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Planning Policy Winchester City Council Colebrook Street Winchester Hampshire SA23 9LJ Our Ref: WCC.WIMRP.241010

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SENT BY POST AND EMAIL: planningpolicy@winchester.gov.uk

Dear Sir or Madam

WINCHESTER PROPOSED SUBMISSION LOCAL PLAN (REGULATION 19) 2020 - 2040

These representations are submitted by **Hargreaves Properties Ltd** ("Hargreaves") with respect to the Winchester Proposed Submission Local Plan. Hargreaves are the owners of the Moorside Retail Park and Winchester Trade Park, which are identified on the attached plan, and as such are primarily concerned with policies contained within the 'Creating a Vibrant Economy' Chapter and employment allocations in Winnall.

To aid the Council these representations have also been disaggregated and submitted through the Citizenspace portal, to register specific comments against relevant policies.

The Sites

Moorside Retail Park and Winchester Trade Park adjoin one another and are separated by the Easton Road. Occupying an area of approximately 3.9ha, they operate side by side and are located to the northeast of the city, within the Winnall area.

There are a variety of different businesses located with the parks, including bulky goods retailers, trader counter uses, and employment uses. These include operators such as Pets at Home, City Plumbing, Topps Tiles, Easy Bathrooms and East St Cycles. Formerly Carpetright, Halfords and Currys also operated from these sites.

Two out of three of the units at Moorside are currently vacant, with two of the sixteen units at Winchester Trade Park also unlet. Currys handed back Unit 3 at Moorside in June 2023, and it has been vacant since. This unit is currently subject to a planning application for a change of use to a gym (Ref 23/02436/FUL), with marketing revealing interest from non-bulky retail operators and leisure operators only. This demonstrates operators targeting Winchester who are currently unable to find premises due to a lack of appropriate town centre availability and out of centre restrictions.

Unit 1 Moorside has been recently vacated by Halfords. Units 13 and 14 at Winchester Trade Park were formally occupied by Carpetright, who have gone into administration.

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Summary of Representations

The main thrust of our objection is that the policies within the Submission Local Plan, and particularly Policy W6 (Winnall) and Sub area 2, do not correctly reflect the diversity of current operators and should be amended accordingly.

Also, whilst Strategic Policies E1, E2 and E4, and the supporting text of Policy W6, accept the need for a more flexible approach to supporting employment generating uses outside of the traditional B use classes, Policy W6.ii, does not in practice support this and should be amended to do so.

In a rapidly evolving market, flexibility is essential to deliver economic growth, encourage innovation, avoid vacancy, and ensure the effective use of brownfield land.

Representations to other policies are also made as appropriate. Suggested additions to text are **underlined and emboldened**. Suggested deletions are struck through.

Representations to Policy W6 (Winnall)

The site is within the Winnall area (Sub area 2), under Policy W6 within the Submission Local Plan. The geographic sub areas continue to apply with the boundaries carried over from the current Local Plan Part 2 for Sub area 2.

As it stands, it is considered that the policy has not met the tests of soundness as required at Paragraph 25 of the National Planning Policy Framework (NPPF). Specifically, it is not positively prepared or justified and is not consistent with national policy.

Policy W6 Supporting text – Para 12.61 (Objection)

Paragraph 12.61 states that Winnall is an existing employment allocation but provides insufficient clarity that several retailers and trade counter users operate within this area, and that the principle of retail is established.

Suggested change:

The employment site located to the northeast of Winchester and comprises a large cluster of employment businesses, <u>retailers and trade counter uses</u> and <u>other</u> activities which sit adjacent to the residential neighbourhood.

Policy W6 Supporting text – Para 12.67 (Objection)

Paragraph 12.67 sets out that there would be retention of B2 and B8 in the core area (Sub area 1) whilst allowing degree of flexibility elsewhere. This is supported.

However, the text is confused in that it recognises the need for vitality and viability of the Winnall area but seeks to avoid out of town retail and recreational proposals. This neither recognises the current role of retailers within this designation, nor supports their job creation role and the lack of suitable sites within the town centre (confirmed by the Winchester Town Centres Study, July 2024).

Within both the Moorside and Winchester Trade parks, there is a significant retail and trade counter presence and the principle of retail style development in this location has therefore been established.

Suggested change:

The employment area in Winnall is the largest employment area in Winchester Town and generally the area is thriving with very few vacant premises. The policy therefore is aimed at retaining the core of the employment area (Sub area 1) in traditional employment uses (Use Classes B2 and B8) while allowing for a degree of flexibility in those parts of the employment area where change might be expected and would support the vitality and viability of the area. and avoid out of town destination retail and other recreational proposals. It also recognises the need to maximise opportunities to create additional B2 and B8 employment floorspace within Sub area 1, improvements to community infrastructure, open space and green infrastructure provision.

Policy W6. Sub area 2 (Objection)

Sub area 2 contains Moorside Retail Park. These units operate, or previously operated, in retail use, including Halfords, Pets at Home, Currys and Costa Coffee. As noted above, two of these units are currently vacant, with a planning application for a gym use currently under consideration at Unit 3. It has established that there is no interest in the unit for bulky good operators and that these retailers are consolidating in other nearby towns with a stronger retail offer.

Sub-area 2 also contains Winchester Trade Park, located to the south of Easton Lane and which comprises a variety of different trade counter and bulky good style retail uses (with half of the 16 units being in retail or trade counter use).

Notably, Strategic Policy E1 recognises the role of non-traditional employment generating activities, Strategic Policy E2 also supports more flexibility for the Winnall area, outside of Sub area 1, as does Strategic Policy E4, subject to the sequential and impact tests. However, this is not carried forward into Policy W6.ii.

Adopted Policy WIN.11, expressly supports a relaxation of the protection of employment land policy and a more flexible approach. Proposed Submission Policy W6.ii, proposes to delete this text and instead inserts text supporting the presumption in favour of retention of existing B uses and creation of additional B2 and B8 floorspace. This is inconsistent with Policies E1, E2 and E4 and the policy should be amended accordingly and retain the more flexible approach of Adopted Policy WIN.11.

Whilst more traditional employment uses may take place within this area in future, it is likely that existing retail units will remain as a retail-oriented employment use. Policy W6.ii should recognise this and the role these uses can play in job creation and the local economy. Specifically, it should be acknowledged that retail, including food retail, is appropriate in this location, subject to the application of the sequential and impact tests in accordance with national policy and Submission Local Plan Strategic Policy E4.

Leisure operators are also struggling to find suitable premises in the locality, with the Council's evidence base supporting this need, and with a sizeable increase expected in leisure, competitive leisure and health and fitness (Winchester Town Centres Study, July 2024). In the same study, Winchester is shown as performing well (ranked 38 out of 1000 centres in 2024) but lacking in suitable accommodation to meet market demand.

Therefore, flexibility to support increases in retail floorspace where Strategic Policy E4 is met, and to meet the needs of emerging industries, the leisure industry and *sui generis* type employment users should also be included. The presumption in favour of retention and creation of b uses should be deleted from W6.ii.

Suggested change:

Policy W6 ii:

In sub area 2, along Easton Lane, the Council will adopt a more flexible approach in applying policy E6 and may permit employment generating uses outside of B use classes, including retail, leisure and other sui generis uses, subject to the sequential test and impact assessment, in line with Policy E4. there is a presumption in favour of the retention of existing B uses classes and the creation of additional B2 and B8 floorspace to ensure that this area continues as a centre for more traditional employment opportunities.

Representations to Chapter on Creating a Vibrant Economy

Strategic Policy E1 (Vibrant Economy)

Hargreaves SUPPORTS Strategic Policy E1 in so far that it recognises the contribution of employment policies outside of traditional industrial use classes.

Whilst supporting overall the Council's wish to retain, regenerate and modernise appropriate premises, the inclusion of 'appropriate' is extremely important to ensure sufficient flexibility to adapt previously developed sites to accommodate a range of employment generating opportunities on brownfield sites.

However, OBJECTION is raised to Strategic Policy E1 in so far that the role played by retail and leisure job opportunities is not expressly recognised, particularly as the Employment Study (2024) identifies retail as being the largest source of employment at 14,800 jobs or 16.7%.

Currently, it is considered the policy is not justified.

Suggested change:

The plan recognises the contribution to the local economy of employment opportunities outside of traditional industrial use classes. Existing strengths in education and creative sectors, <u>retail</u>, <u>leisure</u>, the visitor and tourism economy, including food and drink and entertainment will be encouraged...

Strategic Policy E2 (Spatial Distribution of Economic Growth)

Hargreaves DOES NOT OBJECT to Strategic Policy E2.

Paragraph 10.38 is SUPPORTED, which seeks to retain B2/B8 employment uses within the core area of Sub area 1 but permits more flexibility elsewhere within Winnall.

Policy E3 (Town Centre Strategy and Hierarchy)

Hargreaves OBJECTS to Policy E3, which is not positively prepared, justified, effective or consistent with national policy.

The policy is underpinned by the LSH Town Centre Uses studies in 2020 and 2024, which appear to be very high level, generic reports, heavily reliant on national data sources. There is an absence of trading information, household surveys and market information and only limited information provided on occupier demand and habits within the city. There is also only limited data concerning the local centres. These studies are not considered to be robust and a sound basis for informing Policy E3 or Policy E4 and the qualitative and quantitative demand for additional floorspace.

We suggest that a retail impact assessment is undertaken, supported by household surveys, to properly understand the current trading position and retail demand information, particularly in view of the limited offer available for comparison and convenience retailers, and to consider how this

will change with the significant increase in housing numbers and population forecasts within the plan period.

As noted elsewhere within Hargreaves' representations (Policy W6 and Policy E4 specifically) in view of departures from town centre and out of centre locations, the limited space now available within the town centre and interest received from more flexible retail operators and leisure operators in the Winnall area, there is concern that capacity for both convenience and comparison shopping and leisure needs is understated.

Strategic Policy E4 (Main Town Centre Uses out of Centre)

Hargreaves OBJECTS to Strategic Policy E4, which is not positively prepared, justified and not consistent with national policy.

Whilst the policy accords overall with national policy by supporting a town centre first approach, considering the lack of capacity within the town centre, low vacancy rates and Winchester City's strong performance, it is considered that a more flexible approach should be supported, and to prevent further operators seeking premises outside of Winchester, which is evidenced by major departures from the town recently. Specifically, outside of Sub area 1 in Winnall (Policy W6) where retail activity is already established, more flexible retail and leisure uses should be activity supported, if the sequential test and impact assessments have been passed.

Of note, a number of retailers have left the city centre in recent years, including Next, Beales, River Island and Monsoon. Others, such as Debenhams, have gone into administration. Out of centre, Carpetright have left having gone into administration and Currys and Halfords have also consolidated holdings into other towns. The significant changes in the retail market and the function of the town centre are well documented and flexibility within the updated Use Classes Order has kept vacancy in the town centre low. The lack of appropriate space within the town centre means that out of centre locations, such as Winnall have a role to play.

The Council has recently supported applications for two out of down drive through developments in the Winnall area. These are occupied by two significant food and beverage operators (MacDonalds and Greggs) which are potentially more harmful to the town centre and will divert trade more significantly than more flexible retail and leisure uses.

It is also considered that insufficient justification has been provided within the evidence base for adopting a threshold of 350sqm for retail and leisure proposals (compared to the national threshold within the NPPF of 2,500sqm and adopted thresholds of 500 – 1000 sqm).

The Planning Practice Guidance (PPG) provides guidance for setting an appropriate impact threshold. Scale, existing viability and vitality, cumulative effects of recent developments, vulnerability, town centre strategies and planned investment are set out as requiring consideration in setting the appropriate figure. However, this is absent from the Council's evidence base and has not been scrutinised in the town centre studies in 2020 or 2024.

The Town Centre Study (2020) instead recommends this threshold because of the presence of smaller convenience format operators (such as Sainsburys Local and Tesco Express) within the marketplace, which fall below existing thresholds. There is no obvious methodology supporting this figure, which appears to be simply a catch all to prevent any retail operators from operating outside of the defined centres. However, the presence of these retailers, does not in itself justify a departure from national guidance.

In the absence of this evidence, the previous policy requirement under Policy WT1 for Winchester Town of 1,000 sqm should be restored.

Finally, it is considered that the 3rd paragraph of the main text is unnecessary, as it repeats text elsewhere and should be deleted.

Suggested Change:

Outside of the centres listed in Strategic Policy E3 above, proposals for new or expanded retail and other main town centre uses will be considered where they comply with the sequential test, which requires applicants to demonstrate why the proposal could not be accommodated within a town centre, or – failing that-on the edge of a town centre. This includes Winnall (Policy W6), outside of Sub area 1.

Where the development is for retail or leisure development, an impact assessment will also be required when the proposal is over 350sqm gross 1,000sqm gross.

New or expanded retail development or large-scale leisure development outside of the identified town centres will not normally be permitted unless the requirements of the sequential test and any required impact tests have been satisfied.

Shops or other town centre uses that are considered to provide a local facility or service, will generally be acceptable outside of defined centres.

In all cases, the local planning authority will consider the requirements for town centre uses in relation to the sequential test on a case-by-case basis and applicants will be required to submit sufficient information to enable the sequential test to be appropriately assessed.

Strategic Policy E5 (Enhancing Employment Opportunities)

Hargreaves OBJECTs to Policy E5 in so far as it is inconsistent with Strategic Policies E1, E2 and E4 and Policy W6. Whilst the need to comply with the sequential approach is acknowledged, the policy should be positively worded to support proposals in the Winnall Area, where the sequential test is met. This is because of the employment generating nature of these uses and the acknowledged need to support a more flexible approach in Winnall.

Currently, the policy is not fully justified or positively prepared.

Suggested change:

Uses that attract significant amounts of visitors or are primarily aimed at visiting members of the public will not generally be acceptable within industrial areas and will be directed to town centres in accordance with the sequential approach. Within Winnall (Policy W6) proposals will be supported where they meet the sequential test and are located outside the core area (Sub area 1). Office development will be restricted to sub-class E(g) in order to prevent unregulated changes to other uses within Class E that are appropriate within town centres.

Strategic Policy E6 (Retaining Employment Opportunities)

Hargreaves OBJECTS to Policy E6, which fails to recognise the greater flexibility applied to the Winnall Area, outside of its core area. It should be clarified that a separate policy approach is supported for this area. This policy is not positively prepared or justified, nor consistent with national policy.

It is separately recommended that Policy W6.ii be amended to clarify the relationship with this policy.

Suggested change (add paragraph):

A more flexible approach is adopted for proposals for the loss of employment use within the Winnall area, under Policy W6, and outside of the core area (Sub area 1).

Representations to Other Policies

Policy D6 (Brownfield Development and Making Best Use of Land)

Whilst recognising that the changes to the NPPF published in June 2024 are in draft, and transitional arrangements also exist for the purposes of plan making, the further emphasis on the re-use of brownfield land is not contentious and is likely to be a focus in the NPPF and government policy moving forward. These changes should be reflected within Policy D6 to optimise the opportunities to make the best use of this land.

In addition to giving substantial weight to re-using suitable brownfield land, new paragraph 122 (c) within the NPPF sets out that such proposals should be regarded as acceptable in principle and in order to be consistent with national policy and positively prepared. This should be added to the policy.

Suggested change (add paragraph):

Proposals for the redevelopment or change of use of suitable brownfield land within settlements for homes and other identified needs should be given substantial weight and should be regarded as acceptable in principle.

Policy CN3 (Energy Efficiency Standards)

Whilst fully supporting the push to reduce carbon emissions, Hargreaves is concerned that on some developments BREEAM excellent is difficult to achieve and could render smaller developments in particular unviable. The London Plan (2021) recognises this and applies the requirement to major developments only.

As a minimum, some flexibility should be imported into the policy to agree a variation to the standard at the planning stage if the pre-assessment demonstrates practical or viability issues with obtaining excellence.

In order to be effective and justified the following change is proposed.

Suggested amendments:

v. <u>Major</u> Non-residential development should meet the 'BREEAM Excellent' standard or an agreed equivalent industry standard assessment process. Developers that propose a scheme to meet BREEAM standards should submit a post construction assessment and BREEAM certificate to the local planning authority to demonstrate compliance. At outline planning application stage, a commitment to BREEAM Excellent should be made, and at full planning application a BREEAM pre-assessment should be provided. <u>In the event that this demonstrates real practical or viability issues in meeting the Excellent standard evidence should be submitted to demonstrate an alternative standard, to be agreed with the Council.</u>

Conclusions

Hargreaves has significant commercial interests within Moorside Retail Park and Winchester Trade Park and an ongoing commitment to investment in their existing holdings to deliver economic growth and jobs. Whilst generally trading well, there is vacancy, and flexibility is required to prevent these units remaining unlet long term.

The suggested amendments to the policies outlined above are considered essential to delivering economic growth, encouraging innovation, minimising vacancy and ultimately to secure jobs and ensure the effective use of brownfield land.

It is therefore requested that they are considered as the Plan advances. At this stage, Hargreaves would like to reserve the right to attend any future Examination in Public.

Yours faithfully



Website:

www.hargreaves.co.uk