

5.11 Paragraph 2.6 comments that an extension to the primary shopping area or town centre may be appropriate where a need for large development has been identified but that this cannot be accommodated in the centre. It then states that:

“...Larger stores may deliver benefits for consumers and local planning authorities should seek to make provision for them in this context. ...”

5.12 In terms of identifying appropriate sites for development, PPS6 states that a sequential approach to site selection should be applied, where identified need is to be met (paragraph 2.44). In selecting sites, the guidance requires that locations are considered in the following order:

- locations in appropriate existing centres where suitable sites or buildings for conversion are, or are likely to become, available within the development plan document period, taking account of an appropriate scale of development in relation to the role and function of the centre;
- edge-of-centre locations, with preference given to sites that are or will be well-connected to the centre, and then
- out-of-centre sites, with preference given to sites which are or will be well served by a choice of means of transport and which are close to the centre and have a high likelihood of forming links with the centre.

5.13 In considering sites to meet a recognised need, paragraph 2.45 of PPS6 comments that flexibility and realism is required in the identification of sites that are likely to become available for development during the development plan document period. In this respect, factors such as scale, format, car parking provision and the scope for disaggregation should be taken into account.

5.14 PPS6 makes it clear that the consideration for identifying sites for allocation in development plan documents applies equally to the assessment of planning applications. Paragraph 3.4 requires an application to demonstrate:

- the need for development
- that the development is of an appropriate scale
- that there are no more central sites for the development
- that there are no unacceptable impacts on existing centres
- that locations are accessible.

5.15 Whilst not being an indicator of retail need, PPS6 highlights in paragraphs 2.51 and 3.28 other matters which may be relevant and material in the consideration of planning applications:

- visible regeneration
- employment
- economic growth
- social inclusion.

REGIONAL SPATIAL STRATEGY FOR THE NORTH WEST

5.16 The RSS for the North West, which was formally adopted in September 2008, seeks to promote sustainable communities and sustainable economic growth within the region. One of the key objectives of this approach is to promote strong, viable centres as locations for the concentration of retail, office and recreational development.

5.17 Policy W5 relates specifically to retail development whereby plans and strategies should promote retail investment in order to assist in the regeneration and economic growth of the North West's towns and city centres. The policy goes on to state that:

“In considering proposals and schemes, any investment made should be consistent with the scale and function of the centre, should not undermine the vitality and viability of any other centre or result in the creation of unsustainable shopping patterns.”

Manchester/Salford and Liverpool are identified as the North West’s primary centres. The policy also identifies Kendal as one of 25 other centres where comparison retailing facilities should be enhanced and encouraged.

5.18 Within the Cumbria and North Lancashire sub-region (Section 13 of the RSS), the RSS seeks to secure a sustainable level and pattern of development that creates balanced communities and meets needs. Policy CNL1 specifically identifies Kendal (along with Carlisle, Workington/Whitehaven and Barrow-in-Furness) as a location where priority should be given to improving access to employment, services and education/training facilities on foot and by cycle, and by public transport. Policy CNL2 states that plans and strategies should (inter alia) ensure that the needs of local people in South and East Cumbria are met with a focus on securing inward investment and improving service provision within Kendal and Penrith.

SOUTH LAKELAND LOCAL PLAN

5.19 The South Lakeland Local Plan (adopted in 1997) and the Local Plan alterations (adopted in March 2006) were published in a final composite plan in September 2007. The Local Plan identifies Kendal town centre as the main market and shopping centre for a large area of South Cumbria. Paragraph 3.11 comments that Kendal town centre needs to continue to improve its range of shops, its amenities and services in the face of ongoing competition.

5.20 Paragraph 3.14 comments that Kendal is currently served by three large out-of-centre food stores and six out-of-centre non-food stores. It then comments that:

“... This represents adequate provision and distribution of edge of Kendal shopping. Any future proposals for large-scale shopping developments outside Kendal town centre should be confined to edge-of-centre sites in accordance with the sequential test.”

5.21 Policy R2 relates to retail development outside Kendal town centre. The policy states that:

“... Further proposals for new, large-scale, retail development outside Kendal town centre will not be allowed unless the proposal is accompanied by evidence to demonstrate that the development would not have an adverse effect on the vitality and viability of Kendal town centre.”

5.22 The policy requires that all retail development outside Kendal town centre needs to:

- a. demonstrate need for the development;
- b. satisfy the sequential test;
- c. be restricted to the retail sale of bulky comparison goods items (unless the requirements of a. and b. above are satisfied);
- d. assess the likely effect on overall travel patterns and car use;
- e. include a high standard of design;
- f. provide adequate parking and servicing arrangements;
- g. ensure that landscaping details form an integral part of the proposal.

5.23 The Local Development Framework is at an early stage of preparation. Whilst Core Strategy Preferred Options have been published with public consultation taking place during April/May of 2008, the Council has yet to publish the Core Strategy at the time of writing this report. It is anticipated that the Core Strategy will be published for formal consultation at the end of August 2009 and submitted to the Secretary of State in November 2009. The following comments therefore relate to the Preferred Options report.

5.24 Policy PO1 identifies Kendal as a principal service centre and in accordance with this locational strategy, Kendal is identified the principal town centre. Kendal is the largest centre and provides a range of food and non-food retail and other services, serving a much wider area than just the town and its immediate hinterland. Paragraph 3.137 comments that it is important that Kendal remains attractive and competitive and retains its position in the retail hierarchy within the sub-region. P06 comments that retail developments outside the defined centres will be controlled in accordance with National Policy in PPS6. Paragraph 3.141 states that only in exceptional circumstances will retail or other town centre uses be permitted outside of the centres, and that proposals for out-of-centre developments must demonstrate:

- that a need exists for the scale and nature of the development;
- that there are no other sequentially preferable sites within the town, district or local centres or on the edge of these centres, which are suitable and available;
- that the proposal will not affect the vitality and viability of an existing town, district or local centre; and
- the site is accessible by sustainable means of transport.

5.25 The Core Strategy Preferred Options report states that out of all the projects listed in the Issues and Options consultation exercise, the Kendal Canal Head received the most support. In response to this, Policy PO11 (Kendal Functional Area) identifies the designation of the Kendal Canal Head area as a key regeneration area to be delivered through the preparation of an Area Action Plan.

5.26 The Canal Head area entirely accords with national, regional and local plan policy in respect of retail development and reflects policy in the emerging Local Development Framework.

5.27 The overall objective of regeneration would clearly accord with national, regional and local policy. The emphasis given to regeneration in PPS1, the RSS for the North West, etc, will be well

known to Council officers and it is therefore not proposed to set out these elements in detail in this submission. It is, however, important to emphasise that regeneration in this context is about delivery and the elements of mixed-use office and residential; the provision of the restored canal head, the local park, etc, whilst compliant with policy, have to be delivered to give them any value at all in terms of planning policy objectives.

5.28 However, the priority in regional policy afforded to the delivery of the canal head regeneration should, in the opinion of the Gilkes' professional team, be given substantial weight. Whilst the considerable amount of work that has been carried out by the Council and its team over the last three years has sought to identify a framework for regeneration, the ability of the landowners to provide a developable and deliverable scheme is now highly significant.

5.29 It is considered therefore that the policy background relating to the regeneration of the site in principle in a deliverable form is highly relevant to this submission.

5.30 Turning to the retail element, it is the case, in the context of existing Government policy in PPS6, that the site proposed for the retail part of the redevelopment scheme is 'edge of centre' in terms of the sequential categories identified in the PPS. As the plan overleaf shows, however, the location of this part of the site and its relationship with the town centre indicates that there are direct and usable pedestrian and cycle links between the site and the town centre. The town centre as defined in the Local Plan is within 150 metres from the retail part of Canal Head Regeneration Quarter. Therefore, there would clearly be, given the location of the car park in conjunction with the retail uses, clear propensity for people using the convenience goods store and parking in the car park on site to walk to the town centre to carry out linked retail trips.

5.31 Thus, in terms of sequential matters, any impact of the convenience goods store on the town centre must be considered in the context of the convenient edge-of-centre location that the Canal Head Regeneration Quarter has to the town centre.

5.32 In this regard, it is important to emphasise that there is clear guidance in PPS6 that a regeneration scheme including a retail element and the benefits that then arise must be given weight in the assessment of the suitability of such a proposal in retail terms in PPS6. This particularly relates to the matter of quantitative need. Government policy in this regard is likely to change with the consolidation of PPS6 into a new PPS4.

5.33 The Consultation Draft that has been published maintains the “Town Centre First” policy approach to retail and leisure development. However, whilst no changes are proposed to the requirement for local planning authorities to assess new town centre developments in terms of scale, impact, accessibility and the sequential approach to selecting sites for development, the Draft removes the requirement for an applicant to demonstrate need for a proposal in an edge-of-centre or out-of-centre location. Instead, a new impact assessment framework is proposed which will examine a wider range of factors, including retail diversity, consumer spending, loss of trade, impact on town centre investment and the scope for regeneration and job creation.

5.34 A key difference noted in the Draft is the greater emphasis on economic, social and environmental considerations. Policy EC21, criterion 3 comments that local authorities should -

“Consider proposals favourably where any adverse impacts ... are not significant and these are likely to be outweighed by significant wider economic, social and environmental benefits arising from the proposal.”

5.35 Whilst the draft guidance note is yet to be published in its final form, it nevertheless shows the Government’s desire to see a broad and more holistic approach to assessing impact, which incorporates a greater emphasis on regeneration, renewal, investment and employment benefits to be brought forward through retail development. At this stage, however, it is the case that a retail proposal on the Gilkes’ site would, in accordance with PPS6, have to address the issue of need to the Council’s satisfaction.

5.36 The Council’s opposition to the Shap Road proposals is wide ranging but includes concerns as to whether there is a need for additional convenience goods retail floor space of the scale proposed by the appellant. Whilst this document does not comment on matters of quantitative need, it is clear that where a quantitative need is seen to arise, Government policy in PPS6 (set out below) is that such floor space should be provided in accordance with the sequential test set out in paragraph 2.44 of the PPS.

5.37 The sequential categories are well known and are, firstly, sites in the town centre; secondly edge-of-centre sites that are:

“... well connected to and within easy walking distance (up to 300 metres) of the primary shopping area (Annex A of PPS6)”

and then finally out-of-centre sites.

5.38 The designated site for retail in the Canal Head Regeneration Quarter is edge of centre (within 150 metres of the primary shopping area) and because of the links which it has with the town centre, it is unlikely to have a significant impact on town centre traders, simply because those using the new retail store in the Canal Head Regeneration Quarter will be highly likely to use the town centre for complementary retailing. This is unlike an out-of-centre site such as Shap Road.

5.39 Therefore, in terms of existing national policy (as reflected in RSS guidance), it is the case that the Canal Head Regeneration Quarter would be appropriate for retail uses in preference to an out-of-centre site in accordance with the sequential test set out in PPS6 should a need arise. However, even if a need is not seen to arise, the regeneration benefits of the retail element could be regarded as a material consideration of sufficient weight to override any perceived ‘lack of need’.

C. THE RETENTION OF GILKES IN KENDAL

5.40 The fact that the regeneration scheme shown on the masterplan allows Gilkes to be provided with a new factory within Kendal is a significant benefit that achieves a long-standing objective of both the Council and the company. The company employs 140 people, the vast majority of whom live in and around Kendal and in order to compete in the world market in which the company operates, the provision of a new factory and headquarters is paramount. Whilst the company has sought to pursue a number of options to provide a new factory, whether on site or elsewhere – and it is regularly linked with developments that may take place in the area (wrongly) – the economic facts of life are that without a high value retail use within the overall development mix proposed, insufficient funds will be raised to allow the company to have a new factory anywhere within or around Kendal. The provision of the retail element within the mix of uses is therefore the only option remaining for the company to stay within Kendal.

5.41 The retention of Gilkes is therefore a very high priority and the fact that the company is at the leading edge of a part of the sustainable energy industry, with jobs within the ‘green collar’ sector, should also be given considerable weight by the Council. Should this final option for the retention of Gilkes within Kendal not come to fruition – particularly if alternative provision is given permission on the Shap Road site for retail development, the company will be forced to consider moving away from Kendal to areas where there is grant support for new premises and possibly move some of the operations to its existing facility in the United States of America.

D. CONSERVATION BENEFITS AND THE PROVISION OF THE CANAL HEAD

5.42 As indicated on the masterplan, the entire area of Canal Head Regeneration Quarter is within a conservation area and it is important to retain, as part of the redevelopment, elements that relate to the history of the area and the previous canal basin that

was present. Whilst this analysis was undertaken in more detail in the masterplan document, the conservation benefits that the masterplan would facilitate are as follows:

- a. the retention of key buildings within the area such as The Goodacres’ Site (warehouse) fronting on to Aynam Road;
- b. the Gilkes’ chimney and ticket office; and
- c. the original canal arches that are concealed within the Gilkes’ manufacturing building.

5.43 It is also important that links are provided and views between the town centre and the castle to the east are facilitated. This is demonstrated in the masterplan.

5.44 The principal conservation benefit is of course the facilitation of the reconstructed canal and canal head, which is a longstanding *raison d’être* of the Action Area Plan in the first place. This is obviously provided for on the masterplan and the potential for the canal to come into the centre of Kendal in Canal Head Regeneration Quarter and office/residential development and public park cannot be underestimated.

5.45 In due course, the intention would be to submit a full planning application for the various elements of the regeneration proposals. However, as the masterplan document demonstrates, it is entirely possible to preserve and enhance the overall character of the conservation area as part of the new redevelopment proposals.

E. OPEN SPACE/PUBLIC REALM IMPROVEMENTS

5.46 The masterplan zoning facilitates not only significantly improved public open spaces within the area – notably the new public park on the eastern side of the new canal – but also will provide for new high quality public realm. This is currently intended to comprise a new public open space at the entrance to the north western corner of the site off Bridge Street; a new public space