in the area / corridor becoming the focus of the Eastern Approaches Strategic Investment Area. This spawned the non-statutory Gillespie's Masterplan which was intended to inform the review of the Liverpool UDP and guide new development in the area. Whilst there was considerable debate regarding elements of the masterplan, including its proposals for the retail park – it proposed rationalisation and substantial enlargement; nevertheless it established a pressing mandate for regeneration and new development in the area. This is not a new concept.

A critical point in consideration of DHL's proposals is that Edge Lane Retail Park (and its related satellite sites) has been underperforming for a long period of time, to the detriment of the Eastern Approaches corridor and wider area. This will undoubtedly continue, unless this process is arrested through a step-change improvement in the quality, profile and perception of the retail park and its surrounding area.

In terms of the Rathbone Road Recreation Ground, it is generally agreed to be underused and (despite some investment in recent years) looks tired and uninspiring.

Existing Retail Offer

As national planning policy reflects, retailing is a dynamic industry. As Liverpool knows to its cost, failure to maintain pace with shopper expectations and competition means that locally generated expenditure is simply lost to other centres. Thankfully, new retail facilities like Liverpool One have arrested this trend, but it should be noted that Liverpool's retail parks contribute significantly to the City's overall retail offer and assist it capture locally generated expenditure. Without them, expenditure they capture would be spent elsewhere – not in the City Centre but most probably at other retail parks outside of the City.

There are considerable benefits in economic terms in seeking to maintain a diverse and healthy and viable retail sector, which includes retail parks, particularly if in locations which are accessible

and close to designated centres– like Edge Lane.

Edge Lane Retail Park was developed as a first generation retail park. When built it met the needs of the operators and shoppers as they existed at that time. Whilst the Edge Lane Retail Park is well located to meet identified comparison shopping needs, its poor urban grain and limited occupier profile means that it now fails to deliver in real terms. It is acknowledged that this has been caused, to some extent, by a lack of ongoing investment by DHL. The net effect of this is that at the current time the retail park is not fully utilised in terms of available floorspace or the type of operations that can operate lawfully.

The layout and grain of the retail park reflects layouts and designs of the recent past, but this is a life time in retailing terms. In its current form it fails to entice anchor occupiers and other operators, which rely upon anchor units for footfall. They seek convenient, well serviced larger units typically found at modern successful retail parks, such as those at New Mersey.

The Aspiration

DHL is seeking to achieve a step-change improvement in the existing retail park, drawing in the satellite units to produce a retail offer broadly akin to that of New Mersey Retail Park. Importantly, the new retail park does not seek to compete with or prejudice Liverpool One, or other major retail developments in the Liverpool pipeline, including Project Jennifer. Indeed, its planned offer and location suggest that it would not compete, given that both were designed to fulfil specific functions – Liverpool One to bolster the City Centre and contribute to improving its vitality and viability; and Project Jennifer to create a new community focus and much improved retail facilities, anchored by a food superstore, to assist in the regeneration of that area.

The commercial viability of the scheme is finely balanced, but subject to confirmation of the in principle agreement in terms of the quantum and type of retail uses that can be brought forward there is a tremendous opportunity to invest in high quality design and public realm on the Retail Park itself, as well as the associated development sites.

Detailed discussion in these respects has been had between the applicant and the Councils' retained advisors, and whilst the detailed information is highly sensitive, it can be concluded that the development is viable but that the developer profit is less than the industry standard. This assumes imposition of planning controls by way of condition, which will serve to restrict the type and size of units to be provided, and the types of end user which could lawfully occupy them.

Overall Conclusions

There is a clear and pressing need to regenerate this area of the City and create new and improved facilities for the local community. DHL is prepared to utilise its land ownership and financial resources to invest in these sites and area generally to facilitate the comprehensive and transformational regeneration of the area. Importantly, the key and most commercially valuable elements of the new proposals in development and use terms, i.e., retailing, and which makes the overall scheme viable, build on an established retail development. The planned new retail and leisure park is in reality not much larger than the current park, but would be considerably better in

terms of its design, layout and contribution to the economy and general well being of the area.

I look forward to your confirmation of validation, and then look forward to further discussion during the determination process.

Yours sincerely

Mark Aylward
(mark.aylward@dpplp.com)

DPP

Direct Line: 0161 238 9888

Cc John E Taylor – Taylor & Co
John Francis - DPP

Submission Documents

Document	Reference
Planning Application Form	N/A
Application Fee Cheques (£121,565 + £400)	N/A
Covering Letter	L039m
Planning & Regeneration Statement	R001m
Loss of Playing Pitches: Analysis and Mitigation Framework	R002m
Retail & Leisure Statement	R003m
Design and Access Statement	R004m
Industrial Relocation Strategy	R008m
Sustainability Assessment	RetailPark/R008m
Statement of Community Involvement	R006m
Transport Assessment	57896/KS/003/03
Framework Travel Plan	5796/KS/004/01
Air Quality Assessment	E&E3/AQ/PR00027
Noise Assessment	1025014/Noise/24-09-10/V004
Noise Planning Statement	1025014/PSN/28-09-10/V011
Flood Risk Assessment	SD/ROC/NA/2050
Ecological Survey & Assessment	2010-219
Utilities Statement	N/A
Phase 1 Ground Conditions Report	AS/ROC/2050E
Lighting Strategy	N/A
Plans	
Site Location Plan	10037 MAN 24
Landscape Masterplan	M1796.01
Architectural Drawings (See Separate Issue Sheet)	N/A
CGI Images (See Separate Issues Sheet)	N/A

Document Register & Issue Sheet

Document Number	Description	scale	size	Issue approved by		Issue No.	Date of issue & revision											
				RH			06	07	08	09	10	11	12	13	14	15	16	17
P3	001 Location Plan	1:2000	A1	A														
P3	002 Existing Site Plan	1:1000	A0	A														
P3	003 Existing Elevation - Sheet 1	1:200	A0	A														
P3	004 Existing Elevation - Sheet 2	1:200	A0	A														
P3	005 Existing Site Sections	1:1000	A1	A														

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		# - copies	E - e-mails	CD - disc	#F	#A3	#A3	#F	#A3	#A3
DPP	Kate McClean/Mark Aliward	full	A3	dwg	pdf	✓	5F+CD			
Sandersons	Alison France						e			
KFM	A Gordon / Phil Allcock	/	/	/	/	/				
Taylor and Co	John Taylor									
ROC	Rory O'Connor						e			
VZDV	Rod Warren						e			
Sandersons	Peter Maurice									

Purpose of Issue

1: Comment 2: Preliminary 3: Approval 4: Information 5: Request 6: Billing 7: Tender 8: Construction 9: Asbuilt

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Document Number	Description	scale	size	Issue approved by												Issue No.
				Issue approved by												
				RH	RH	RD	RD	RD	RD	RD	RD	RD	RD	RD	RD	
				09	07	08	09									
				Date of Issue & revision												
				27	28	30	30									
				09	09	09	09									
				10	10	10	10									
P3	101 ELC Proposed Site Plan	1:1000	A0	A	A	B										
P3	102 Proposed Street Scene	NTS	A0	A		B										
P3	103 Proposed Site Section	1:500	A0	A		B										
P3	104 Proposed Pavilions Plans and Elevations	1:200	A1	A												
P3	105 Proposed Edge Lane Colour Elevation	NTS	NA			B										
P3	201 Leisure Building Proposed Floor Plans	1:200	A0	A												
P3	202 Leisure Building Elevations)	1:200	A0	A		A										
P3	203 Leisure Building Roof Plan	1:200	A1	A		A										
P3	301 Unit 1 to 10 Floor Plan	1:200	A0	A		A										
P3	302 Unit 1 to 10 Roof Plan	1:200	A0	A		A										
P3	303 Unit 1 to 10 Elevations	1:200	A0	A		A										
P3	401 Unit 11 to 17 Floor Plan	1:200	A0	A		A										
P3	402 Unit 11 to 17 Roof Plan	1:200	A0	A		A										
P3	403 Unit 11 to 17 Elevations	1:200	A0	A		A										
P3	405 18 to 20 Floor Plan	1:200	A2			A										
P3	406 18 to 20 Roof Plan	1:200	A2			A										
P3	407 18 to 20 Elevations	1:200	A2			A										
P3	501 Unit 21 to 23 Floor Plan	1:200	A3	A		A										
P3	502 Unit 21 to 23 Roof Plan	1:200	A3	A		A										
P3	503 Unit 21 to 23 Elevations	1:200	A2	A		A										

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