

from the town across to it;

- to provide high quality natural and built local environment including open spaces and public realm;
- to achieve greater integration with the town as a whole and key facilities such as public transport, shops, employment opportunities;
- to diversify the town's offer through the provision of a unique canal based quarter with a vibrant mix of uses, which encourage economic activity.

3.13 The most recent version of the Area Action Plan (Figure 2) document was the Preferred Options, which was published by the local planning authority in April 2005, and to which representations were made on Gilkes' behalf in May 2008. This document continues to recognise the priority that needs to be given to the regeneration of the Canal Head area. However, despite best efforts, the proposals that have been put forward in our view do not achieve the objectives including the retention of Gilkes within the site and the delivery of a viable mix of uses. As set out in the representations made on Gilkes' behalf in May 2008 of the preferred options, in order to deliver all of the objectives within the Preferred Options document, it is essential that a higher value based land use should be brought into the equation and, by including this within the mix, this could lead to the objectives being delivered. The downturn in the property market has meant that whilst at one point in time, a housing based regeneration scheme may have been viable, there is no prospect of this occurring within the medium term. A re-appraisal of the mix of land uses has therefore been necessary. Failure to re-appraise the situation at this stage will inevitably result in the Area Action Plan being adopted and proposing a scheme that is not commercially viable and, as such, undeliverable. The proposals that accompany this submission, however, are both deliverable and viable and fulfil all of the objectives identified within the studies and reports that have been produced, as well as satisfying national, regional and local policy.

3.14 All of the key landowners in the northern part of the Canal Head Area Action Plan are co-operating and are fully supportive of the proposals, which are included within this submission. In light of this, there should be no delay in bringing forward the development proposals within the northern part of the AAP and, so long as the masterplan can facilitate the objectives that the AAP may have for the southern part of the Canal Head area, the deliverability and availability of the site now, assuming Council co-operation, make the submission of a planning application a better and more deliverable option. A planning application for a retail based mixed development, however, would commercially rely upon there being no further out-of-town convenience goods retailing such as that proposed at Shap Road, as this would make the commercial attraction of convenience goods retailing at the Canal Head significantly less. In any event, under PPS6, the Canal Head site (being edge of centre) is sequentially preferable and is required to be given clear priority as a location for retail development over the out-of-centre site at Shap Road.

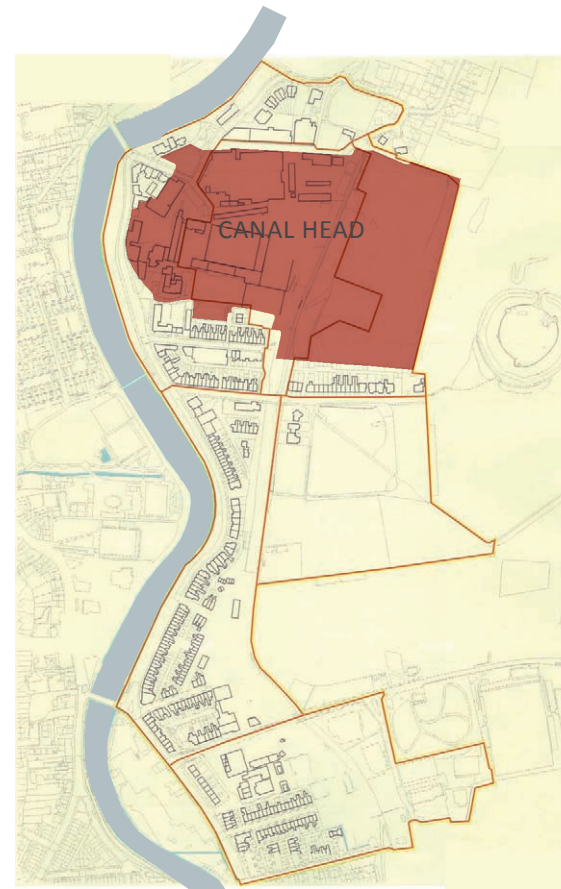


Figure 2 - Kendal Canal Head Area Action Plan Boundary and Character Area Location

4.0 THE MASTERPLAN CONCEPT

4.1 Gilkes and its land owning partners have appointed +3 Architecture in conjunction with Mouchel to prepare a masterplan concept for Canal Head Regeneration Quarter bearing in mind the objectives of the Council's AAP and the need to deliver a viable development over the site. +3 Architecture has been retained for a number of months to assess various options and sufficient progress has been made to enable a separate document relating to the masterplan considerations and the process that has been undertaken so far to be produced in conjunction with these representations. The masterplan and design document therefore should be considered in detail in outlining the alternative masterplan concept that is now suggested for Canal Head Regeneration Quarter. It has been prepared over a lengthy period with consideration to numerous issues which, with the co-operation of landowners that now exists, are capable of being addressed.

4.2 For the purposes of these representations, however, it is important to note the following concerning the principles on the masterplan and the land uses:

- a. The mix of uses comprises the following –
 - i. a new Gilkes' factory on the eastern side of the site (on land owned by Canal Head Properties);
 - ii. the new line of the canal and canal head is provided;
 - iii. a mixed-use office/residential development is provided around the new canal head and along the line of the reinstalled canal;
 - iv. a new retail store is proposed at the centre/western part of the site with a new car park and servicing area provided to the rear of it;

- v. a new park is provided on the land to the east of the new canal line;
- b. As the site is included within a conservation area, the emphasis has been on retaining features that add to the conservation value of the site.
- c. There has been emphasis on an east/west pedestrian route through from the town centre across the renaissance quarter to the castle lying immediately to the east of the regeneration site.

4.3 These are described in more detail in the masterplan document. However, we attach overleaf the masterplan zoning diagram that represents these land uses and their proposed locations (Figure 3). It will be noted that the masterplan diagram facilitates the continuation of the canal line to the south of Canal Head where redevelopment in accordance with any future Action Area Plan the Council may prepare can take place.

4.4 As stated in the masterplan document, there has been initial work carried out by +3 Architecture in terms of considerations of built form within the masterplan zones. However, these are not yet at a stage where they can be made public. Discussions are taking place with Council officers concerning the form and scale of any buildings within the zones that are shown on the masterplan. There has, however, been initial consideration of viability and economics and the mix of land uses proposed, particularly because of the inclusion of the convenience goods retail element, is likely to result in a viable scheme being achieved. The possibility of external funding contributing towards the development has not been ruled out.

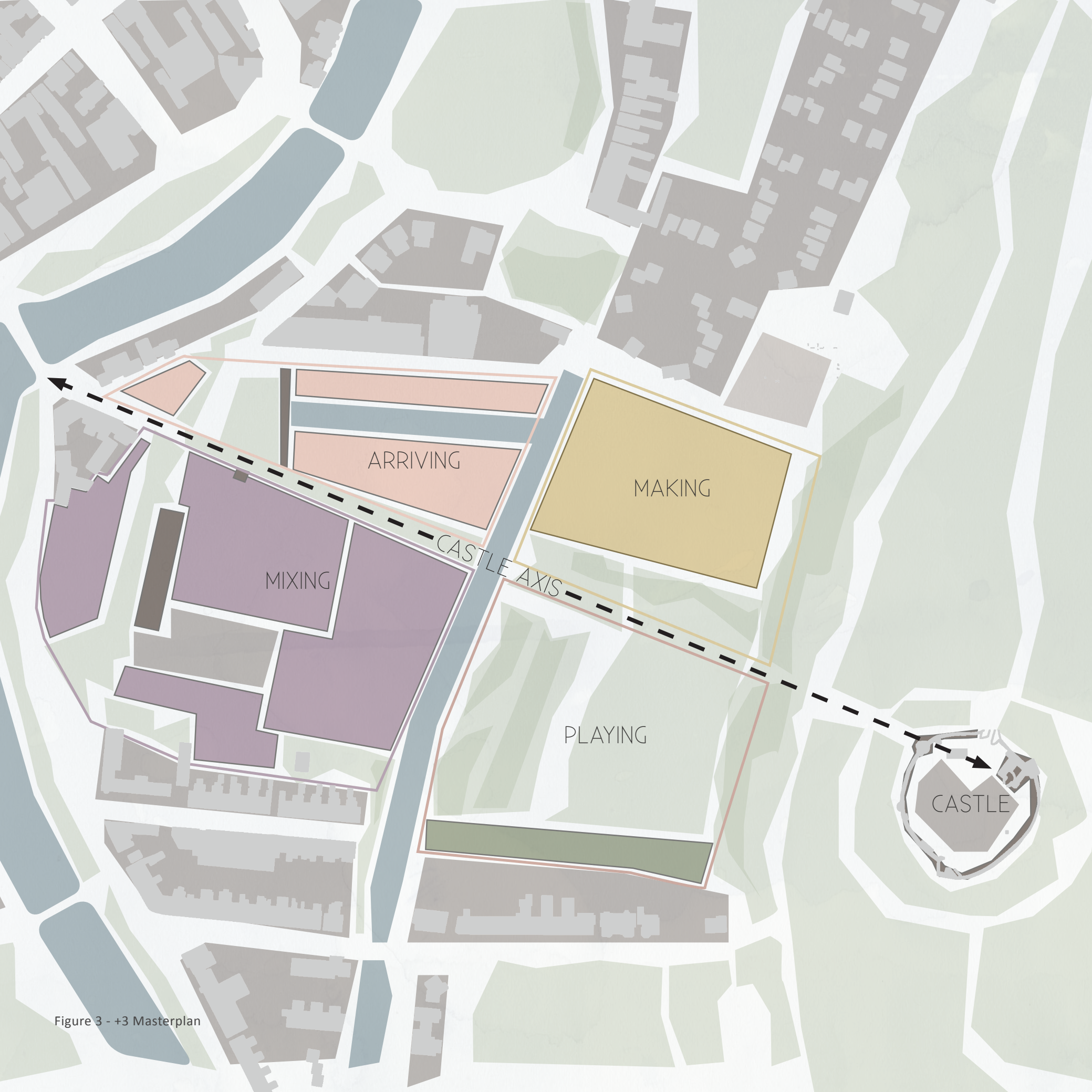


Figure 3 - +3 Masterplan

5.0 PLANNING AND REGENERATION BENEFITS OF THE PROPOSALS WITHIN CANAL HEAD REGENERATION QUARTER

5.1 The planning and regeneration benefits of the proposals for Canal Head Regeneration Quarter are referred to below under a number of headings. However, the overall benefit is that within an area which is clearly in need of regeneration, the principal landowners have put together a scheme that they are confident can be delivered in the short term. The key elements of the scheme in masterplan terms set out below are the provision of the new Gilkes' headquarters; the provision of the canal head and basin; a mixed-use development and a new park. These are reliant in terms of their provision in economic terms on the new convenience goods store proposed in the western part of the Canal Head Regeneration Quarter. It is recognised that the retail element has been considered as part of the options that the Council's consultants have identified in their Action Area Plan. However, there was no in-depth analysis of the benefits of what the retail element could provide in the same way that has taken place so far as part of this document and the accompanying masterplan submission. Similarly, the initial analysis carried out by Arup was done so in the background of a burgeoning property market, particularly for residential development and therefore the ability to deliver a residential based regeneration that provided for the canal head and related other costs does not now exist.

5.2 The key benefits that arise from the delivery of the proposals now submitted to the Council are as follows:

A. DELIVERY OF ACTION AREA PLAN OBJECTIVES AND COUNCIL CORPORATE PRIORITIES

5.3 The AAP objectives that are complied with are:

- The retention of Gilkes within the site and within Kendal.
- A viable and deliverable scheme, which can be brought forward within the short term.
- A sustainable mixed-use regeneration which supports the town centre.
- The reinstatement of the canal head.
- Retention of key views across to the castle and retention of significant historic features within the site, including ticket office, chimney and canal arches.

5.4 In addition to the specific AAP objectives, it is important that the Council's more general objectives in its Corporate Plan 2009 – 2012 are achieved. Several of the key objectives are met as follows:

- i. The provision of new employment land and floor space allowing new businesses to locate within Kendal where historically the availability of suitable land has been very constrained.
- ii. Support to the local economy, not just Gilkes but new B1 related businesses that could locate in the Canal Head area.

- iii. The provision of new housing with access to the town centre and neighbouring facilities to meet general market needs.
- iv. The provision of affordable housing (at a level to be agreed).
- v. The delivery of economic regeneration.

5.5 These benefits are identified within the existing AAP report and Corporate Plan. The key point is that as well as meeting these objectives, the proposals submitted are viable and deliverable and can come forward within a reasonable timeframe.

5.6 It should be recognised that the retail element of the proposals is the key to providing the funding to deliver many of these benefits. The retail element in itself, given the location of the site, has to be considered in the context of national, regional and local policy starting with Government policy in PPS6. The policy considerations are set out below.

B. COMPLIANCE WITH POLICY OBJECTIVES — NATIONAL/REGIONAL/LOCAL

Planning Policy Statement 6: Planning for Town Centres

5.7 Paragraph 1.3 comments that the Government’s key objective for town centres is to promote their vitality and viability by:

- planning for the growth and development of existing centres, and
- promoting and enhancing existing centres by focusing development in such centres and encouraging a wide range of services in a good environment, accessible to all.

5.8 The guidance then states in paragraph 1.4 that there are other objectives that need to be taken into account, namely:

- enhancing consumer choice by making provision for a range of shopping, leisure and local services, which allow genuine choice to meet the needs of the entire community and particularly socially excluded groups;
- supporting efficient, competitive and innovative retail, leisure, tourism and other sectors with improved productivity; and
- improving accessibility, ensuring that existing or new development is or will be accessible and well served by a choice of means of transport.

5.9 In order to deliver the Government’s objectives for promoting vital and viable town centres, paragraph 2.1 states that:

“... development should be focused in existing centres in order to strengthen and, where appropriate, regenerate them ...”

5.10 In this context, local planning authorities are encouraged to actively plan for growth and to manage change in town centres by, *inter alia*:

“... making better use of existing land and buildings, including, where appropriate, redevelopment”

and

“... where necessary, extending the centre.”