Retail & Leisure Statement

On behalf of:
Derwent Holdings Ltd

In respect of:
Edge Lane Retail Park, Liverpool

Date:
September 2010

Reference:
MA/MA/1003708/R003m

LRQ 400 3060

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Contents

Appendices

1.0 Introduction

1.1 This Retail & Leisure Statement is submitted in support of a full planning application by Derwent Holdings Ltd for the redevelopment of the Edge Lane Central site and should be considered alongside all other application documentation, particularly the Planning & Regeneration Statement and the Design & Access Statement.

1.2 This report takes the following form:

- Section 2 provides a description of the site;
- Section 3 gives the relevant planning history of the site;
- Section 4 describes the proposed development;
- Section 5 examines the relevant retail and leisure policies affecting the site;
- Section 6 looks at the provision of retail and leisure provision in the area;
- Section 7 provides an analysis of the retail and leisure issues relating to the application; and
- Section 8 provides our conclusions on the proposed development.

2.0 Site Description

2.1 Edge Lane Retail Park falls primarily within the Old Swan ward of Liverpool, approximately one mile east of Liverpool City Centre. The site straddles Edge Lane; a main arterial route linking Liverpool City Centre to the west with the M62 Motorway to the east. The area occupies a strategic location as one of the primary gateways into the city centre, and is currently characterised by vacant and derelict land and buildings occupying key sites either side of Edge Lane. The built footprint of the overall park is 29,391m² complemented by an additional 14,069m² of lawful mezzanine floorspace. The total approved floorspace (across retail, leisure and food uses) is 43,460m², the substantial majority of which is dedicated to retail use.

2.2 The existing Retail Park spans Edge Lane, with the majority of units concentrated to the south. Six non-food retail units are laid out fronting an area of car parking and accessed via Montrose Way, with the remaining units located on the adjacent side of the retail park. Two further non-food retail units are occupied, with the remaining two units vacant. The retail park also includes leisure uses south of Binns Road, and fast food restaurants fronting Edge Lane. A small collection of single-storey industrial units accessed from Binns Road are situated adjacent to the existing cinema and fall within the Development Framework boundary. A single retail unit is also situated on the opposite side of Edge Lane adjacent to two former industrial/business units on the site of the old bus depot, which are now derelict and in a state of disrepair.

2.3 The retail units are characterised by their brick built architectural style with flat roofs and covered walkways and glazed atriums fronting the car park. The development of the retail park dates from the early 1990s, and as such the units are now tired, dated and in need of modernisation. Vacancy levels in the retail park have increased significantly over the last 10 years and it seems apparent that the condition of the buildings is such that considerable investment would be required to bring the buildings up to a standard which would attract investment.

2.4 Edge Lane Retail Park was and remains a first generation retail park, developed from 1990 onwards in an incremental and piecemeal fashion. It pre-dates the larger, and more modern New Mersey Retail Park and Aintree Retail Park which have effectively 'overtaken' Edge Lane. The site has a long and fragmented planning history, but there has effectively been no change of significant development since it was built nearly twenty years ago. This has meant that the dated appearance and configuration has been in effect 'left behind' whilst other similar locations have been developed or modernised. Therefore whilst other retail parks have become and remained attractive locations for retailers, Edge Lane has reduced and dwindling interest, as even those retailers who are attracted by the excellent location are put off by the quality of the existing units, and the broader trading environment in which it would sit.

3.0 Planning History

3.1 Since 1985 there have been numerous applications on various units and sites within Edge Lane Retail Park. These have included applications relating to the erection of new or extended units; variation of conditions; and alterations to elevations. A summary of the evolution of the Retail Park including key stages in its development is contained in the accompanying Planning Statement.

3.2 Generally, over time, the park has grown in its retail and leisure offer and now has a total of 25 units with a combination of A1 retail, A3 restaurants and D2 leisure uses.

3.3 The planning history outlined in the Planning & Regeneration Statement shows a natural expansion of the retail and leisure park, with Halfords (formerly MFI), McDonalds and B&Q being the first units developed. The other units effectively 'filled-in' the gaps and gave the location its retail park appearance.

3.4 Importantly, the trading profile of the retail park does not maximise what could lawfully be delivered. Whilst many of these units have existing restrictions in terms of the ranges of goods to be sold, the limitations of these restrictions (i.e. "the building approved shall not be used for the sale of clothing or footwear") would allow lawful occupation by a broader range of retailers than are currently in place.

3.5 In addition, many of the retail units on the retail park benefit from consented mezzanines. Only some of these have been implemented to the point where they are traded from. Most of the mezzanines were lawfully commenced prior to the change to legislation in August 2006, and their status has been regularised through successful applications for Certificates of Lawful Development which are therefore unrestricted.

3.6 The key conclusion to be drawn is that there is a fallback position whereby more turnover-generating retail floorspace could be lawfully occupied than is currently the case, without accruing any of the benefits of the proposal. However, it is recognised that the investment required to achieve occupier interest would be considerable.

3.7 Given that this proposal is essentially seeking to redevelop an existing retail park, the key retail considerations follow from uplift (in quantitative and qualitative terms).

3.8 In connection with the proposed redevelopment of Edge Lane Retail Park and regeneration of the wider area, Derwent Holdings Ltd. have submitted a number of planning applications for the 'development zones' identified in the recently adopted Edge Lane Central Development Framework. These are as follows;

- Replacement Park, Robinson Willey Site (Zone 1) – A Planning application was submitted in February 2010 (application ref. 10/F0343), this has not yet been determined. A revised planning application for the site which includes residential dwellings was submitted in September 2010 but not yet determined.
- Extension to Rathbone Hospital, Former Skelleys Site (Zone 2) – A planning application (Application Ref. 10F/0947) was submitted in April 2010 for an extension to the Rathbone Hospital. This application was approved in August 2010.
- Replacement Industrial Site, Edge Lane (Zone 3) – A full planning application was submitted in June 2010 for the change of use of nos. 491-499 from retail (A1) to general industrial and trade counters (B2) along with the erection of 16 new general industrial units (Application Ref. 10F/1491). This application has been submitted to provide new business start-up space and space for relocated businesses from the Binns Road trading estate, nos. 491-499 Edge Lane will allow Sanders to relocate from nearby Tapley Place. This application is awaiting determination.
- Small residential scheme, Mill Lane (Zone 4) – An outline planning application was submitted in February 2010 for the erection of 6 dwellings (Application Ref. 10O/0344). This application was approved in April 2010.

4.0 Proposed Development

4.1 The development proposals consist of a full planning application for the phased implementation of a mixed use development comprised of retail units, leisure units, and restaurant units. In addition to these end uses, the development proposes ancillary parking, landscaping, access works and other associated works. This application forms a key component emerging from the Edge Lane Central Development Framework, which has been adopted by Liverpool City Council in January 2010. More detailed assessment of the Development Framework and its application in the determination of this proposal is provided within the accompanying Planning and Regeneration Statement.

4.2 In summary, the Development Framework is concerned with a substantive physical area (circa 28 hectares) and the opportunities for multiple gainful end uses. In broad terms, it identifies five strategic areas, known as 'Development Zones'. This application relates principally to the area referred to as "Zone 4" (New Retail and Leisure) which is both the largest and located towards the centre of the wider development area, to the north of Edge Lane. Given its physical scale, its centrality and its current form, this site's redevelopment is perhaps the most critical.

4.3 Upon implementation of this proposal, this development zone would see an extensive physical transformation, although in land use terms would remain broadly as is. Pedestrian and vehicular permeability across the site would improve as would linkages with the component parts of the development framework. In respect of the site's presentation onto the Edge Lane gateway, the reconfigured retail and leisure park represents a step-change improvement. This will be characterised by direct pedestrian access, retail and leisure frontages and high quality landscaping. Existing levels will be utilised to minimise the visibility of parking and servicing.

4.4 In respect of the retail element of the proposals, these will provide 47 retail units, 6 of which will be located to the west of the railway line. Whilst the railway line creates a visual barrier, functional linkage is provided by the existing bridge which will be brought back into gainful use to provide an attractive route for pedestrians and cyclists, as well as vehicular linkage.

4.5 In terms of these retail units, detailed discussion has been had with Council officers and their advisers in terms of the quantum of development and the types of uses which are envisaged. These considerations have direct correlations with predicted turnover levels, and therefore considerations of retail need and impact.

4.6 Following these discussions, it is thought likely (and agreed by the applicant) that there will be restrictions in terms of both the range of goods to be sold, and the phasing of development. In accordance with Circular 11/95, the applicant expects that the Council will impose conditions on the permission. Circular 11/95 states that conditions must be:

- Necessary;
- Relevant to planning;
- Relevant to the development to be permitted;
- Enforceable;
- Precise; and
- Reasonable in all other respects.

4.7 With the above in mind, and the applicant's view of the marketplace, it is considered likely that the retail element of this proposal would be likely to include units suitable for the following occupiers:

- Units for unrestricted non-food retail operators,
- Range of units for part-bulky non-food operators,
- Smaller format units for bulky goods operators, and
- Larger format units for bulky goods retailers.

4.8 It has been agreed with LCC and their retail policy advisors (GL Hearn) that the retail development will be arranged into three categories, details of these are contained within the methodology contained within **Appendix 1**, however these can be summarised as follows:

- Open A1 non-food;
- Part bulky retailers; and
- Bulky uses

4.9 In respect of these part bulky uses, LCC has sought to control what these might support through further sub-division of this category. Each of these sub-categories (which have been agreed with LCC's retail advisor) and the quantum of floorspace within each sub-category are discussed further within Appendix 5.

4.10 In terms of leisure uses, it is envisaged that the development will support a much enhanced cinema and private gym, as well as a third unit which is more flexible. In the current marketplace, its use for bowling or bingo is thought to be realistic.

4.11 In terms of restaurant uses, the development proposes four restaurants. These replace the existing three restaurants, and provide enhanced facilities commensurate with the improved standing of the retail and leisure park. The existing McDonald restaurant is retained and unaffected by these proposals.

Phasing

4.12 The development will come forward in two phases. Phase 1 sees the central core of the retail park coming forward, including the largest anchor unit at the southeast corner as well as 17 other retail units with a variety of open A1, part-bulky and bulky uses. This will also include the restaurant uses, and the central area of car parking and landscaping.

4.13 Phase 2 represents the northeast and southwest corners of the development site. This phase includes 26 retail units, the leisure box, and a further area of car parking and landscaping. Part of the site for this phase lies beyond the railway line and will be connected to the main part of the retail park via a footbridge.

Description	Phase 1	Phase 2	Total
Retail	21	26	47
Leisure	0	3	3
Restaurant	4	0	4

5.0 Planning Policy

5.1 This section describes the relevant retail planning and leisure policies which affect the development site. Section 38 (6) of the Planning and Compulsory Purchase Act 2004 requires that where in making any determination under the planning acts, regard is to be had to the development plan and the determination shall be made in accordance with the plan unless material considerations indicates otherwise.

5.2 It includes an assessment of national guidance as well as the current development plan for Liverpool. This comprises the following:

- Liverpool City Council Unitary Development Plan (2002); and
- Liverpool City Council's Local Development Framework.

5.3 Turning first to national policy, the key guidance for the development site lies in Planning Policy Statement 1: Delivering Sustainable Development (PPS1) and Planning Policy Statement 4: Planning for Prosperous Economies. Assessment of wider planning considerations are provided within the accompanying Planning and Regeneration Statement, whilst assessment of the proposal against national employment policy (PPS4) is provided within this retail and leisure statement.

PPS4 Planning for Sustainable Economic Growth (2009)

5.4 PPS4 was adopted in December 2009, and replaces:

- PPG4: Industrial, commercial development and small firms (1992);
- PPG5: Simplified Planning Zones (1992);
- Parts of PPS7 and PPG13; and
- PPS6: Planning for town centres (2005)

5.5 The Government’s overarching objective is to achieve sustainable economic growth. To help achieve economic growth the statement recognises retail as a form of economic development. Paragraph 4 states:

"For the purposes of the policies in this PPS, economic development includes

development within the B Use Classes, town centre uses and other development which achieves at least one of the following objectives:

1. provides employment opportunities,

2. generates wealth, or

3. produces or generates an economic output or product."

5.6 Whilst PPS4 should be read as a whole, there is a logical structure which distils its advice into four key areas. Policy EC1 places a requirement upon local planning authorities to use evidence to plan positively; policies EC2-EC8 are concerned with plan making; policy EC9 places a clear mandate upon the need to complete monitoring and to update the evidence base; and finally there is a suite of development management policies from EC10-EC19.

5.7 Paragraph EC10.1 of Policy EC10 states that:

"Local planning authorities should adopt a positive and constructive approach towards planning applications for economic development. Planning applications that secure sustainable economic growth should be treated favourably."

5.8 Policy EC10.2 requires all planning applications for economic development to be assessed against:

- Whether the proposal limits carbon dioxide and minimises vulnerability to climate change over the lifetime of the development;
- Whether the proposal is accessible by a choice of transport means;
- Whether the proposal secures a high quality design and inclusive design; and
- Impact on physical and economic regeneration; and
- Impact on local employment.

5.9 Policy EC14 relates to planning applications for main town centres uses, and introduces the detail and type of evidence and analysis required as part of a planning application. The following apply to this application:

"A sequential assessment (under EC15) is required for planning applications for main town centres uses that are not in an existing centre and are not in accordance with an up to date development plan. This requirement applies to extensions to retail or leisure uses only where the gross floor space of the proposed extension exceeds 200 square metres.

An assessment addressing the impacts in policy EC16.1 is required for planning applications for retail and leisure developments over 2,500 square metres gross floorspace or any local floorspace threshold set under policy EC3.1.d not in an existing centre and not in accordance with an up to date development plan".

5.10 The level of detail needed as part of this test is outlined below:

"Assessments of impacts should focus in particular on the first 5 years after the implementation of a proposal and the level of detail and type of evidence and analysis required in impact assessments should be proportionate to the scale and nature of the proposal and its likely impact. Any assumptions should be transparent and clearly justified, realistic and internally consistent."

5.11 The policy also states that:

"Local planning authorities should respond positively to approaches from applicants to discuss their proposals before a planning application is submitted and seek to agree the type and level of information that needs to be included within an impact assessment."

5.12 Policy EC15.1 relates to the sequential approach and states:

"In considering sequential assessments required under policy EC14.3, local planning authorities should:

a. ensure that sites are assessed for their availability, suitability and viability;

b. ensure that all in-centre options have been thoroughly assessed before less central sites are considered;

c. ensure that where it has been demonstrated that there are no town centre sites to accommodate a proposed development, preference is given to edge of centre locations which are well connected to the centre by means of easy pedestrian access;

d. ensure that in considering sites in or on the edge of existing centres, developers and operators have demonstrated flexibility in terms of:

i. scale: reducing the floorspace of their development;

ii. format: more innovative site layouts and store configurations such as multi-storey developments with smaller footprints;

iii. car parking provision; reduced or reconfigured car parking areas; and

iv. the scope for disaggregating specific parts of a retail or leisure development, including those which are part of a group of retail or leisure units, onto separate, sequentially preferable, sites. However, local planning authorities should not seek arbitrary sub-division of proposals."

In considering whether flexibility has been demonstrated under policy EC15.1.d above, local planning authorities should take into account any genuine difficulties which the applicant can demonstrate are likely to occur in operating the proposed business model from a sequentially preferable site, for example where a retailer would be limited to selling a significantly reduced range of products. However, evidence which claims that the class of goods proposed to be sold cannot be sold from the town centre should not be accepted".

5.13 Policy EC16.1 relates to planning applications for main town centres uses that are not in a centre and are not in accordance with an up to date development plan. The policy states the development proposals should therefore be assessed against the following impacts on centres:

a. the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the *proposal;*

b. *the impact of the proposal on town centre vitality and viability, including local consumer choice and the range and quality of the comparison and convenience retail offer;*

c. *the impact of the proposal on allocated sites outside town centres being developed in accordance with the development plan;*

d. *in the context of a retail or leisure proposal, the impact of the proposal on in-centre trade/turnover and on trade in the wider area, taking account of current and future consumer expenditure capacity in the catchment area up to five years from the time the application is made, and, where applicable, on the rural economy;*

e. *if located in or on the edge of a town centre, whether the proposal is of an appropriate scale (in terms of gross floorspace) in relation to the size of the centre and its role in the hierarchy of centres;*

f. *any locally important impacts on centres.*

The Development Plan

Regional Spatial Strategy for the North West (2008)

5.14 In a letter to Chief Planners on 6th July 2010 the Government revoked the North West RSS (and other RSS documents) with immediate effect. For the purposes of Section 38(6) of the Planning and Compulsory Purchase Act (2004) the North West RSS no longer forms part of the adopted development plan. Notwithstanding this the evidence behind the North West RSS is still a material consideration.

Liverpool Unitary Development Plan (2002)

5.15 The Liverpool UDP was adopted in 2002 and sets out the strategic planning framework for the city. The major themes of the plan are economic regeneration, environmental improvement and reduction of inequality. The entire area to which this planning guidance relates to is included within the 'Eastern Corridor'. The Eastern Corridor is identified by the UPD as a Regeneration Area, in which available resources for regenerating the City's economy will be concentrated to reverse the decline in economic activity and investment.

5.16 Policy GEN1 'Economic Regeneration' identifies that the UDP plan aims to reverse the decline in economic activity, investment and employment in a number of regeneration areas where available resources for regenerating these areas will be focused.

5.17 Policy GEN5 'Shopping' emphasises the importance of shopping and states that one of the main aims of the UDP in terms of retailing is to secure the quantitative and qualitative provision of shopping facilities for all members of the community at locations at which are accessible to all residents of the City.

5.18 Policy S11 'Retail Warehousing' identifies Edge Lane as a 'warehouse Park' and states that further proposals for retail warehousing will be permitted in this location. At the time of the UDP, Edge Lane's allocation was to be clarified and expanded into two allocated sites (M59 and M60), and this is representative of the swathe of mezzanine floors permitted on the retail park. The explanatory text under this policy goes further into the requirements for Edge Lane and states that 'extensions are proposed to Edge Lane Retail Warehouse Park to address future trends and changes in retail warehousing' (para 10.67). This reflected (and continues to reflect) the changing requirements of the Park's owners and the need for redevelopment.

5.19 Although the UDP identifies the Edge Lane Retail Park as being successful for retail warehousing, represented by a wide range of retailers, the park is now outdated and needs to address changing trends in retail provision. The UDP also recognises the importance of leisure uses to the success of the retail park which help to maintain and enhance their vitality, and will continue to be supported providing the retail function of the park is not negatively affected. This forms the key policy basis for which the guidance has been prepared to successfully guide the redevelopment and regeneration of Edge Lane Central, for which the retail park is the key element.

5.20 Policy S12 is concerned with out of centre retailing, and sets out that proposals for retail development will be permitted where they are acceptable in terms of three criteria which are then sub-divided further. These criteria rehearse the objectives later expressed in PPS6 (superseded by PPS4) in the main. In addition, sub-criteria 1 and 4 of criterion 3 require demonstration that the proposal will not adversely impact upon development plan strategy or the implementation of the PSDA aspiration.

5.21 Accompanying paragraph 10.65 of the UDP sets out indicative unit size thresholds and ranges of goods to be sold. This states that *'by limiting the minimum size of units permitted at these locations (to 750 square metres) and restricting the range of goods which may be sold to bulky goods, traditional retail activity in the City Centre and the District Centre will be protected'.*

5.22 Paragraphs 10.66-10.68 makes clear that Edge Lane Retail Park is an important retail location. Paragraph 10.67 highlights that extensions to the Retail Park were anticipated even in 2002 stating that *'Extensions are proposed to the Edge Lane Retail Warehouse Park to address future trends and changes in retail warehousing'*.

5.23 Policy E9 Leisure Development states that planning permission will be granted for leisure development on sites listed in Schedule 6.4 and in other locations provided a number of criteria are met. The sites at Binns Road/Edge lane (M59) and 299-309 Edge Lane (M33) are listed as being allocated for leisure uses, and these are located within the application site. Providing the application proposals are needed; of an appropriate scale; well-designed; do not affect residential amenity; traffic arrangements are satisfactory; will not affect vitality and viability; is highly accessible; and will not undermine Development Plan objectives; then it will be approved.

5.24 Policy C8 'Indoor Sports Facilities' also provides 'leisure' guidance. This policy states that the Council will aim to 'improve access for all to existing and new facilities'. The explanatory text states that new facilities will be required to meet the increasing demand in indoor sports, and that many existing facilities are coming to the end of their lives. The key factor is *accessibility* and the need for the facilities to be in a highly accessible location is imperative.

5.25 In addition, the following UDP Policies are also significant in establishing the context for this application:

- Policy OE11 Protection of Green Space

- Policy OE12 Enhancement of Green Space
- Policy OE15 Improvement of Edge Lane Corridor
- Policy HD18 General Design Requirements.

Local Development Framework

5.26 The City Council commenced work on their LDF in 2005. The early stages of work involved creating an evidence base to support development plan documents, particularly its Core Strategy. Following this the City Council published its Preferred Options for the Core Strategy on in March 2008, which was consulted on up until May. The City Council re-consulted on their preferred options in February 2010. Final adoption is anticipated late November 2011.

5.27 There are a number of relevant objectives contained within the revised preferred options document. Objective 1 seeks to ensure sustainable economic growth whilst addressing severe economic disadvantage in parts of the city. This objective makes particular reference to maximising the opportunities for economic growth, new business development and job creation along the Edge Lane Corridor.

5.28 The revised preferred options also set out a number of proposed policy approaches. Most notable of these is proposed policy approach 20 regarding out of centre retail facilities, this states that;

'Appropriate proposals to modernise and enhance the shopping environment of ***Edge Lane Retail Warehouse Park*** *will be supported provided that there would be no detrimental impact on the City Centre or nearby District Centres and it contributes to the wider regeneration of the Edge Lane Corridor.'*

5.29 As part of transport infrastructure improvements, the Core Strategy revised preferred Options document also suggest that a new rail station will be built at Edge Lane. This would increase accessibility to the retail park should this be taken forward.

Other Material Documents

2003 District and Local Centres Study

5.30 Although this has since been updated by the November 2009 study, certain matters have not been discussed and therefore the 2003 study provides the most up to date guidance. A key example of this is its discussion in respect of out-of-centre retail parks. The study makes explicit reference to the key retail parks which serve the city, most notably New Mersey and Edge Lane. The study describes New Mersey as a 'particularly successful retail location' whilst Edge Lane is described as a 'generally successful retail location, although now becoming dated in appearance'.

2006 Quantitative Retail Assessment

5.31 In 2006 the City Council commissioned Cushman & Wakefield to undertake a Quantitative Retail Assessment of Liverpool's shopping patterns. The study analyses how the City's current retail facilities serve the resident population and to what extent these facilities could be augmented or improved over time. The assessment builds on the findings of the 2003 District and Local Centres study, and considers quantitative capacity up to 2015. In terms of comparison expenditure at retail parks, the Assessment recognises that Edge Lane performs least well of the three (para 6.6).

5.32 Furthermore, travel distances for comparison goods are greater than for convenience goods. The study concludes that the key consideration beyond 2009 will be 'to ensure that the pattern of retailing in Liverpool is better balanced and more sustainable'.

5.33 This study recognised the contribution and value of the three key designated retail parks to the Liverpool shopping offer and effectively forming part of its shopping hierarchy. Through the analysis of existing shopping patterns, the Study concluded that these retail parks represent a good spatial distribution (north, central and south) and that Edge Lane Retail Park (and New Mersey and Aintree) provides an important contribution to the broader Liverpool shopping offer. In trading terms, the Study concluded that Edge Lane Retail Park, whilst trading reasonably well, does not have the widespread draw of the other 2 principal retail parks (New Mersey and Aintree) subsequent to a declining offer and lack of investment.

2009 District and Local Centres Study

5.34 This study was published in November 2009 and forms part of the evidence base for the Liverpool LDF. The aim of this study was to analyse the role and function of each centre, recommend key priorities, and recommend additional measures to improve these centres.

5.35 The study makes several recommendations including the reclassification of 6 local centres to neighbourhood centre, 3 of the centres are within the defined primary catchment area, these being Rose Lane, Muirhead Avenue East and Knotty Ash. This study also includes a health check of each of the 29 District and Local Centres.

5.36 This Study makes no specific reference to Edge Lane Retail Park (or indeed other retail parks) in terms of their offer, composition or role.

Edge Lane Central Development Framework

5.37 The Development Framework for Edge Lane Central was adopted by the Council's Executive Board on 15th January 2010. The Development Framework advocates a strategic development framework for the regeneration of Edge Lane Central. The area covered by the guidance extends to 28.2 hectares and incorporates key sites in prominent positions such as Edge Lane Retail Park, the Rathbone Road Recreation Ground, and the former Ian Skelly Car Showroom.

5.38 The document recognises that the area is currently characterised by the poor urban environment with vacant and underused land and buildings throughout. It highlights that Edge Lane serves to isolate the existing retail park and disconnect the area from the surrounding community.

5.39 Through the implementation of the document Derwent Holdings Ltd, Liverpool City Council, and Liverpool Vision hope to deliver a holistic approach to guiding development, contributing to a new, high quality, sustainable mix of uses focused around improved public realm and open space. The principles set out in the document are intended to provide a clear guidance for stakeholders in the development process, ensuring that Edge Lane Central will generate a positive new image for Liverpool, utilising the strategic location as a primary gateway whilst offering opportunities for new and improved employment, retail, leisure, open space and residential development.

5.40 Whilst the document does not form part of the LDF process, it is a non-statutory planning guide intended to shape the regeneration of Edge Lane Central. It also provides information on the approach taken in terms of application strategy.

6.0 Retail and Leisure Provision and Trends

6.1 This section provides a summary of the nature, quality, scale, function and location of existing 'Retail Park' and leisure provision within and beyond the defined catchment area (CA). The information is based on empirical research, survey analysis and the use of other retail and leisure studies submitted to, and accepted by Liverpool City Council. Reference is made to the shopping patterns identified in the household survey completed for the Council's Retail Study in 2006 and the updated household survey commissioned by DPP for the zones within our catchment area.

Retail

Retail Hierarchy

6.2 Liverpool is the 'core city and major economic driver' with an extremely important role within the wider Merseyside area. It is considered one of the North West's primary retail centres alongside Manchester. It is directly accessible by the M62 motorway from the east, and the M57 and M58 bring traffic towards the city from the northeast. A number of major 'A' roads converge in Liverpool, including the A59, A580 and A5038.

6.3 Whilst it is recognised that the RSS is revoked it is noteworthy that Liverpool was defined as a regional centre which was the primary economic driver of the Liverpool City Region. The RSS also recognised Liverpool City Centre's function as one of the North West's primary retail centres along with Manchester City Centre.

6.4 The city serves a wide catchment reaching north to Southport and beyond; east to Skelmersdale and Wigan; and south to cover the Wirral, Cheshire and North Wales. The city centre offer is extensive, and having been recently expanded with the opening of Grosvenor's Liverpool One development it is now a much improved shopping centre rivalling the cities of Manchester and Leeds.

6.5 There are also a number of smaller centres around Liverpool, defined as Local and District Centres in the Liverpool UDP. These have a much smaller offer, although in many cases able to serve the day to day needs of the local populace. Some centres contain large convenience stores as well as services and non food shopping facilities.

6.6 As well as the city centre and its network of 29 district and local centres, the area benefits from additional out of centre. Whilst these facilities are technically out of centre and therefore outwith the formal retail hierarchy, it is clear that they provide an important contribution to the wider retail offer for the Liverpool area. In particular, three larger retail parks (Edge Lane, New Mersey and Aintree) are identifiable as being important and well located to contribute to the satisfaction of spatial shopping needs without causing significant adverse impact upon the performance of defined centres. As is recognised by the 2006 Quantitative Study, these three strategic retail parks perform an important function and represent a good spatial distribution.

Catchment Area

6.7 The catchment area typically represents the area from which the substantial majority of its trade will be drawn. Catchments are functional, and effectively are curtailed where the competing offer of an adjacent facility is more attractive. The factors which contribute to relative attractiveness are myriad, but typically include:

- Travel distance (and journey time)
- Quality of shopping experience
- Range of goods and services available, and
- The proximity and offer of competing facilities.

6.8 Under previous PPS6 guidance, the definition and agreement of a catchment was highly material to the assessment of quantitative need. Quantitative need is effectively a measure of the extent to which existing shopping facilities meet shopping requirements. Under PPS4, the assessment of need is not now necessary for the applicant but still material to the plan-making process. In that vein, planning authorities are charged with the requirement to evaluate existing shopping habits and project future shopping needs with a view to determining both the extent of new provision which would be required to accommodate these needs, and then move onto identify where these floorspace requirements should be located.

6.9 In order to understand existing shopping habits, the catchment area uses zones already defined by the Council's retail consultants in the May 2006 Quantitative Retail

Assessment. Cushman & Wakefield defined 14 zones for the Assessment, which are based on an amalgamation of postal sectors. The zones adopted for this study (3, 6, 7 and 8), lie within the city boundaries. By using these four zones, the assumptions made in this Study can be consistent with work that had already been undertaken and accepted by the Council, and will assist comparison and understanding. A Retail Provision plan is included within **Appendix 6** that illustrates the extent of the catchment, local provision and identifies defined centres.

6.10 This household survey pre-dated the opening of Liverpool One and projected the implications of its implementation upon wider shopping habits. DPP conclude that these projections represent realistic assumptions as to the trading implications of the opening of Liverpool One upon wider shopping habits in the wider area. As a sensitivity test, and at the request of the Council's retail policy advisors, DPP commissioned a household survey of the primary catchment area (CWHB zones 3, 6, 7 and 8) to assess the extent to which the projected zonal shopping patterns was robust. Subject to the extent to which CWHB's projections proved statistically reliable, this would inform whether it was robust to rely upon the remainder of the CWHB projections in respect of post-Liverpool One shopping patterns.

6.11 As is discussed within more detail within **Appendix 3** (Retail Impact), the household survey update affords conclusion that the CWHB projections for post Liverpool One are statistically robust and can be relied upon in terms of existing shopping patterns.

Existing Provision

6.12 There are around 10 retail parks within a 7 mile radius of Liverpool City Centre, most of which are within the Liverpool City Council area, and three beyond. Many of these are to the north of the city and some sit aside local and district centres, whilst some are less recognisably attached. These vary widely in range of goods and services offered, some including cinemas and superstores, and some offering a small range of lower-end units. The Liverpool Quantitative Retail Study (2006) recognises that the three key retail parks within the area are Aintree, Edge Lane and New Mersey.

6.13 Outside of 'Liverpool' and within the borough of Knowsley, around 7 miles east of Edge Lane is Cables Retail Park in Prescot, anchored by a 4,645 m² net Tesco Extra Store which is technically edge of centre (with permission to extend to 7,525 m²). This retail park is considered as part of Prescot town centre, albeit that the retail units (larger and more modern, with enhanced parking and servicing) occupy a different market position. This retail park totals around 7,989 m² net of retail comparison floorspace and includes a JJB Sport, Next, Focus and Boots.

6.14 In terms of existing 'Retail Park' type provision, some parts of Liverpool are well-provided for. New Mersey Retail Park in Speke, to the south has an extensive comparison goods offer, and equally the number of retail parks to the north of the city (including Switch Island Retail Park in Aintree and Cavendish Retail Park in Walton) provide a good level of offer for residents on those areas. All retail parks are dealt with in more detail below.

	Number of Retail Units in Use	Vacant Units	Gross Built Retail Floorspace (m²)	Distance from City Centre	Anchor Stores	Leisure Provision
Edge Lane Retail Park	18	10	29,391	2.5 miles	Comet JJB B&Q	Gym Bowling Vue Cinema
New Mersey Retail Park	34	1	45,874	7.6 miles	Boots B&Q Borders M & S	Gym
Aintree Racecourse Retail Park	29	3	49,283	6.8 miles	Pets at Home	Gym
Cables Retail Park, Prescot	10	0	7,989 (excl. Tesco)	10.5 miles	Focus Next Boots	n/a
Gemini Retail Park, Warrington	7	0	40,300	n/a	Ikea M&S	n/a

6.15 Arguably, the most comparable Retail Parks to Edge Lane are New Mersey Retail Park and Aintree Racecourse Retail Park. The plan (Ref: 1003708/7) at **Appendix 6** shows the location of these in relation to Edge Lane.

6.16 Aintree Racecourse is around 6.5 miles to the north and New Mersey around 6.5 miles to the south. The Racecourse Retail Park contains 29 occupied units, mainly offering 'bulky' goods. There are currently three vacant units within the site. Retailers present include B&Q, Next, Carpetright, Currys and JJB Sports. This Retail Park is well-used by those living to the north of Liverpool into the Sefton area, and very little trade is received from residents of the four zones used for this study. Zone 6 is the closest of those used and based on the household survey completed for the 2006 Liverpool Study 3.7% of residents in this zone shop in Aintree Racecourse Retail Park.

6.17 New Mersey Retail Park in Speke is a modern development about 8 miles southeast of Liverpool city centre. It was built in 1999/2000 and contains 34 retail units, all but one of which is in use. The Park is designed in a ring around a central area of car parking, with access off one point. There are two stand-alone restaurant units located in the centre of the car park. New Mersey also offers a range of goods and services, including Borders, Next, B&Q, River Island and Pets At Home. Zone 8 is the zone furthest south in the catchment area, and 5.4% of those in the zone spend in this retail park. Around 1% is received from zones 3, 6 and 7.

6.18 In addition, near to both of these two retail parks are large foodstores and quality leisure facilities (in respect of foodstores this is comprised of an Asda by Aintree Racecourse and a Morrison store close to New Mersey). This adds to the attractiveness of using a retail park such as these, whereby visitors can combine their food shopping trips or leisure trips, and carry out other types of transaction in a highly accessible environment.

6.19 There is a marked difference, however, in the eastern part of the city. As described above, the existing Edge Lane Retail Park is situated on Edge Lane, the A5080 which turns into Edge Lane Drive at the end of the M62 motorway. On the approach into Liverpool city centre the Retail Park is visible on either side of the road. In this highly accessible location, the lack of provision is a concern and means that those people living in the Edge Lane area are significantly under-provided for.

6.20 The District & Local Centre Study for Liverpool (2003) states that New Mersey Retail Park is an out-of-centre retail location which has recently seen major expansion and upgrading. The study also concluded that New Mersey Retail Park was particularly successful whilst Edge Lane Retail Park whilst generally successful, has now become dated in appearance. This entirely backs up the statements made throughout this Retail and Leisure Statement. The update to this study, published in November 2009, makes no reference to the existing retail parks within the city.

6.21 Also worthy of note is the difference between the existing Edge Lane Retail Park and New Mersey Retail Parks in terms of their Venuescore rank. Venuescore is an annual survey which ranks the UK's top 2,000+ retail venues and provides a tool for understanding key differences between shopping venues such as scale of offer and market positioning. New Mersey Retail Park is ranked (where 1 being the 'best') within Venuescore 2010 at 498 whereas Edge Lane Retail Park is ranked only 1,452.

Although the amount of existing retail floorspace on each retail park is similar, these rankings highlight the difference in levels of performance and quality of the two retail parks. In comparison Liverpool City Centre achieves a Venuescore ranking of 4, this shows the difference in offers between.

Location	2010 Venuescore Ranking
Liverpool City Centre	4
New Mersey Retail Park	498
Edge Lane Retail Park	1,452

6.22 Edge Lane Retail Park is around 40% vacant (by units), with 10 units out of 25 out of use. A number of retailers have moved away from the Retail Park over the last five to ten years and this has consequently caused a decline in interest in the location for quality retail and leisure. Therefore new retailers have not bee attracted to the site but have evidently preferred to take leases in alternative locations. At present, the Park offers the following:

- Currys
- Halfords
- Blockbuster
- Comet
- JJB Sports
- B&Q
- Carpetright
- Bensons for Beds
- Dreams Beds
- Floors-2-Go
- Hollywood Bowl
- Cineworld
- Total Fitness
- McDonalds
- Frankie & Benny's
- KFC

6.23 This level of offer is far exceeded by the two competitor strategic retail parks in Liverpool, namely New Mersey and Aintree Racecourse. The physical appearance of Edge Lane is starkly different to the other two main retail parks in the vicinity. The units are of a poor quality and look old-fashioned thus retailers do not want to locate there. The poor access and servicing to the units mean that the retail park is simply not good enough to meet the needs of modern retailers. All these qualitative factors culminate to the retail park requiring redevelopment to bring it up to the modern, attractive standard of other retail parks.

Leisure

6.24 The British Council of Shopping Centres (BCSC) produced a report in October 2009 setting out the year's Retail Property Statistics. The report also looks at leisure uses where they are linked to retail units, as is proposed for this application. The report lists the top 20 shopping centres by retail and leisure floorspace. Liverpool One is ranked joint 10th with Manchester Arndale and has around 7,000m² of leisure space, including a cinema and restaurants. The extent of correlation between a successful shopping centre and the provision of equitable leisure facilities is compelling.

6.25 PPS4 provides policy guidance in respect of how proposals for town centre uses (such as leisure) should be determined. In respect of guidance as to what constitutes successful leisure development, national guidance is provided by Planning for Leisure and Tourism (**ODPM, 2001**) which recognises the importance of grouping together leisure facilities into a leisure park or centre. These vary in size, upwards from 3,250m² 'on a large site offering easy access and ample parking space for cars'. Other important contributory factors to the success of these are:

- a choice of things to do;
- a safe and well managed environment;
- synergy between leisure uses;
- investor confidence; and
- synergy with retail uses.

6.26 The ODPM Study further states that '*a multiplex cinema is usually the key ingredient for any leisure park or commercial leisure centre and there are few such developments without one*'. The cinema acts as an anchor for the site and creates the footfall that attracts other complementary uses. The ODPM Study recognises that the synergy between leisure uses, alongside retail and hot food uses is particularly strong. In fact, it states that "*it is very unusual to find a leisure park that does not have some kind of food and retail offer*".

6.27 The consequence of this synergistic relationship (between leisure, retail and restaurant uses) is that cross-purpose trips take place; a visitor who is attracted to one element may stay for another close by. This reduces trips by car and retains visitors in the one combined location to fulfil their shopping and leisure needs.

6.28 Both retail and leisure operators share a number of common requirements; good location, access, visibility and car parking. It is clear that the more successful destinations described below do benefit from these factors.

Leisure Provision

6.29 In terms of leisure provision within and around the catchment area, we deal firstly with gyms. A Leisure Provision plan is included within **Appendix 6** that illustrates the extent of the catchment, local provision and identifies defined centres.

6.30 There are 10 gym facilities in the defined catchment area, and a further 16 within the surrounding area. These are of widely varying sizes and standards, and the quality of these facilities ism not consistent. Liverpool City Council owns and runs 14 of these gyms; branded 'Lifestyles' and the rest are either part of a larger chain or are independently run. Other Council-run facilities are available but not included in this assessment as they are specific to a particular sport, such as horse riding or tennis.

6.31 Leisure facilities at Edge Lane Retail Park include a ten pin bowling centre (Hollywood Bowl); a cinema (Cineworld); and a leisure centre (Total Fitness). Hollywood Bowl is a 28 lane bowling centre with reasonable prices and other attractions inside. The centre appears to be very well-used and is busy most evenings. The Cineworld cinema has eight screens and offers a range of film viewings. It is often slightly behind other, newer cinemas in terms of releases, and has been overtaken in terms of attendance by the new Odeon cinema at Liverpool One.

6.32 The cinema and bowling centre are relatively small when assessed against equivalent facilities elsewhere. The buildings are now tired and unattractive, and neither is capable of being converted or extended into a form which would properly compete with other multiplexes. Modern occupants want well-laid out and efficient buildings, which provide more capacity and facilities for their customers to enjoy, and ultimately to spend within. This trading environment is viewed by the end user to provide a better leisure experience, and as a consequence of this delivers better trading performance by the end occupier.

Leisure Hierarchy

6.33 Many of the gyms are located in local or district centres, and offer particularly limited provision in terms of facilities. These are well-used by local residents and provide valuable locations for leisure and recreation. Often access to the facilities in on foot, and car parking is limited. This therefore limits the draw that these gyms have, appealing to those who live or work locally.

Large Leisure Facilities

6.34 As identified on plan 1003708/08 at **Appendix 6**, there are some 'Large Leisure Facilities' in the wider area. The larger gyms appear to be associated with retail parks, located on major radial routes running out of the city centre. These include the David Lloyd Leisure Centre at New Mersey Retail Park and Fitness First at Aintree Racecourse Retail Park. The location and siting of these facilities provides for a highly accessible facility; as car parking is abundant, and access by vehicle is straightforward. This arrangement appears to be a successful business model pursued by more modern gyms and offers a valuable resource within the leisure hierarchy in a city.

6.35 The large LA Fitness gym in Aigburth appeals much more to students. It is a large modern gym with a lot of equipment, a pool and television screens, and a hairdressers, as well as small café area by the reception. The location of the gym within the university and residential area means that parking is somewhat restricted. The car park is small and spaces become full very quickly, which encourages users to park on an area of disused land to the rear, or on the narrow residential streets. Although the gym is of a similar size, its location and client-base are in contrast to the other large facilities which are located adjacent to retail parks, and the constrained nature of access and parking means that this location appeals much more to the local, often student population.

6.36 The existing Total Fitness gym at Edge Lane Retail Park is well used, but somewhat old and outdated. It does, however, contain a good range of facilities including swimming pool, gym equipment and (operationally) organised classes. Total Fitness has free parking, shared with the rest of Edge Lane Retail Park and is clearly easily accessible from the city centre and the wider Liverpool area. It would appear that users of this gym are primarily car-borne and visit the gym on the way to or from work or college. Therefore it gets very busy at peak hours. Given its age and the current state of the retail park there is no genuine prospects of delivering any tangible improvements on the gym unless through a redevelopment such as that proposed by this application.

6.37 David Lloyd Leisure at New Mersey Retail Park is a modern, state-of-the-art, purpose-built gym. It houses not only gym equipment and an indoor and outdoor pool, but badminton, squash and tennis court as well as a spa, sauna, sports hall and shop. The facility also offers a hair and beauty salon, crèche and bar. This gym also receives a lot of use from car borne visitors due to its out-of-centre location. It is easily accessible from the southern side of the city and is close to a number of small local-line train stations and Liverpool John Lennon Airport.

6.38 Fitness First's gym at Aintree also holds a wide variety of facilities, including gym equipment, studios, steam room and classes. The gym does not have a swimming pool; like many Fitness First gyms, but it does offer a range of other attractors. Again, this large gym is highly accessible, being located adjacent to the motorway, and it serves the northern side of the city and much of Sefton. The gym has a large car park and there is public transport which stops close by.

Medium and Small Leisure Facilities

6.39 As identified on plan 1003708/08 Leisure Facilities Plan there is a wide range of smaller and medium-sized leisure facilities in and around Liverpool. Many of the medium sized gyms are run by the City Council and these are branded as 'Lifestyles'. These gyms typically offer gym equipment, indoor courts, and classes as well as football pitches and swimming pool where space permits.

6.40 The gyms offer a number of membership schemes which are typically more keenly priced than those larger facilities. In terms of physical scale, the quality of facilities and the general customer facing environment, it is clear that these facilities occupy a different position in the market to those larger facilities. In terms of coverage, there are Lifestyles gyms across the wider Liverpool, from Walton and Croxteth to the north down to Garston and Speke to the south. These tend to be located in and enar to the local centres, as well as one in the city centre.

6.41 Smaller privately run gyms are also very evident in Liverpool. These are often owned or operated by smaller chains which locate within existing hotels or centres. Examples of such gyms include Spindles Health Club (which uses the basement of the Adelphi Hotel) in Liverpool city centre; Green's Health and Fitness Club in Dingle and Absolution Gym close to the Albert Dock. These generally offer a strong range of gym equipment and in some cases a small pool. As most of them are in the centre of residential or employment areas these generally receive a lot of custom from local residents at all times of day.

General Comments on Retail and Leisure Provision

6.42 It is clear from the information above that retail and leisure provision in Liverpool varies in size and quality across the borough. Plans 1003707/7 and 1003708/8 illustrate the distribution of existing facilities across the wider Liverpool area. The plans serve to clearly mark out the area of relative deficiency along the central radial route westwards out of Liverpool City Centre.

6.43 Although there is an existing retail park and gym facility on Edge Lane, we would expect this highly accessible route to offer greater provision for which to serve not only the local area but also those travelling along the key route into and out of the city. For local residents the provision of a quality retail and leisure location will mean that they can access these facilities without requiring using their cars. The additional benefit of redeveloping this site is that its location on Edge Lane means that those who pass the site in their cars can access these facilities without having to divert their journey to other such similar locations. This will contribute to improving the 'sustainability' of those living in this part of Liverpool through reducing in CO_2 emissions from car journeys. This benefit is dealt with in greater detail in the accompanying Sustainability Statement.

7.0 Retail and Leisure Issues

7.1 This application seeks planning permission for a redeveloped retail and leisure park on an existing out-of-centre retail site in Liverpool. It is considered, in line with the key objectives of PPS4 that the application proposal will promote and enhance the vitality and viability of Edge Lane in Liverpool. The proposed redevelopment will regenerate this key route into the city centre and improve the environmental quality in the area. The proposal should also result in the positive impact of an increase in the range of services in the local area. Furthermore, the site has good accessibility to a variety of travel modes including pedestrian and cycling. It will help promote social inclusion by ensuring communities have access to a wide range of retail and leisure uses alongside the regeneration of the wider Development Framework area.

7.2 In terms of leisure uses, the proposal will result in a new, modern leisure facility in a highly accessible location. It will replace the existing facilities and result in an upgrade of gym provision in the local area. This has numerous benefits including shorter car journeys for those in the local area seeking such a facility, resulting in more sustainable travel patterns; encouraged well-being and fitness for nearby residents; and, as above, regeneration of this gateway site into Liverpool City Centre.

7.3 We will show that the proposed development will enhance customer choice and meet the needs of the entire community. In doing so the proposal will provide a more efficient, innovative and attractive retail park, encouraging investment in the local area. The development also proposes investment in public transport and a high quality public realm offering much improved visual amenity for the local area. The retail and leisure element of the proposal will effectively cross-subsidise (as is discussed and demonstrated within the accompanying viability assessment) the proposed replacement park and the extension to Rathbone hospital submitted as separate applications (see para. 3.8). Furthermore, as part of the proposal, the industrial units on the current retail park will be relocated to a more suitable location also within the applicant's control.

7.4 The application site is allocated as a Retail Warehouse Park under Policy S11 in the Liverpool UDP. This supports proposals for retail warehousing at three key locations across the administrative area, one of which is Edge Lane Retail Park. Criterion 2 of Policy S11 expressly encourages extension of the retail park to cover areas of land within the application site that do not currently support retail uses (site M59 and M60 upon the Proposals Map).

7.5 Accompanying paragraph 10.65 of the UDP sets out indicative unit size thresholds and ranges of goods to be sold, in order to protect the vitality and viability of defined centres. Paragraphs 10.66-10.68 makes clear that Edge Lane Retail Park is an important retail location, and that extensions to the Retail Park were anticipated even in 2002.

7.6 In light of the fact that the proposals suggest the sale of goods beyond those discussed in paragraph 10.65 of the UDP, we take a robust approach and therefore also consider the requirements of Local Plan policy S12.

7.7 Since the adoption of the UDP in 2002, new national guidance has emerged in the form of PPS4. Whilst the UDP remains in force as the Development Plan (alongside emerging guidance from the LDF process), PPS4 is recognised to take a new approach and LCC has requested that the applicant demonstrate compliance with the requirements of PPS4.

PPS4 Assessment

7.8 PPS4 should be read as a whole but there is a logical structure which distils policy guidance and advice into four key areas. In summary the first area under Policy EC1 places a requirement upon local planning authorities to use evidence to plan positively. The second area through Policies EC2 - EC8 is concerned generally with planning for sustainable economic growth and for centres. The third area through Policy EC9 requires regional bodies and local planning authorities to monitor and to keep evidence bases up to date. The fourth and final area is focused on development management and comprises a range of policies (Policies EC10 – EC19) setting out tests applications for economic development and main town centre uses must generally satisfy if they are to be supported.

7.9 The most relevant are development management policies but some of the earlier policies dealing with evidence base and plan making are material. The relevance of these policies and how proposals generally comply with them is set out overleaf.

PPS4 Policies EC3, EC4 and EC5

7.10 Although these policies are not directly relevant to the proposals, as they too are primarily concerned with plan making, they are relevant to the process of planning for centres and meeting consumer choice; and they deal with key areas such as managing a network of centres (and therefore addressing planning for growth and decline), which is covered below.

7.11 Local planning authorities should, as part of their economic vision for the area, define a network and hierarchy of centres which meet the needs of their catchments, having made choices about which centres will accommodate any identified need. This need is broad-based and could be a requirement for growth in town centre uses and / or considering scope for strengthening existing centres by seeking to focus a wider range of services there.

7.12 Taking this approach forward, local authorities are encouraged to undertake an impact assessment of potential schemes to ascertain their acceptability. This process enables soundly based plan-making decisions to be made, including re-designation of primary frontages and other allocations for main town centre uses. The encouraged impact assessment will also facilitate judgments in respect of floorspace and other end use restrictions to make potentially otherwise unacceptable schemes acceptable in planning terms.

7.13 It is recognised that the Local Planning Authority has sought to plan positively for Liverpool City Centre and other district and local centres in line with the clear encouragement of this policy, and this is largely through the emerging Core Strategy.

Need for the Proposed Development

7.14 Whilst the justification of need is not an express requirement of relevant policies of the development management section of PPS4, the concept of need is still relevant as part of plan making as is set out through these policies. In addition, the accompanying PPS4 Good Practice Guide refers to need as an impact consideration.

7.15 The applicant has been encouraged (by LCC officers and their retail policy advisors) to provide evidence which allows conclusions in respect of the extent to which the implementation on the proposed development would prejudice plan-led aspirations. In this context, the primary catchment excludes the city centre but (as would be expected) substantial catchment expenditure is drawn to the city centre. The need assessment will seek to demonstrate that (upon the implementation of this proposal) there is more than adequate catchment expenditure at the design year to:

- accommodate the proposed development,
- accommodate existing and committed development located within the catchment area (with allowance for turnover efficiencies as appropriate), and
- Maintain the existing market share of available catchment expenditure being drawn to the city centre.

7.16 Factors which demonstrate need generally comprise of quantitative factors which involve demonstrating that there is capacity in terms of spending availability for additional retail floorspace. However, qualitative factors are also important considerations and PPS4 highlights the need to ensure planning authorities take account of both the quantitative and qualitative need for additional floorspace when considering need (EC1.4 a).

Base Assumptions

7.17 Details of the base assumptions have been included within the retail impact assessment methodology **(Appendix 1)**. The base assumptions have been agreed with Liverpool City Council and their agents, GL Hearn: In summary the following base assumptions have been used:

- Base Year: 2010
- Design Year Phase 1: 2016
- Design Year Phase 2: 2019
- Price Base: 2007
- Expenditure and Floorspace: Goods Basis
- Population Data: MapInfo Housing Forecasts

Base Year and Design Year

7.18 The base year and design year for this assessment have been agreed with LCC prior to submission. In order to assess trading patterns/levels at the base year, monetary flows are estimated through association of the updated survey and the available zone-based expenditure. Design year turnover levels are then projected through the use of an efficiency factor (1.5% per annum for comparison goods and 0.2% per annum for convenience goods) which allows for the improved performance of facilities through investment and improved working practices.

Goods Based Capacity Assessment

7.19 The proposal is predominantly for comparison goods floorspace however it is expected that one of the anchor units will have a proportion of convenience goods floorspace which will be ancillary to the main comparison goods use. Although the convenience turnover generated would be very limited, at the council's agents request a convenience goods assessment has been included within this report.

Comparison Capacity

7.20 A detailed review of the capacity position is included within the appended capacity assessment (**Appendix 2**) but summarised in the table below. At the design year of 2019, there is residual comparison goods capacity of **£621.1m** prior to accounting for trade draw to the city centre, commitment schemes and the application proposal itself. Taking account of these considerations, with the exception of the application proposal, there is still residual comparison capacity of **£331.5m**.

ELEMENT	2014	2016	2019
Available Comparison Expenditure	£658.12m	£719.44m	£822.11m
Turnover of Existing Catchment Stores drawn from PCA	£186.62m	£192.26m	£201.04m
Turnover of Commitments in catchment, from PCA	£1.63m	£1.68m	£1.76m
Catchment expenditure drawn to city centre	£267.20m	£275.29m	£287.85m
Residual Comparison Expenditure	£202.67m	£250.21m	£331.46m

Convenience capacity

7.21 A detailed review of the capacity position is included within the appended capacity assessment (**Appendix 2**) but summarised in the table below. In terms of convenience goods at the design year of 2019, there is residual convenience goods capacity of **£233.0m** prior to accounting for trade draw to the city centre, commitment schemes and the application proposal itself. Taking account of these considerations, with the exception of the application proposal, there is still residual convenience capacity of **£209.6m**.

ELEMENT	2014	2016	2019
Available Convenience Expenditure	£401.66m	£406.91m	£414.85m
Turnover of Existing Catchment Stores drawn from PCA	£180.09m	£180.81m	£181.90m
Turnover of Commitments in catchment, from PCA	£8.45m	£8.55m	£8.69m
Catchment expenditure drawn to city centre	£14.51m	£14.56m	£14.66m
Residual Convenience Expenditure	£198.61m	£202.99m	£209.60m

Turnover of Proposal

7.22 Details of the breakdown of the proposal's turnover is contained within Table 8b of **Appendix 5**, and also within the capacity assessment at **Appendix 2**. As the existing retail units provide trading floorspace this capacity assessment has therefore been based on the uplift in turnover created by the proposals. The uplift of the comparison goods turnover has been calculated based on the survey derived turnover of the existing retail park and equates to £92.3m at 2019 (phase 1 and 2 combined). In capacity terms, 80% of this trade is anticipated to be catchment-derived so the "capacity uplift" is £73.8m at 2019.

7.23 As there is no existing convenience floorspace on the retail park this capacity assessment is based on the expected turnover of the convenience goods floorspace proposed. The amount of convenience floorspace proposed is more modest and has an expected turnover of £14.28m at 2019. It is assumed that 80% of this turnover (therefore £11.42m) will be drawn from the catchment area in line with current trade draw figures for the existing retail park.

Conclusions on Quantitative Need

7.24 In capacity terms, upon implementation of the proposals (and accounting for commitments and structural outflow to the city centre), residual comparison expenditure of £257.6m is identified at 2019. This residual need is such that the probability of adverse impact upon the city centre resultant from this proposal is very unlikely to be material adverse. To set this in context, the extent of residual comparison expenditure would be sufficient to accommodate a pipeline of more than 51,000 square metres of additional net comparison retail development (assuming £5000/ sq m) between now and 2019 within the catchment, relying solely on catchment derived expendture. We do not suggest that this is likely to take place, but simply setting the scene for the extent of expenditure available and therefore placing doubt on assertions that this proposal will prejudice plan-led investment.

7.25 On the same basis, there is substantial residual need for convenience goods floorspace and expenditure, more than ample to support the proposed improvements to the retail park. At the same time this will still allow capacity to support growth in existing floorspace and to allow the opportunity for further development elsewhere in the catchment area.

Qualitative Need

7.26 PPS4 highlights the importance of an up-to-date assessment of the need for additional or replacement town centre uses floorspace as a fundamental component of the evidence base. The PPS4 practice guidance identifies five factors relating to qualititative need, these are as follows:

- Deficiencies or 'gaps' in existing provision
- Consumer choice and competition

- Overtrading, congestion and overcrowding of existing stores
- Location specific needs such as deprived areas and underserved markets
- The quality of existing provision

7.27 There is a compelling qualitative need case to support this application. The case must be seen relative to the two other 'strategic' retail parks on major corridors into the city centre. As seen above, New Mersey and Aintree are both larger retail parks with a broader range of occupiers and retail outlets; thus, they attract people from a wider area and have higher turnovers. With an improved offer at Edge Lane, the expenditure which currently goes from the study area to these two retail parks can be retained within the study area, consequently reducing the need to travel.

7.28 As evidenced by the 2006 household survey, New Mersey and Aintree are overtrading. The 2010 updated household survey suggest that this is still the case with the level of trade drawn from the four updated zones having increased to £20.11m to Aintree and £70.22m to New Mersey. This is recognised to be a qualitative factor in assessing need. The fact that two similar destinations are overtrading, using spending from the catchment area of another retail park indicates that there are deficiencies in the more local offer. Therefore in order to reduce this overtrading and re-align consumer spending into a more sustainable location, Edge Lane Retail Park requires improvements to encourage operators to locate there. Clearly at present the form of the existing retail park is not suitable for the modern requirements of retail businesses. This has meant that Edge Lane has not received investment in recent years, when the other retail parks have, again exacerbating the difference between the destinations.

7.29 Residents local to the Edge Lane area and those who do not have ready access to a car are clearly disadvantaged in this respect. They have very limited opportunities to make the most of the benefits of undertaking their comparison shopping and leisure activities in a conveniently located, attractive retail park.

7.30 In terms of competition with the city centre, the three strategic retail parks surrounding the city centre provide a different offer to the city centre itself. The shops tend to be more 'bulky' that the city centre, selling items such as furniture and carpets which a store in the city centre could not, and are unlikely to want to, accommodate. Outlet mall retailers are also often found on retail parks, these retailers tend to be associated with higher order operators, but use larger format outlets as a vehicle to sell surplus stock from historic and unpopular ranges, this kind of format is unsuitable to a city centre location due to the size of retail unit required. Therefore the retail parks form a complementary offer to the city centre.

Scale

7.31 In strict PPS4 terms, scale is not an express test for an applicant but is an implicit factor which feeds into consideration of impact. Put simply, if a proposal was out of scale then this would increase the risk of creating material adverse impacts upon the vitality of centres. The PPS4 interpretation of scale is not necessarily about size of development, but is more properly seen in terms of the proper role and function of defined centres which a development seeks to serve (for development proposals which are located in or edge-centre) and to which they most closely relate.

7.32 Whilst the closest centre to the application site is Old Swan district centre, its physical and contextual relationship is particularly limited at this time. On that basis, the application site can be concluded to be out of centre. In strict terms, PPS4 advises that scale is not a consideration for out-of-centre proposals.

7.33 If Edge Lane does have a functional relationship with a defined centre, this would be Liverpool City Centre. This thesis would follow upon realisation that this strategic established retail park provides important contribution to the wider Liverpool retail offer. This is of course dominated by the city centre, with day-to-day shopping needs largely met by the network of district and local centres. Whilst the offer provided within defined centres is extensive, it is complemented (as is the case with all mature retail economies) by appropriate out of centre provision.

7.34 It is recognised that the development is located beyond any defined centres, and LCC seek reassurance that the proposed development will not be so large as to prejudice plan-led aspirations, the vitality of centres, or have material implications for the retail hierarchy. We have already set out that there is ample quantitative need to support the proposed development without prejudice to the city centre, and have also undertaken a comprehensive cumulative impact exercise to conclude that the proposal will not result in significant adverse impacts upon defined centres.

7.35 Whilst physical size is not the PPS4 meaning of scale, we are pleased to comment in these respects to clarify how the proposed development relates to other out-of-centre retail parks which serve the Liverpool area. The existing Edge Lane Retail Park is one of three key Retail Parks located on strategic corridors into Liverpool. In terms of built footprint it is the smallest of these three retail parks and its occupier profile is the least valuable. It is therefore unsurprising that its trading performance is also markedly lower than either of its competitors, all of which are dwarfed by the retail offer of Liverpool city centre which acts as a regional destination.

7.36 The scale of the development needs to be large enough to create the change in shopper's habits to reverse the significant out-flow of trade of comparison goods shopping to the other two main retail parks outside the catchment area. The development must be of sufficient scale to compete successfully with these retail parks. In providing a destination that can compete successfully there is a requirement to provide a retail and leisure offer in line with competing locations.

7.37 Setting this in context, the built footprint of Edge Lane Retail Park (excluding Skelly's) is 29,391m^2 with an additional 14,069m^2 of approved mezzanine floorspace. The total approved floorspace is 43,460m^2. Of this, 13,368m^2 supports non-retail uses.

7.38 New Mersey Retail Park supports 47,007m^2 floorspace excluding mezzanines, of which only 743m^2 is given over to non-retail uses. Aintree Racecourse Retail Park supports 53,798m^2 excluding mezzanines, albeit that 4,998m^2 of this is given over to non-retail uses. The exclusion of mezzanine floorspace from the figures for New Mersey and Aintree suggests that the overall approved floorspace would be higher.

7.39 In order for Edge Lane Retail Park to fulfil a similar role to that performed by New Mersey and Aintree (once account is taken for the mezzanine floors), there is a compelling argument that the redevelopment at Edge Lane should be of similar scale.

Sequential Approach to Site Selection

7.40 PPS4 policy EC14.3 requires a sequential assessment for planning applications for town centre uses that are not in an existing centre and not in accordance with an up to date development plan. Whilst the site is allocated in the UDP as a Retail Warehouse Park, this is not strictly a centre for PPS4 purposes and therefore a sequential assessment is required.

7.41 PPS4 policy EC15.1 requires developers and operators to demonstrate flexibility in terms of scale, format, car parking provision, and disaggregation. PPS4 states that local planning authorities should take into account any genuine difficulties which the applicant can demonstrate are likely to occur in operating the proposed business model from an otherwise sequentially preferable site.

7.42 The guidance therefore seeks to ensure that where there are potential sequentially preferable opportunities; their suitability, viability and availability are investigated. When considering any such opportunities PPS4 recognises that if the developer can clearly demonstrate that the development would be unable to satisfactorily meet the need their proposals is intended to serve then other locations may be discounted.

7.43 Before moving on to look at specific alternative sites, it is important to set the parameters and context for such an exercise. In order to assess whether sequentially preferable sites can (or should) be identified to meet the need which has been shown, it is first necessary to confirm an area of search and then to confirm other key search parameters.

7.44 The application site is within an Environmental Improvement Corridor (UDP policy OE15) but provides negative contribution to the streetscene at this time, and minimal contribution to economic performance. These twin factors have clearly contributed to the Council's agreement to adopt the Edge Lane Central Development Framework which (whilst non statutory) provides clear design principles to guide development.

7.45 Whilst this site is not located in a defined centre, it has a long established retail use. The site can be redeveloped to provide a more efficient use of the existing plot, to allow retail floorspace alongside other complementary commercial uses, public realm and community uses. The existing use is a retail park, complemented by leisure and food uses. This business model is established and ordinarily successful.

7.46 The success of each component is reliant upon the quality of the wider offer as the "package" is one of a shopping/leisure opportunity which one would visit for numerous purposes and on repeat visits. However, in this instance, the existing operation is unsuccessful as lack of investment has prejudiced occupier interest to a now critical low point.

7.47 In respect of guidance as to what constitutes successful leisure development, national guidance is provided by Planning for Leisure and Tourism (**ODPM, 2001**) which recognises the importance of grouping together synergistic facilities into a leisure park or centre. The ODPM Study recognises that the synergy between leisure uses, alongside retail and hot food uses is particularly strong. It states that "*it is very unusual to find a leisure park that does not have some kind of food and retail offer*".

7.48 It would therefore be a retrograde proposal to seek to disaggregate the constituent uses (retail, leisure and food uses) as each contribute significantly to the success of the applicant's business model. Furthermore, it would fail to recognise that these are already established uses upon the site. In this instance, and even setting aside issues of critical mass and viability, disaggregation by use type would be unreasonable.

7.49 An arbitrary decision to decant the existing retail/leisure park to an as yet unidentified facility would clearly fail to contribute to the above Plan-led objectives. The application site covers 21.5 hectares, and such substantial sites located within or on the edge of defined centres are extremely rare in any locality. We have not identified any such alternative locations within the identified catchment that would appear to be available.

7.50 The analysis of what constitutes a sufficient critical mass to deliver the qualitative enhancement on a commercial basis has been a very fundamental part of the design process. Previous aspirations have sought much more intensive development without restrictions in respect of end uses.

7.51 In respect of the critical mass point, a key consideration is the competitor offer which is provided by other retail parks (notably New Mersey and Aintree Racecourse) and the city centre offer. Whilst the lawful position could support much more retail floorspace with relatively modest restriction in terms of end uses, in practice, the retail park provides a relatively low order offer with substantial vacancies and an occupier profile which is tending towards bulkier uses.

7.52 When this existing occupier profile is compared to those enjoyed by New Mersey and Aintree Racecourse, it is palpably deficient. This is evident in terms of the number of occupiers, the market position of these occupiers, and the quality of accommodation and public realm within the development site. These myriad deficiencies then tend to reduce the extent of occupier interest for vacant properties resulting in something of a self-fulfilling prophecy.

7.53 It is therefore clear that the existing poor offer needs to be tackled to better compete with the other strategic retail parks, but the Council will be keen to ensure that the resultant offer is not so strong as to compete on equal terms with the city centre. The proposed development will provide an offer that can compete with New Mersey on a more equal footing, thereby reducing trade leakage from the Edge Lane catchment to New Mersey.

7.54 However, the resultant offer (whilst improved) will continue to be of a much lower order than that provided by Liverpool city centre. The implementation of Liverpool One has injected substantial interest, investment and a sense of life into the city centre which has been of substantial and broad-based benefit. Liverpool One has supplemented an already established and performing city centre, such that it is properly seen as an important addition rather than a step change extension.

7.55 The entirety of the Edge Lane Central retail park is considerably smaller than Liverpool One. In addition, this is an existing established retail destination so the key consideration is the potential uplift in floorspace and offer. On these more realistic terms, the "impact" of the development upon the Liverpool offer is clearly modest.

7.56 Setting in context that the development does meet an identified need and that it provides sufficient critical mass to achieve the qualitative enhancement that is necessary, the next judgment is to ascertain whether or not the proposal is commercially realistic.

7.57 As part of pre-application discourse with the local planning authority, the issue of commercial viability has been raised. The premise of this discussion has been in respect of justifying that the quantum of development is necessary and appropriate to deliver the broad-based planning benefits which are accrued from the high quality design approach.

7.58 Viability information has been provided by the applicant to the planning authority through pre-application, which provides an analysis of development costs against potential return. This information is highly sensitive, and does not form part of the application material. However, it can be concluded that it demonstrates that the proposal will be unlikely to achieve or exceed 20% profit on costs, which is understood to be the industry standard for a developer profit margin to justify this type of risk and investment. Nonetheless, the developer is willing to accept this reduced rate of return given that the key objective is future rentalised income generation rather than an initial capital return.

7.59 It should certainly be recognised that the "lower than standard" developer profit provides further justification that the scale of development, whilst being acceptable in other policy respects, is also entirely necessary to ensure that this quality scheme can be delivered without recourse to public subsidy.

Format

7.60 In respect of format, the development provides 47 retail units as well as leisure and food uses. In broad terms, these uses support each other in respect of providing a functioning business model. This thesis is described in more detail at paragraphs 7.46-7.48.

7.61 In respect of car parking provision, application of maximum car parking standards would result in much greater parking provision, much more of which would have to go at surface level. In practice, it would not be achievable to deliver the scheme proposed with this higher level of parking provision.

7.62 The scheme proposes parking provision which is adequate for its purposes, and assumes shared parking between the constituent uses. These uses will have different peak periods, and there is great potential for linked trips between these uses in any event. Should more parking be required, the question then follows as to where it would be located. The scheme already incorporates substantive undercroft parking, and it is not considered feasible to extend undercroft provision to any substantive degree by virtue of engineering issues (proximity to bedrock) and topography.

7.63 If additional parking was therefore directed to surface level, this would inevitably compromise the opportunity to deliver public realm works which contribute hugely to its permeability and the general level of quality.

7.64 In respect of the sites which have been assessed, we have focused upon a more significant development within the city centre area, and a very recent consent to redevelop the former Regent Cinema at Old Swan (previously used as Kwik Save) for open A1 uses.

St John's Centre

7.65 The St John's Centre has an extant consent for 4,995m² of extensions and redevelopment. This is largely to 're-fresh' the centre as a reaction of the new attraction of the Liverpool One scheme. Although the developer of this scheme, Land Securities, confirmed in May 2010 that they would not be proceeding with the extension in the short-medium term, instead favouring improvements to existing retail units, it is strongly felt that the proposed development at Edge Lane would create no material prejudice to the permitted development (or indeed the improvement works) from taking place. St John's and Edge Lane have a very different offer, feel and product range.

7.66 The St John's site provides no opportunity to accommodate the proposed development in its entirety, and is therefore unsuitable. Its availability and viability are less clearcut, but there is no certainty that it is available as Land Securities could straightforwardly bring forward their interest should their perception of the marketplace change.

7.67 In broad terms, the St John's extension should properly be viewed as a reinforcement of the city centre offer, and its feel is very much in that vein. In contrast, Edge Lane clearly serves a 'retail park' function which is visited less frequently and perhaps to undertake a dedicated trip for a particular purpose. Therefore it is felt that a) the proposal will not materially prejudice this development, but b) the proposed development would not be accommodated in this city-centre location, and c) a hypothetical "Edge Lane" development on the St John's site as an alternative, would also fail to deliver the broad-based planning benefits to be accrued from a redevelopment of the important gateway site at Edge Lane.

Former Regent Cinema, Old Swan

7.68 Old Swan district centre is one of the largest designated district centres in Liverpool. It is the closest to the application site, lying just over half a mile from the site. Old

Swan is a vital and viable centre performing an essential function to those living in the local area, something that is confirmed within the Liverpool District & Local Centres Study which describes Old Swan as a 'substantial yet compact district centre which is successful'. The Tesco store and other district centre uses are busy and well-attended and the offer is representative of this type of centre.

7.69 Of the vacant units identified within the Liverpool District & Local Centres Study, the largest appears to be the former Kwik Save unit on Prescot Road (formerly the Regent Cinema), there is a very recent approval on this site for a new 1,143m² retail unit (10F/1756). If built out, this will create approximately 572m² net retail floorspace on this site, to include food retail.

7.70 Whilst this application appears to be speculative and its end use is not explicit in this regard, there is clear potential that the proposed Old Swan unit will be occupied by a food retailer. Given that the comprehensive application subject of this proposal does not provide any units that can lawfully accommodate food retailers, there is a logical premise that this proposed Old Swan unit is unsuitable for non-food retailers.

7.71 We have been unable to identify any development sites which are sequentially preferable in PPS4 terms to accommodate the proposed development. It is therefore evident that there are no alternative sites within defined centres that are genuinely available, suitable and viable to fulfil the comprehensive development outlined.

7.72 Whilst there is a theoretical argument for disaggregation, in practice this approach would not realise the planning benefits that can be accrued through the comprehensive approach. In order to guarantee the regeneration benefits to the Edge Lane corridor, including those benefits from part of the other planning applications for the 'development zones' identified in the adopted Edge Lane Central Development Framework, a critical mass is required. For the regeneration of this area the critical mass is in the form of the proposed redevelopment of Edge Lane Retail Park for retail and leisure uses. The disaggregation of these proposals will reduce critical mass and prevent the regeneration benefits for the Edge Lane area.

Impact

7.73 In terms of retail impact, it is important to firstly evaluate the current trading performance of existing facilities and the patterns of expenditure flow. It is also important to try and build in the likely trading implications of other competing retail developments which have either not yet been built out, or not yet established.

7.74 The proposal seeks to enhance the offer of an existing strategic retail park, and as such it is likely that the majority of trade will be drawn back from other retail parks. Whilst some trade will inevitably be drawn from centres, it is felt that more trade will be drawn from out-of-centre locations such as New Mersey Retail Park.

Committed Developments

7.75 Research from DPP has sought to assess the likely trading impacts of both the Edge Lane scheme and several other retail schemes such as the Liverpool City Centre St John's extension, a new foodstore at Park Road in Toxteth, Kirkby Town Centre redevelopment and the Great Homer Street foodstore and district centre redevelopment scheme, to ascertain the cumulative impacts upon centres. Dealing firstly with the effects of commitment schemes, this cumulative impact assessment is provided for the respective design years of 2016 (phase 1) and 2019 (phases 1 and 2) and are enclosed at Tables 10a and 10b of **Appendix 5**.

7.76 Initial impact work also took account of the proposed Kirkby town centre redevelopment scheme which was refused by the Secretary of State in November 2009 (Call in Ref. APP/V4305/V/08/1203375). A revised scheme is currently being prepared by Spenhill Regeneration Ltd. with a public exhibition being held in July 2010. Although the planning application has not yet been submitted for this revised scheme as a commitment for robustness, based on recent press releases we have assumed the revised scheme will comprise of 43,500m² gross retail floorspace including a Tesco store of approximately 15,700m² (gross).

7.77 The nature of these schemes varies from a new foodstore to a town centre redevelopment. We have used the retail assessments undertaken for each of these schemes, where available, to determine the level of trade diversion expected from the facilities in the catchment area. In the case of the Kirkby Town Centre proposals in the absence of any application documents for the revised scheme, the trade diversion figures (proportions) have been taken from the public inquiry proofs of evidence, then modelled upon the turnovers likely to be achieved by the more modest proposals.

7.78 Firstly, the St John's Centre extension. This was expected to have a small turnover and draw limited amounts of trade from three main destinations; Edge Lane Retail Park, New Mersey Retail Park and Kirkby town centre. The overall turnover of Liverpool City Centre is due to increase with the opening of this scheme and to this end, the overall turnover increases to a level greater than it was even for the trade diversions to the Kirkby scheme once the St John's extension is in place. It is worth noting that the developer of this scheme, Land Securities, confirmed in May 2010 that they would not be proceeding with the extension instead favouring improvements to existing units. It is therefore considered somewhat unlikely that this development will come forward, however, for robustness it has been included within our commitments and impact assessments.

7.79 For the new convenience store in Toxteth there is little comparison trade diversion, and for convenience this is spread between a number of destinations. Some diversion off convenience stores in Liverpool City Centre is expected, as well as minimal amounts off the out of centre Asda store at Breck Road, the Asda at Smithdown Road, and Edge Lane Retail Park. Old Swan District Centre, with its in-centre Tesco store is expected to provide the greatest amount of trade drawn to the Tesco in Toxteth, but this does not unduly affect the trade of the centre as a whole.

7.80 The Great Homer Street proposal (Project Jennifer) is due to take the greatest proportion of trade from Aintree Retail Park, namely the Asda store there. This is followed by a small amount of trade from Edge Lane Retail Park and a negligible amount from Old Swan district centre. The remaining trade for this development was expected to come from outside of the study area.

7.81 The Kirkby town centre proposals is expected to take the highest proportion of its comparison goods trade from Liverpool City Centre with a high proportion also being drawn from Aintree Retail Park. A small proportion of trade is also expected to be drawn from Edge Lane Retail Park. The remainder of the trade is expected to be drawn from centres and retail parks outside our study area.

7.82 None of these commitments, and equally the proposed scheme, take trade from smaller centres. This is because the offer is so different so one is unlikely to divert a trip from a store in a local or district centre to a retail park as the purpose of this trip is likely to be vastly different. Therefore impacts on these centres are likely to be minimal, if at all.

7.83 The Council's retail consultants, GL Hearn, advise that the extent of retail impact can be mitigated further through proper controls in terms of phasing and restrictions on the net floorspace and ensuring the right mix of the types of retail uses within the development site. This three-pronged approach has been taken forward by the applicant, and it is agreed to provide safeguards which address residual concerns in respect of the vitality and viability of defined centres more generally.

7.84 The applicant has been involved in detailed pre-application discussions with the council and its agents in order to assemble the most suitable and acceptable form of development for both the developer and the local area. The proposed development is planned to be constructed in two phases. Therefore the retail impact of the proposal will be spread over these two phases; representative of the design years of 2016 and 2019. This is shown in tabular form at Table 11 of **Appendix 5**.

7.85 The cumulative impact exercise and its monetary conclusions are explained in more detailed within the accompanying **Appendix 3**. It concludes that, whilst there will be cumulative impact on existing centres such as Liverpool City Centre, it would be minimal and extremely unlikely to have material adverse impacts on is ongoing vitality and viability.

Sensitivity Testing

7.86 Notwithstanding the fact that the applicant is agreed to the phased approach, sensitivity testing has been carried out (to test the implications of both phases coming forward at an earlier design year) and still affords a conclusion that there would be no material adverse impact on the affected centres.

7.87 The sensitivity approach also seeks to demonstrate that there is no material prejudice to the city centre in terms of the extent of catchment expenditure which would be available for absorption by city centre retailers. In practice, given the competing offer of the city centre, an element of structural outflow is inevitable. This sensitivity assessment allows for structural outflow, and therefore effectively suppressing genuinely "available" catchment expenditure. Even taking this approach into account, there is more than adequate expenditure to accommodate the proposed development from within the catchment, plus opportunities for very substantial additional development as may be appropriate.

7.88 Finally, the sensitivity assessment projects that a higher level of the proposal's trade will be drawn from the city centre. Whilst we do not believe that it is realistic that 25% of trade would be drawn from the city centre, it certainly represents a "highest water mark" from which worst case trade impact levels can be adjudged.

7.89 All of these various assumptions are then built into one exercise, such that the full development is tested at a design year of 2014 (opening year) with 25% trade draw from the city centre. This is shown in tabular form at Table 12 of **Appendix 5**.

7.90 Using this highly cautious approach, building in multiple developments (including Kirkby) the 2014 design year cumulative impact on the city centre would be 6.15%. However, this would represent an impact of 0.6% upon the base year turnover from 2010. In practice, the city centre is an extremely healthy centre and levels of vitality and viability have increased since the opening of the major 'Liverpool One' shopping centre development.

7.91 In respect of Old Swan, using this 2014 design year illustrates that the cumulative impact of all developments would equate to 1.4% at 2014. However, the centre's turnover would still remain higher than at the base year of 2010. Old Swan is a healthy centre anchored by a food superstore which is trading relatively well. These key characteristics remain unaffected and there is no plausible case to suggest that it would be affected to a significant adverse degree.

7.92 Given the above, a phased approach is cautious and reinforces a conclusion that the proposed development will not have material adverse impacts upon defined centres and therefore complies with the requirements of PPS4 policy EC16.

Accessibility

7.93 The opportunity site is located on a key gateway corridor into Liverpool, with several frequent bus routes passing in close vicinity to the site. This provides an opportunity for the development to be designed to maximise the use of a range of modes of transport.

7.94 Accessibility to the site and movement throughout has been a primary consideration in the overall design of the proposals. As the site is located on a key route into the centre of Liverpool it is accessible by a variety of means of transport. Bus stops are located along Edge Lane, and now within the development site itself. These bus stops link with pedestrian routes both along the frontage and edges of the retail park. These buses travel to and from the city centre, making reaching Edge Lane and the surrounding centres convenient.

7.95 For those accessing the site on foot from the local area, works have already been undertaken by the Council to improve the general highways along Edge Lane. Crossing points are located at a number of points and these will allow pedestrians easy access to the proposed improved facility. For those accessing the site from the west, a road access is provided from Rathbone Road which will lead through a public plaza to the front of the retail units.

7.96 Access to the proposed retail and leisure units will be carried out in a similar manner for bicycles. Cycle parking will be provided at a number of locations through the site and has been located so ensure ease of accessibility and security.

Leisure

7.97 In terms of the proposed leisure facility, this is intended to work with the retail units and form a cohesive retail and leisure destination. The existing gym at Edge Lane Retail Park is well-used, but does have some shortcomings. It is small and cramped therefore users do not have the high standard of experience that they have come to expect. Equipment is crammed together and classes are full to capacity. In reality, the gym needs to be larger to meet the demands of its users.

7.98 In line with national and local policy and the current mindset of the general public at present; health, fitness and wellbeing are of the utmost importance. It is essential that a leisure facility in this location is well-equipped to meet the ever-growing needs of the general public and sport enthusiasts alike. To this end, the proposed gym represents a top of the range facility. It may well be occupied by Total Fitness, who are currently on the site, and will represent an innovative design incorporating all modern facilities. Put simply, as the gym will be larger, it can house more equipment, with more space for each. This will result in a more workable layout, more circulation space and an improved customer experience.

7.99 The other proposed leisure facilities include a three-storey cinema and a bowling alley. Whilst the City Council does not have a borough-wide assessment of leisure facilities or indeed a needs assessment, the gym and bowling alley will represent a direct replacement of the existing facilities, albeit much improved. The new gym, bowling alley and cinema will be high quality environments with a wide range of facilities. There are no similar facilities in close proximity to Edge Lane so at present local residents are required to travel some distance to reach such basic leisure facilities. In the same way as the retail offer, these new amenities will serve local and pass-by visitors meaning that the range of shops and services they require are in a convenient, sustainable location.

Accordance with PPS4 Policy

EC10.2

7.100 Policy EC10.2 requires all planning applications for economic development to be assessed against:

- Whether the proposal limits carbon dioxide and minimises vulnerability to climate change over the lifetime of the development;
- Whether the proposal is accessible by a choice of transport means;
- Whether the proposal secures a high quality design and inclusive design; and
- Impact on physical and economic regeneration; and
- Impact on local employment.

7.101 The application is accompanied by a Sustainability Statement which demonstrates the applicant's commitment to a low carbon approach. The applicant is committed to delivering development which provides energy performance substantially in excess of that required by the 2006 Building Regulations, and taking forward the use of low carbon technologies and energy efficiency measures as much as is practicable.

7.102 The application proposals provide opportunities for customers and staff to visit the site by a range and choice of means of transport. Once within the site boundary, there are legible and attractive footways, and facilities for those on foot, arriving by bus, on cycle or using pushchairs and wheelchairs. In terms of parking, there is provision for car users and for the parking of cycles and motorcycles (inclusive of staff). Given the site's proximity to a Quality Bus Corridor, this is a highly accessible site which will be even stronger in this regard post-implementation.

7.103 The scheme's design has sought to deliver high quality buildings, function and form to this gateway site. The scheme has benefited from the contribution and input of retained architects, the Council's officers and CABE who reviewed the scheme in April 2010. Following the input of the stakeholders, the scheme has evolved further and now provides a genuinely high quality inclusive design solution.

7.104 The existing retail park is established but trades relatively poorly. The proposed redevelopment is likely to have a much stronger economic performance, and indirect contribution to the performance of the Eastern Gateway. In terms of permanent job creation, the proposal is estimated to create 1600 net additional jobs.

7.105 It is demonstrable that the proposal performs on all of the EC10.2 criteria, and should therefore be strongly supported in these terms.

EC14

7.106 EC14 is a framework policy for proposals for main town centre uses. It is applicable in the case of this proposed development.

7.107 EC14.3 suggests that proposals for main town centre uses not in an existing centre and not in accord with an up to date Development Plan would need to provide a sequential assessment. A sequential assessment has been provided.

7.108 EC14.4-EC14.7 set out the circumstances and the information required of a retail impact assessment for town centre use proposals. EC14.8 sets out that it is preferable that the type and level of information to be provided is agreed prior to a planning submission.

7.109 The applicant has undertaken pre-application discussions with the Council and their advisors to, amongst other matters, agree the type and level of information to be provided within the impact assessment. The resultant impact assessment has been prepared and is part of this submission.

7.110 It is our view that the requirements of Policy EC14 have therefore been fully satisfied.

EC15

7.111 Policy EC15 is concerned with the consideration of sequential assessment for town centre uses that are not in a centre and not in accord with an up to date development plan. It is applicable in the case of this proposed development.

7.112 EC15.1 requires local planning authorities to ensure that applicants have provided an adequate sequential assessment. The sequential approach to site selection requires applicants to identify whether other more centrally located sites are available to accommodate the proposed development.

7.113 In order to do so, applicants need to ensure that they have:

- assessed in centre options thoroughly, before considering less central sites;
- where no suitable town centre sites exist, have assessed edge of centres sites which provide opportunities for linkage and pedestrian connectivity;
- demonstrated flexibility in terms of format, car parking, development scale, and potential for disaggregation.

7.114 The applicant has undertaken a sequential assessment which has identified a small number of sites, and set out whether these are sequentially preferable to the application site in PPS4 terms.

7.115 The sequential test concludes that there are no more centrally located sites which would be suitable for the proposed development (even with a more flexible approach), and that these alternative proposals would fail to deliver the substantial planning benefits to be accrued by regenerating this key gateway site. The requirements of Policy EC15 are therefore satisfied.

EC16

7.116 Policy EC16 is concerned with the impact assessment for town centre uses located beyond a defined centre and not in accord with an up to date Development Plan.

EC16.1 sets out the types of impact which should be assessed when considering such proposals. These include:

- Impact upon planned investment in the catchment;
- Impact upon the vitality and viability of centres, and the range and quality of the retail offer;
- Impact of proposals upon allocated sites outside defined centres;
- Impact of proposal upon in centre turnover/ trade taking into account future expenditure capacity at the design year;
- If located on the edge of a centre, whether or not the proposal is of an appropriate scale; and
- Any locally important impacts.

7.117 The applicant has prepared a retail impact assessment, which assesses the numeric implications of the proposal's implementation upon in-centre turnover (and out of centre provision). These implications also factor in the implications of other extant consents, and the revised Kirkby development. This is therefore a cumulative impact assessment of the form agreed with the Council and their advisors through pre-application dialogue.

7.118 This assessment provides an assessment of the health of key centres, and a judgment as to the likely extent of cumulative impact. This allows a reasoned judgment as to the probability of material adverse impacts upon the vitality and viability of specific centres. In some instances, the impact upon centres is noteworthy but has not been caused by the implementation of the proposal subject of this application.

7.119 In respect of EC16.1a, this assessment is accompanied by a capacity-based assessment which demonstrates that there will be more than ample residual expenditure within the catchment at the design year to accommodate known proposals and indeed structural outflow to the city centre.

7.120 In addition, the numeric impact assessment demonstrates that there is no material adverse impact upon the future vitality of Great Homer Street upon the implementation of Project Jennifer, and cumulative impact thereafter.

7.121 In respect of the requirements of EC16.1b and EC16.1d, these have been assessed in detail through the accompanying Impact Assessment at **Appendix 3**. This clarifies that it is extremely unlikely that there will be material adverse impacts upon the ongoing vitality and viability of centres resultant from this proposal, based upon a cumulative impact approach.

7.122 In respect of EC16.1c and EC16.1f, the applicant is unaware of any such.

7.123 In respect of EC16.1e, the proposal is located out of centre and therefore, on a technical level, this policy requirement is not strictly relevant. Nonetheless, we have provided an assessment of scale considerations at paragraphs 7.31-7.39.

7.124 The requirements of Policy EC16 have therefore been comprehensively addressed, and adhered to.

EC17

7.125 Policy EC17 provides an opportunity to take a balanced judgment for proposals for main town centre uses. These take into account the conclusions which should properly be reached after review of the EC15 and EC16 tests, then taking into account other material considerations at EC17.2.

7.126 EC17.1 requires a judgment as to whether or not the proposal will lead to significant adverse impacts, and that the applicant has undertaken a sequential approach to site selection. The application site is out of centre, but already supports an established retail park use. The applicant has undertaken a sequential assessment and has been unable to identify more centrally located sites. Furthermore, the opportunities for disaggregation are extremely limited and would fail to deliver any of the broad-based planning benefits which accrue from this major development.

7.127 Turning to EC17.2, there are overwhelming positive impacts resultant from the development in terms of its contribution to the economic performance of the Eastern Gateway in both direct and indirect terms. Not least of these is the provision of major enhancement of the appearance of more than 800m of prime frontage, and the creation of circa 1600 additional jobs over the life of the development.

7.128 The development complies with the EC17 tests, and should therefore be approved.

Accordance with Development Plan Policy

7.129 Policy C8 of the Liverpool UDP states that it is a priority of the Council to 'improve access for all to new and existing facilities'. In doing so, it is important for the Council to recognise the contribution made by privately-owned sports facilities such as the leisure centres at New Mersey and Aintree Retail Parks and that proposed at Edge Lane. The policy requires there to be a sufficient level and, importantly, *distribution* of indoor sports facilities and it is the aim of this proposal to ensure that those living in this part of the Old Swan and Picton wards are well provided-for.

7.130 Given that Policy E9 of the UDP states that leisure provision will be permitted in defined sites and other locations providing a number of criteria are met, this means that the application should be looked upon favourably. Not only is the site partially allocated in Schedule 6.4; it is also an existing leisure use; and the proposal meets the criteria required. Need and the sequential approach have already been established in that the existing facilities are well used and highly accessible in their current location; the design of the scheme is of high quality and accords with the Liverpool Urban Design Guide; the effect on residential amenity has been fully considered and any impacts mitigated.

7.131 Finally, the provision of a high-quality cinema, bowling centre and gym facility in this location is the perfect opportunity to enhance the provision of such facilities in this location and improve the offer for all who use them. The scheme has been carefully thought out ad design, and the location of these leisure uses adjacent to the retail offer will mean that the destination performs a dual-purpose. This will not only reduce car trips, but also contribute to fulfilling the leisure and retail needs of those living in the locality.

8.0 Conclusions

8.1 From the qualitative evidence above, including the Liverpool District & Local Centres Study (2003) it is clear that Edge Lane Retail Park does not fulfil its intended purpose.

8.2 The proposed development would meet the identified qualitative 'need' in this location and operate well within the identified monetary capacity. Section seven demonstrates that the associated impact resulting form the development will not be of such a level that would be harmful to any centre of store. In addition, we have undertaken a sensitivity test to ascertain the effects of a higher level of trade draw from Liverpool City Centre. Again, the levels of impact do not put any facilities, or other strategic aspirations of the Development Plan, at risk. The proposal is therefore entirely compliant with the requirements of Policy S12.

8.3 Turning to qualitative matters; the proposed retail and leisure park will attract customers to this long-established location; it will enable them to carry out linked trips with the variety of retail and leisure uses on the same site, as advocated in Government guidance in PPS4 and the Development Plan.

8.4 The proposal would also result in wider regeneration and sustainability benefits for the area. It would regenerate an unattractive site in an important gateway location en route to Liverpool City Centre. The provision of leisure facilities in this location accords with Policy E9 of the Liverpool UDP and the enhancement of the facilities contributes towards Policy C8.

8.5 We have assessed the merits of the proposed scheme against the development plan and find that there would be no material conflict. With regard to material considerations including national guidance in the form of PPS4 the proposed development would enhance consumer choice and help meet the needs of the entire community, particularly socially excluded groups and those without access to a car.

8.6 It would also remedy a deficiency in leisure provision in an area with poor access to such facilities. In relation to the key PPS4 considerations and the retail element of the scheme, the evidence demonstrates that there are no sequentially preferable sites, there would be no adverse impact on existing centres, and that the store would be accessible by a choice of transport mode.

8.7 It would deliver a sustainable development as sought in PPS1, PPS1 Supplement and PPG13. The application proposals would bring substantial benefits to residents in the Edge Lane area. When regard is had to the development plan and other material considerations, the application is acceptable in planning terms and we consider that planning permission should be granted.