Threshold Policy for Main Town Centre Uses Impact Test

Evidence and Justification Report

Cheshire East Borough Council

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Contents

1.0 Introduction

1.01 WYG has been instructed by Cheshire East Borough Council (hereby referred to as the Council) to assess the floorspace thresholds for planning applications for main town centre uses (particularly retail and leisure uses) above which an impact assessment is required. This report, taking into account Paragraph 26 of the National Planning Policy Framework (NPPF) (2012), sets out the policy context, methodology, analysis and justification for applying locally set thresholds for assessing planning applications for retail and leisure development outside of town centres that are not in accordance with the Local Plan.

1.02 Policy EG 5 of the Cheshire East Local Plan Strategy (2010-2030), which is expected to be adopted in July 2017 does not apply locally set thresholds, the Council would currently require an impact assessment in accordance with Paragraph 26 of the NPPF when determining retail applications with a floorspace in excess of 2,500 sq.m only. This report will consider retail impact thresholds taking into account the local context in order to inform the Local Plan Site Allocations and Development Policies Document, which will follow the Local Plan Strategy and set more detailed policies to guide the assessment on planning applications in the Borough.

2.0 Context and Policy Background

2.01 The NPPF sets out the Government's overarching planning approach to town centres. Within this it is made clear that planning policies should be positive, promote competitive town centre environments and set out policies for the management and growth of centres in order to ensure their continued vitality and viability (paragraph 23). Town centres should be recognised as being at the heart of their communities and as such, local planning authorities should require applications for main town centre uses to be located in town centres, then in edge of centre locations, and only if suitable sites are not available should out-of-centre sites be considered (paragraph 24).

2.02 Paragraph 26 of the NPPF states that:

> *"When assessing applications for retail, leisure and office development outside of town centres, which are not in accordance with an up-to-date Local Plan, local planning authorities should require an impact assessment if the development is over a proportionate, locally set floorspace threshold (if there is no locally set threshold, the default threshold is 2,500 sq.m). This should include assessment of:*
>
> - *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; and*
> - *The impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area, up to five years from the time the application is made. For major schemes where the full impact should also be assessed up to ten years from the time the application is made."*

2.03 It is therefore important to consider whether local floorspace thresholds should be set within Cheshire East and if considered appropriate, we will advise on what these thresholds should be.

2.04 The NPPF provides no further detail regarding local thresholds, however, the National Planning Practice Guidance (NPPG) (2014) does. Paragraph 13 of the 'Ensuring the vitality of town centres' section provides further detail regarding the impact test and states that:

"The purpose of the test is to ensure that the impact over time (up to five years (ten for major schemes)) of certain out of centre and edge of centre proposals on existing town centres is not significantly adverse. The test relates to retail, office and leisure development (not all main town centre uses) which are not in accordance with an up to date Local Plan and outside of existing town centres. It is important that the impact is assessed in relation to all town centres that may be affected, which are not necessarily just those closest to the proposal and may be in neighbouring authority areas."

2.05 Paragraph 16 provides guidance in relation to floorspace thresholds and states:

'The impact test only applies to proposals exceeding 2,500 square metres gross of floorspace unless a different locally appropriate threshold is set by the local planning authority. In setting a locally appropriate threshold it will be important to consider the:

- *Scale of proposals relative to town centres;*
- *The existing viability and vitality of town centres;*
- *Cumulative effects of recent developments;*
- *Whether local town centres are vulnerable;*
- *Likely effects of development on any town centre strategy; and*
- *Impact on any other planned investment'.*

2.06 It is considered that a blanket threshold is unsuitable for all types of centre across an administrative area. For example, a 500 sq.m convenience store (which could be operated by Tesco Express or Sainsbury's Local for example) will have a greater impact on a local centre than a similar facility would on larger centres in the Borough. Therefore, in developing a threshold policy it is more appropriate to have a range of thresholds, depending upon which centre the development applies to. Accordingly, policy should advocate a tiered approach whereby the threshold applied to planning applications at edge-of-centre and out-of-centre locations varies in relation to the role and function of the particular centre.

2.07 In terms of the hierarchy of centres in Cheshire East, Policy PG 2 (Settlement Hierarchy) of the emerging Local Plan Strategy defines the following settlement hierarchy:

Principal Towns: Crewe and Macclesfield

Key Service Centres: Alsager, Congleton, Handforth, Knutsford, Middlewich, Nantwich, Poynton, Sandbach and Wilmslow

Local Service Centres: Alderley Edge, Audlem, Bollington, Bunbury, Chelford, Disley, Goostrey, Haslington, Holmes Chapel, Mobberley, Prestbury, Shavington and Wrenbury.

2.08 Policy EG 5 (Promoting a Town Centre First Approach to Retail and Commerce), defines the hierarchy of retail centres in Cheshire East. The retail hierarchy mirrors the Settlement Hierarchy. The policy states that:

"Proposals for main town centre uses should be located within the designated town centres or on other sites allocated for that particular type of development. Where there are no suitable sites available, edge-of-centre locations must be considered prior to out of centre locations. Edge-of-centre and out-of-centre proposals will be considered where:

i. there is no significant adverse impact on the vitality and viability of the surrounding town centres; and

ii. it is demonstrated that the tests outlined in current Government guidance can be satisfied."

iii. The sequential approach will not be applied to applications for small scale rural offices or other small scale rural development in line with the Government Guidance.

2.09 The supporting text goes on to state:

"The Council is keen to preserve and enhance the vitality and viability of its existing town centres. Therefore, it is important to make sure that proposals for town centre uses located outside of these town centres do not have a significant adverse impact on these existing centres. These impacts could include an increase in the number of vacant units and a reduction in turnover. More information on town centre impacts can be

found in Government guidance, but the Council will apply the sequential test set out in Paragraph 26 of the NPPF when determining retail applications with a floorspace in excess of 2,500 square metres."

2.10 Currently, there are no impact thresholds set or proposed for the various tiers of the retail hierarchy; Policy EG 5 defaults back to the 2,500 sq.m threshold set by Paragraph 26 of the NPPF.

2.11 The Council, in February 2017, published and consulted on the Site Allocations and Development Policies Document: Issues Paper (SADPD). Paragraph 8.4 sets out the issues relating to town centres and retail development that the Council intend to address within the document. With regards to locally set retail thresholds, the document states:

"*Taking into account paragraph 26 of the NPPF, whether locally set thresholds should be included in the SADPD for assessing applications for retail, leisure and office development outside of town centres that are not in accordance with the Local Plan.*"

2.12 This report has therefore been commissioned to inform this process and establish whether or not it is appropriate to designate tier specific retail thresholds within the emerging SADPD, beyond the 2,500 sq.m threshold set by the NPPF.

3.0 Methodology

3.01 For the purpose of this report, a methodology had been devised for assessing the appropriate threshold level to be applied to the designated retail centres. This is based on the guidance set out in the NPPG and brings together relevant information relating to each of the centres. Against this evidence base, a judgement is then made on the appropriate thresholds for each tier of centre.

3.02 The characteristics of each centre are unique, and therefore the potential impacts of the same development could affect two centres of the same tier in different ways. This report considers whether it is appropriate for a single threshold to apply to each tier or whether individual or cross-tier thresholds are necessary. Whilst the latter could potentially reduce simplicity and clarity, the retail provisions vary significantly within the same tiers, particularly within the Local Service Centre category.

3.03 The following information has been obtained for each centre:

- total floorspace for each main town centre use;
- the floor areas of each unit for different types of town centre uses;
- details of main town centre use planning applications in the Borough over the previous five years;
- the scale of existing out of centre retail development;
- the 'health checks' for each centre with indicators of viability and vitality;
- any town centre strategies; and
- details of any other planned investment.

3.04 The floorspace data was collected to understand the scale of the centres and the mixes of floorspace uses within them given that certain types of use are considered more likely to pose a threat to town centre vitality and viability when located edge or out of centre. Such uses more likely to pose a threat comprise convenience retail, comparison retail and leisure uses. It is considered unlikely that there will be significant pressure for edge or out of centre retail service or financial and professional service uses, either in terms of unit size or total floorspace. This is due to the trading characteristics of such uses. For example, it is unlikely that a hairdresser of 1,000 sq.m would exist, although a convenience retail, comparison retail or leisure use of that size would be likely.

3.05 Data regarding the distribution of unit sizes was obtained to understand about the scale of 'anchors'[1] in the centres and the composition of the centres. Planning history and existing out of centre retail information was obtained to understand about the pressure for out of centre development and out of centre competition. Health checks, information about town centre strategies and details of planned investment were obtained to understand how the centres may cope with further out of centre competition or how vulnerable they would be to change.

1.1.1

[1] Retailers that help to pull shoppers to particular centres, increasing footfall and 'spin-off' benefits to other retailers

4.0 Analysis

Centres' Floorspace Analysis

4.01 Table 4.1 shows the total average floorspace in each tier of centre broken down in to the different use categories (as categorised by 'Goad'); shown in both sq.m and as percentages. It should be noted that the centre boundaries used by Goad do not correspond with the boundaries reflected in the legacy Local Plans that currently define the town centre boundaries for the Borough (Crewe and Nantwich, Congleton and Macclesfield Borough local Plan Documents). This floorspace analysis is based on floorspace data contained within the Goad boundaries (as updated by WYG in the 2015 Cheshire Retail Study) as opposed to the town centre boundaries designated by the legacy local plan documents.

4.02 The data used to inform this analysis was recorded by WYG when undertaking the health check assessments as part of the Cheshire East Retail Study (CERS) (May, 2016). The surveys were carried out in 2015 however; we don't expect the centres to have materially changed in the last 18 months. WYG have confirmed that there has been no significant development within defined centre boundaries (in which the data reflects) since the surveys were undertaken. It is however worth noting that, due to its close proximity to the west of the Borough, the Barons Quay development in Northwich (Cheshire West and Chester) may have an impact on spending patterns within Cheshire East, in particular on Middlewich and Knutsford where it is considered that some trade could be diverted from to Barons Quay due to geographic proximity. The existing overtrading of Middlewich convenience stores (as identified by the 2015 retail study) should be monitored in light of the opening of the Asda at Barons Quay.

4.03 With regards to Local Service Centres, we recommended boundaries (where applicable) as part of the Retail Study. For the purposes of the health checks, the diversity of use analysis was based on the retail uses recorded within our recommended boundaries. This is due to the sporadic nature of a number of the centres, with some recorded units holding no relationship with the retail function of various centres. To remain consistent, the same floorspace figures have been used to inform this analysis, therefore a limited number of recorded uses in peripheral parts of centres are omitted from this analysis. However, we found three of the Local Service Centres (Bunbury, Shavington and Wrenbury) to be subject to such low/sporadic retail provisions that it was not possible to define a retail boundary. Whilst commentary was provided on the uses present, the floorspace figures were not recorded in a diversity of use analysis. It has been decided that for the purposes of this study, the floorspace figures of all retail and service units recorded at these three centres are also included in the analysis.

4.04 As an example of how the figures were calculated, the convenience floorspace figure of 12,380 sq.m for the Principal Towns is derived from the total amount of convenience floorspace in Crewe (18,750 sq.m) and Macclesfield (6,010 sq.m) divided by the number of centres in that tier, which in this example is two. The convenience percentage figure shows this as a proportion of the total average floorspace in this tier of centre, i.e. 88,165 sq.m.

Table 4.1 - Total Average Floorspace by Centre Tier and Use

	Principal Town		Key Service Centre		Local Service Centre	
	Sq.m	%	Sq.m	%	Sq.m	%
Convenience	12,380	14.0%	4,815	20.1%	661	24.5%
Comparison	35,995	40.8%	7,234	30.3%	464	17.2%
Retail Service	4,960	5.6%	2,759	11.5%	335	12.4%
Leisure Sercive	14,420	16.4%	5,220	21.8%	944	35.0%
Financial and Business Service	7,280	8.3%	2,022	8.5%	220	8.1%
Vacant	13,130	14.9%	1,849	7.7%	73	2.7%
TOTAL	**88,165**	**100.0%**	**23,899**	**100.0%**	**2,697**	**100.0%**

Source: WYG Health Check Data 2015

4.05 Table 4.1 shows the large difference in total scale of centres between each of the tiers, as one would expect. It also demonstrates the greater reliance on convenience retailing and retail service provision (such as hairdressers, dry cleaners, and Post Office's) in the Key and particularly the Local Service Centres. This would be expected as the focus of smaller, more local centres is on meeting people's day to day needs. In contrast, the Principal Town centres have a greater proportion of comparison retailers. The results also show that the Principal Town centres have a greater proportion of vacant units, which suggests that they may be more vulnerable to out of centre competition.

Convenience Floorspace

4.06 Table 4.2 shows the numbers and percentages of units falling within each size category for convenience retailers averaged for each tier of centre.

4.07 In this table, for example, the number of units below 200 sq.m in each of the Principal Town centres (Crewe and Macclesfield) were counted and averaged to give the average count figure of 20.5 units under 200 sq.m in the town centres. In a similar way, the proportion of convenience units in each centre under 200 sq.m were averaged to provide a percentage figure of 83.7%.

Table 4.2 - Average Convenience Retail Unit Size by Centre Tier

Sq.m	Principal Town		Key Service Centre		Local Service Centre	
	Count	%	Count	%	Count	%
<199	20.5	83.7%	8.1	67.6%	6.0	81.8%
200 - 299	0.5	2.0%	0.9	7.4%	0.3	4.5%
300 - 499	1.5	6.1%	0.7	5.6%	0.7	9.1%
500 - 999	0.0	0.0%	0.8	6.5%	0.0	0.0%
1,000 - 1,499	0.5	2.0%	0.7	5.6%	0.3	4.5%
>1,500	1.5	6.1%	0.9	7.4%	0.0	0.0%
TOTAL	**24.5**	**100.0%**	**12.0**	**100.0%**	**7.3**	**100.0%**

Source: WYG Health Check data 2015

4.08 The table shows that the two Principal Towns have a greater proportion of smaller convenience units than the Key Service Centres and the Local Service Centres. This can be attributed to low levels of larger units (above 500 sq.m) within the town centre boundaries of the Principal Towns. Consequently, the Key Service Centres have a greater level of larger units (above 500 sq.m).

4.09 The larger convenience retailers that are present within the Principal Towns and Key Service Centres represent anchors to the centres and therefore the loss of such an anchor would potentially put the centre at risk of decline. The table further shows the relatively low numbers of retailers selling convenience goods in the Local Service Centres with an average of only 1.3 convenience retailers with units of over 200 sq.m floorspace. The overall findings are summarised in Table 4.3, which shows the average convenience retail unit sizes in each tier of centre.

Table 4.3 - Average convenience unit size in each tier of centre

Sq.m	Principal Town	Key Service Centre	Local Service Centre
Average	593.5	413.4	157.7

Source: WYG Health Check data 2015

Comparison Floorspace

4.10 Table 4.4 shows the numbers of units falling within each size category for comparison retailers averaged for each tier of centre. This shows that the smaller the centre the greater the proportion of smaller units.

4.11 The table also shows that within the Local Service Centres, a limited total of 1.6% of comparison goods retailers occupy units with more than 500 sq.m of floorspace, and in Key Service Centres only 3.2% of the average total above this size. Furthermore, the 1.6% average figure achieved for units with a floorspace greater than 500 sq.m in Local Service Centres is solely attributed to one unit; Chelford Farm Supplies, which is the only unit across this tier of centre that is larger than 200 sq.m. This suggests that significant out of centre development for comparison goods could affect the relatively small number of comparison units in Key and Local Service Centres.

4.12 In terms of the Key Service Centres comparison anchors could be considered to be those with unit sizes exceeding 300 sq.m, and for Local Service Centres those with unit sizes exceeding 200 sq.m.

Table 4.4 - Average Comparison Retail Unit Size by Centre Tier

Sq.m	Principal Town		Key Service Centre		Local Service Centre	
	Count	%	Count	%	Count	%
<199	88.5	67.6%	42.4	83.8%	4.8	98.4%
200 - 299	16.0	12.2%	3.9	7.7%	0.0	0.0%
300 - 499	11.5	8.8%	2.7	5.3%	0.0	0.0%
500 - 999	8.5	6.5%	1.3	2.6%	0.1	1.6%
1,000 - 1,499	2.0	1.5%	0.1	0.2%	0.0	0.0%
>1,500	4.5	3.4%	0.2	0.4%	0.0	0.0%
TOTAL	**131.0**	**100.0%**	**50.7**	**100.0%**	**4.9**	**100.0%**

Source: WYG Health Check data 2015

4.13 Comparison retail is more important to the Principal Town centres and it is not therefore surprising that they benefit from a greater distribution of unit sizes. An average of 11.4% of units in the Principal Town centres are greater than 500 sq.m, with 3.4% exceeding 1,500 sq.m. A comparison goods anchor in Principal Town centres is therefore also considered to be around 500 sq.m.

4.14 Table 4.5 shows the average unit size for comparison goods in each tier of centre. The average sizes are relatively low and this is as a result of the overall bias towards the high proportion of smaller units.

Table 4.5 - Average comparison unit size in each tier of centre

Sq.m	Principal Town	Key Service Centre	Local Service Centre
Average	310.5	134.0	130.0

Source: WYG Health Check data 2015

Other Town Centre Use Floorspace

4.15 Similar analyses were carried out for other town centre uses; retail services (such as health and beauty, dry cleaning, photo processing, travel agents and post offices), leisure services (pubs, restaurants, cafes, take away's, betting offices and cinemas) and financial and professional services (such as banks, solicitors, and accountants).

4.16 Table 4.6 shows an assessment of retail service unit sizes averaged for each tier of centre. This shows a very strong trend in small sized units for such uses across all tiers of centres. The average sizes (Table 4.7) decrease downwards across all tiers of centres at 96 sq.m (Principal Towns) and 55.9 sq.m (Local Service Centres). It is quite clear that the size of retail service facilities is significantly low than convenience and comparison goods units.

Table 4.6 - Average retail services unit size by Centre Tier

Sq.m	Principal Town		Key Service Centre		Local Service Centre	
	Count	%	Count	%	Count	%
<199	48.5	93.3%	30.4	95.1%	4.7	96.8%
200 - 299	2.0	3.8%	1.1	3.5%	0.1	1.6%
300 - 499	1.0	1.9%	0.2	0.7%	0.1	1.6%
500 - 999	0.5	1.0%	0.2	0.7%	0.0	0.0%
1,000 - 1,499	0.0	0.0%	0.0	0.0%	0.0	0.0%
>1,500	0.0	0.0%	0.0	0.0%	0.0	0.0%
TOTAL	**52.0**	**100.0%**	**32.0**	**100.0%**	**4.8**	**100.0%**

Source: WYG Health Check data 2015

Table 4.7 - Average retail services unit size in each tier of centre

Sq.m	Principal Town	Key Service Centre	Local Service Centre
Average	96	83.3	55.9

Source: WYG Health Check data 2015

4.17 Table 4.8 similarly shows an assessment of how leisure service unit sizes averaged for each tier of centre. This shows that the Principal Town centres have a larger distribution of unit size with an average of 3.8% of units exceeding 1,000 sq.m in size. In contrast, only 0.3% of the Key Service Centres, and none of the Local Service Centres have leisure service units which are above 1,000 sq.m in size. The total average unit sizes, as shown in Table 4.9, decrease between the differing tiers of centres, although the average sizes in the Key and Local Service centres is similar.

Table 4.8 - Average leisure services unit size

Sq.m	Principal Town		Key Service Centre		Local Service Centre	
	Count	%	Count	%	Count	%
<199	41.0	63.1%	24.8	73.6%	4.8	77.5%
200 - 299	14.5	22.3%	4.8	14.2%	0.7	11.3%
300 - 499	4.0	6.2%	3.6	10.6%	0.5	8.8%
500 - 999	3.0	4.6%	0.4	1.3%	0.2	2.5%
1,000 - 1,499	1.5	2.3%	0.1	0.3%	0.0	0.0%
>1,500	1.0	1.5%	0.0	0.0%	0.0	0.0%
TOTAL	**65.0**	**100.0%**	**33.7**	**100.0%**	**6.2**	**100.0%**

Source: WYG Health Check data 2015

Table 4.9 - Average leisure services unit size in each tier of centre

Sq.m	Principal Town	Key Service Centre	Local Service Centre
Average	248.5	150.8	138.4

Source: WYG Health Check data 2015

4.18 Table 4.10 provides information regarding the unit size distribution for financial and business service uses. This shows that in relation to all tiers of centres, the distribution of unit size is limited and units are generally small in scale. Only one unit exceeds 1,000 sq.m in the Principal Towns (Macclesfield), no units exceed 1000 sq.m in the Key Service Centres, and no units exceed 500 sq.m in the Local Service Centres. The Principal Town centres do however benefit from a wider range of unit size in financial and professional services with only 73.8% of units falling below 200 sq.m compared to 84.6% in the Key Service Centres and 97.1% in the Local Service Centres. This is reflected in the total average unit sizes as shown in Table 4.11 with average sizes of 182.5 sq.m in the Principal Towns, 119.8 sq.m in the Key Service Centres and 39.6 sq.m in the Local Service Centres.

Table 4.10 - Average financial and business service use unit size

Sq.m	Principal Town		Key Service Centre		Local Service Centre	
	Count	%	Count	%	Count	%
<199	29.5	73.8%	13.4	84.6%	2.6	97.1%
200 - 299	4.0	10.0%	1.6	9.8%	0.0	0.0%
300 - 499	5.0	12.5%	0.7	4.2%	0.1	2.9%
500 - 999	1.0	2.5%	0.2	1.4%	0.0	0.0%
1,000 - 1,499	0.5	1.3%	0.0	0.0%	0.0	0.0%
>1,500	0.0	0.0%	0.0	0.0%	0.0	0.0%
TOTAL	**40.0**	**100.0%**	**15.9**	**100.0%**	**2.7**	**100.0%**

Source: WYG Health Check data 2015

Table 4.11 - Average financial and professional service use unit size in each tier of centre

Sq.m	Principal Town	Key Service Centre	Local Service Centre
Average	182.5	119.8	39.6

Source: WYG Health Check data 2015

4.19 In summary, the floorspace analysis has indicated that:

- the smaller the centre the smaller the average unit size;
- on average comparison units are smaller than convenience units;
- on average retail service, leisure service and financial and professional service units are smaller than convenience and comparison retail units, with retail service uses on average occupying the smallest units in the centres;
- convenience units over 500 sq.m are considered to anchor all tiers of retail centres;
- comparison units over 200 sq.m are considered to anchor Local Service Centres, units over 300 sq.m are considered to anchor Key Service Centres, and units over 500 sq.m are considered to anchor the Principal Town centres;
- leisure uses over 500 sq.m are considered to anchor the Principal Town centres (these include sports and leisure facilities, theatres and concert halls and multiple-retailer public houses) and around 200-300 sq.m in relation to the Key and Local Service Centres (these typically include restaurants and public houses); and
- the smaller the centre the lower the number of anchors present.

4.20 Developing these points further, it stands to reason that the smaller the centre the more vulnerable they could be to smaller-scale out of centre retail. This is because smaller centres generally comprise smaller units and, since 'like competes with like', a small-scale out of centre development would more likely compete directly with similar sized in-centre units. Further, since smaller centres comprise less overall floorspace, the impact of any out of centre development would be spread amongst fewer retailers resulting in a greater impact. For these reasons, lower tier centres should have lower threshold levels than the larger centres.

Out of Centre Development Pressure

4.21 In order to assess existing and historic patterns for out of centre development, information has been gathered regarding the location, size, planning restrictions and occupiers of existing out of centre retail units, and records of approved planning applications for out of centre retail developments were collated.

Existing out of centre retailing

4.22 Table 4.12 shows the details of existing out of centre retail parks in Cheshire East. Excluding Statham Street Retail Park Macclesfield (B&Q), it does not provide information relating to stand-alone retail units, for which information was not readily available.

4.23 The out of centre retail parks are more likely to directly compete with the top tier centres given that they are higher order centres (i.e. they contain fewer day to day goods and services and more one-off purchase products as well as higher quality retailers). However, it is also noted that in Cheshire East there are a number of Key Service Centres that have a relatively significant comparison goods offer in terms of the number of units, in particular, Knutsford, Poynton and Wilmslow. These centres are also particularly more vulnerable from competition from out-of-centre retailers. It should however be noted that, in terms of the provision of comparison goods floorspace, all of these Key Service Centres fall below the current national average. Whilst Handforth is subject to the potential pressure from out-of-centre facilities only by virtue of its geographical location within the A34 corridor, these out-of-centre facilities are not considered to compete on a like a like basis with Handforth, given its more localised convenience offer and service composition.

4.24 The findings show that there is approximately 59,405 sq.m of out of centre retail competing with Macclesfield town centre, approximately 18,172 sq.m competing with Crewe town centre, and approximately 11,543 competing with Congleton town centre. For the most part, this floorspace is unrestricted, 'open' A1, meaning that any goods can be sold, including those typically sold from town centres. The Silk Retail Park in Macclesfield, comprising three units, is the only one that is largely restricted to 'bulky' goods (i.e. household appliances, furniture etc.) although there is also a McDonalds located on the site.

4.25 The level of edge and out of centre floorspace affecting Macclesfield equates to over half of its in-centre floorspace. However, this assessment includes the Handforth Dean Shopping Centre (which has recently expanded to incorporate a 7,626 sq.m Next and is subject to further emerging developments) and the Stanley Green Retail Park, which is located just inside Stockport (albeit adjoins with the Cheshire East boundary so remains relevant). Since the Handforth retail corridor, to some extent, forms part of the wider Greater Manchester conurbation, the relationship of this out of centre retail to Macclesfield town centre is difficult to define, i.e. it could equally, or indeed more appropriately be described as representing Stockport town centre's out of centre floorspace. Indeed, the degree of out of centre retail floorspace should be used with some caution for this very reason. Whilst existing and proposed out of centre developments at Handforth should be considered in the context of Macclesfield, it is potential developments in closer proximity to the town centre that pose a greater threat to its vitality and viability. Considering the above, the competing floorspace figure can be reduced from 59,405 sq.m (including the Handforth developments) to 20,708 sq.m, when considering the out of centre floorspace having an immediate and clearly defined impact on Macclesfield town centre due to the close proximity to Macclesfield town centre and location within the wider Macclesfield settlement. This comprises the Lyme Green Retail Park, Silk Retail Park and the Statham Street Retail Park, which have a combined floorspace equating to approximately 20.0% of Macclesfield's in-centre floorspace.

Table 4.12 – Out of centre Retail Parks (Borough Wide)

Retail Park	Size (Sq.m)	Type	Occupiers	Category
North-Borough				
Silk Retail Park, Macclesfield	3,893	Bulky	Wickes, Oak Furnitureland and McDonalds	Out of Centre
Lyme Green Retail Park, Macclesfield	10,219	Open A1 (non-food) + leisure	Burger King, AMF Bowling, Matalan, Carpet Right, Next, Currys PC World, Pets at Home, Pound Stretcher, Harveys and Homebase	Out of Centre
Statham Street Retail Park, Macclesfield	6,596	Open A1 (non-food)	B&Q	Edge of Centre
Handforth Dean Shopping Centre	30,197	Open A1 (non-food)	Boots, Marks & Spencer, Outfit, Tesco and Next	Out of Centre
Stanley Green Retail Park, Handforth	8,500	Open A1 (non-food)	B&Q, TK Maxx, Halfords, Furniture Village, Home Sense and Costa	Out of Centre
Sub Total	**59,405**			
Mid-Borough				
Congleton Retail Park	6,043	Open A1	Carphone Warehouse, Topps Tiles, Bensons for Beds, Pet Food Jollys, Boots, Brantano, Laura Ashley, Halfords, M&S Simply Food and Family Bargains	Out of Centre
West Heath Shopping Centre, Congleton	5,500	Open A1	Aldi, Home Bargains, Iceland, M'Coll's, Bet Fred, Subway and a range of Local Traders.	Out of Centre
Sub Total	**11,543**			
South-Borough				
Grand Junction Retail Park, Crewe	18,172	Open A1	Next, Sports Direct, Hobbycraft, InStore, Poundworld, Brantano, Halfords, M&S Simply Food, Currys/PC World, Carpetright, Maplin, Pets at Home, Laura Ashley, Aldi, Home Bargains, Bathstore, Harveys, Sofaworks, Bella Italia, Chiquitos, Costa, Boots, TK Maxx, Frankie & Benny's, KFC, Nandos and Carphone Warehouse	Edge of Centre
Sub Total	**18,172**			
OVERALL TOTAL	**89,120**			

Source: Completely Retail 2017

4.26 It should also be noted that, in our view the most significant existing competition to Macclesfield town centre is the Lyme Green Retail Park, which accommodates a number of national multiple retailers that often occupy town centre locations, most notably Next, which relocated from Macclesfield town centre to the Lyme Green Retail Park in 2011. However, in 2007 Mc Donald's also closed their Macclesfield town centre franchise, reducing their Macclesfield offer to the Silk Retail Park site only, favouring the site that accommodated a drive through facility.

4.27 In respect of Crewe, Grand Junction Retail Park is situated in an edge-of-centre location, within 300m of the town centre boundary, comprising a gross floor space of 18,172 sq.m (28 units). This equates to approximately 25.0% of Crewe's in-centre floorspace (77,380). Whilst the close presence of Grand Junction may act to enhance the appeal of Crewe as a place to shop, the retail park is a separate and competing destination to the town centre.

4.28 The Cheshire East Retail Study Update (2016) identified that, since 2010, the comparison goods market share of expenditure achieved by Crewe town centre has decreased by 2.2 percentage points whilst the market share of Grand Junction Retail Park has increased by 0.9 percentage points. This indicates that the presence of the retail park in close proximity to the town centre is taking some market share from Crewe town centre and as such impacting on its vitality and viability. However, if connectivity between the retail park and the town centre could be markedly improved, the town centre may benefit from customers drawn to the retail park.

4.29 There are two out-of-centre retail destinations competing with Congleton town centre; Congleton Retail Park and West Heath Shopping Centre. Congleton Retail Park is located approximately 600m to the north-west of Congleton's town centre boundary. The retail park contains 10 units and is anchored by an M&S Simply Food with the remaining units all selling predominantly comparison goods. The retail park has a total floorspace of 6,043 sq.m, which equates to approximately 20.0% of Congleton's in-centre floorspace (32,179 sq.m).

4.30 The West Heath Shopping Centre is located approximately 2.4 kilometres west of the town centre boundary. The shopping centre currently contains 11 units and is anchored by an Aldi foodstore. The other units comprise a mix of convenience good, comparison good and leisure uses. The shopping centre has an approximate total floorspace of 5,500 sq.m. The combined floorspace of the two out-of-centre retail locations equates to approximately one third of Congleton's in-centre floorspace.

Retail Planning History

4.31 Appendix 1 contains Table 4.13 which provides details of approved major planning applications in Cheshire East for convenience goods and comparison goods retail development over the last five years.

4.32 The table shows that all but six of the 18 planning applications were for out of centre development. Of the 18 applications, ten related to convenience retail uses; of which six were out of centre proposals. Three of these related to Crewe, one to Macclesfield, two to Holmes Chapel and one to Alsager.

4.33 Two of the applications proposed comparison retail developments in Macclesfield town centre, whereas six related to out-of-centre comparison development within Crewe, Macclesfield and Handforth.

4.34 The average gross retail floorspace for convenience goods development within each tier of centre is as follows:

- Principal Towns: 1,276 sq.m (gross), 865 sq.m (net);
- Key Service Centres: 3,641 sq.m (gross), 2,426 sq.m (net); and
- Local Service Centres: 2,361 sq.m (gross), 1,508 sq.m (net).

4.35 The above is based on the data included within Table 4.13 which relates to consented planning applications. It should; however, be noted that a number of these have not yet commenced or remain extant. In relation to The Towers and Progress Mill proposal for a Lidl supermarket which was later withdrawn, we understand that Lidl has now submitted a revised proposal for the site (Application Ref. 17/3022M).

4.36 In terms of comparison goods proposals, seven of the eight planning applications related to the Principal Towns, the gross average floorspace being 1,536 sq.m and the net average floorspace being 1,251 sq.m. A further comparison goods planning application was approved at the Handforth Dean Retail Park for a Next (7,160 sq.m gross; 3,831 sq.m net).

4.37 In summary, the retail planning history analysis has indicated that:

- Crewe experiences the greatest pressure from out of centre retail proposals;
- Holmes Chapel also experiences significant pressure from out of centre retail;
- Holmes Chapel has been subject to out-of-centre convenience goods proposals that are significantly greater in scale than proposals in other local centres;
- On the most part, Key and Local Service Centres have not been subject to out-of-centre development pressures from comparison goods proposals;
- Major applications have been submitted for retail developments within the centres of Macclesfield, Middlewich and Poynton. If implemented, these could potentially lead to improvements in these centres to assist in combating competition from out of centre retail units.

Vulnerability of the centres

Vitality and Viability

4.38 Health checks for the Principal Towns, Key Service C and Local Service Centres were carried out by WYG in 2015/16 and therefore are still considered to be reasonably up-to-date. The full health checks are located within Appendix 3 of the Cheshire East Retail Study Update 2016.

4.39 The health of the each of the centres can be summarised as follows:

- **Macclesfield** – Macclesfield is well represented in terms of comparison goods and retail services. The proportion of convenience goods floorspace in the centre is below the national average, which is largely a result of the lack of a large-scale supermarket operator present in the centre. Macclesfield's leisure service offer is also weak. Macclesfield benefits from an attractive public realm as a result of both the distinct historic environment and previous programmes of investment that have taken place in the centre. Notwithstanding this, the vacancy rate in the centre is above the national average, with these empty units detracting from the environmental quality of the centre. Overall, Macclesfield is showing some positive vitality and viability indicators particularly in relation to the comparison and service sector, but there are also a number of indicators that demonstrate that the centre has struggled over the past five years and is vulnerable.

- **Crewe** – Crewe town centre provides an important resource, particularly for residents in the southern part of the Borough, in catering for their convenience and comparison goods needs, as well as providing a key location to access a range of services. The centre has a strong representation from national multiple operators; however, such operators are largely focussed on the value end of the market, with the town lacking in terms of more upmarket national operators. The environmental quality of Crewe is mixed and it is considered that connectivity could be improved between different areas of the town centre. Indeed, the high vacancy rate in the centre detracts from the environmental quality, with the proportion of vacant units in the centre being nearly double the national average. However, it is clear that plans are in place to assist the regeneration of the centre via the Crewe Town Centre Regeneration Framework for Growth, with specific plans in the pipeline including the Council's proposal to redevelop part of the Royal Arcade site. The Council have announced Cordwell Property Group & Peveril Securities as their preferred development partner to deliver the scheme, subject to the agreement of terms.

- **Alsager** – Showing signs of vitality and viability, Alsager provides an important resource for the local communities in catering for their convenience goods and service needs and offers a reasonable range of goods for a centre of its size and role.
- **Congleton** – Showing some signs of vitality and viability but also some signs of decline, the town centre has a range of strengths including strong levels of footfall and favourable environmental quality in the pedestrianised areas of the town centre. There is a reasonable number of national multiple retailers present in the centre, however, the majority of the retail and service offer is provided by independent retailers. Although there are two supermarkets present in the centre, namely Aldi and Morrisons, the wider range of convenience goods units is limited. In terms of the centre's weaknesses, the vacancy rate is greater than the national average.
- **Handforth** – Handforth is the smallest of the defined Key Service Centres in CE, and given the limited range of retail and service units present, the centre caters for local service needs. Wilmslow town centre and Handforth Dean Retail Park are located in close proximity to the centre and provide a much wider retail offer.
- **Knutsford** – Showing signs of vitality and viability, Knutsford is considered to be a vibrant and thriving centre. As well as providing an important retail and service

destination for local residents, as a result of the varied retail offer and evening economy, the centre also attracts customers from further afield.

- **Middlewich** – Middlewich provides for the convenience and service needs of a local catchment. Indeed, it has a strong convenience goods function when compared to the national average, with the centre anchored by a Tesco Superstore. There are also edge-of-centre Lidl and Morrisons foodstores. The proportion of retail service units present in the centre is substantially greater than the national average; the majority of such units comprise health and beauty units. Although the proportion of comparison goods units in the centre is lower than the national average, this is to be expected given the scale of the centre and the proximity of Middlewich to higher order centres such as Crewe, which provide a wider comparison goods offer.
- **Nantwich** – Showing signs of vitality and viability, Nantwich provides a role in catering for the day-to-day retail and service needs of those residents in the south-western part of the Borough. The centre provides a good range of speciality and independent shops, which creates a unique shopping environment and caters for visitors, as well as local residents. Overall, Nantwich is considered to be a vital and viable centre. Even though Nantwich is located a short distance from the higher order centre of Crewe, its specialist offer means it is able to complement and offer something different to the offer of Crewe town centre and Grand Junction Retail Park.
- **Poynton** – Showing signs of vitality and viability, Poynton is considered to be a healthy centre. Indeed, its vitality and viability has improved considerably since 2010. The centre performs a role in meeting the convenience shopping and day-today service needs of the local resident population. Whilst Asda closed down in September 2016, the convenience goods offer in Poynton has still improved in recent years with new Waitrose and Aldi supermarkets opening. The vacancy rate in the centre is very low, with the number of vacant units and floorspace having halved since 2010.
- **Sandbach** – Showing signs of vitality and viability, Sandbach provides an important resource in catering for the retail and service needs of the local population. Although the majority of units are occupied by independent retailers, there are several national multiple retailers present in the centre, which act to provide a good mix. The centre has a low vacancy rate and there are no long-term vacancies in the centre, which indicates that it is a popular location for retail and service operators to locate. The environmental

quality of the centre is also good. Overall, Sandbach is considered a healthy Key Service Centre.

- **Wilmslow** – Showing signs of vitality and viability, Wilmslow is viewed as a reasonably healthy centre. The centre is well represented in terms of the independent sector; however, there are also a good range of national multiple retailers present for a centre of Wilmslow's scale. The centre is located in close proximity to the out-of-centre retail outlets at Handforth Dean and Cheadle Royal, which provide competition to the town centre. Currently the centre appears to be withstanding the competition provided by these destinations, although its market share has declined. However, the centre may benefit from a stronger identity to ensure it responds to such pressure in the future.

- **Alderley Edge –** Showing signs of vitality and viability, Alderley Edge is subject to a significantly greater provision of retail and services than the other Local Service Centres excluding, Holmes Chapel.
- **Audlem –** Showing signs of vitality and viability, Audlem includes convenience goods, comparison goods and retail service uses. It is considered that this centre serves the role of a Local Service Centre for retail purposes.
- **Bollington –** Showing signs of vitality and viability, Bollington includes convenience goods, comparison goods and retail service uses. It is considered that this centre serves the role of a Local Service Centre for retail purposes.
- **Bunbury –** Very small local service centre with a limited provision of retail and services.
- **Chelford –** Showing signs of vitality and viability. Chelford includes convenience, comparison, retail service, leisure service and financial and business service units. Chelford's offer is diversified by the presence of Chelford Farm Supplies (910 sq.m gross) which is the largest unit in the centre.
- **Disley –** Showing signs of vitality and viability, Disley includes convenience goods, comparison goods and retail service uses. It is considered that this centre serves the role of a Local Service Centre for retail purposes.
- **Goostrey –** Small Local Service Centre providing key local retail services.
- **Haslington –** Small Local Service Centre providing key local retail services.
- **Holmes Chapel –** Showing signs of vitality and viability, Holmes Chapel is subject to a significantly greater provision of retail and services than the other Local Service Centres, excluding Alderley Edge.

- **Mobberley –** Small Local Service Centre providing key local retail services.
- **Prestbury –** Showing signs of vitality and viability, Prestbury includes convenience goods, comparison goods and retail service uses. It is considered that this centre serves the role of a Local Service Centre for retail purposes.
- **Shavington –** Very small Local Service Centre, with a limited provision of retail and services.
- **Wrenbury –** Very small Local Service Centre, with a limited provision of retail and services.

4.40 To summarise the findings of the health checks, in terms of the Principal Town centres, Crewe is considered particularly vulnerable to further edge or out of centre development and whilst Macclesfield is to some extent vital and viable, it does display some vulnerabilities and needs to be carefully monitored. Therefore, a threshold lower than the nationally set level of 2,500 sq.m would be beneficial and justified. Whilst the findings show that the Key Service Centres are generally vital and viable, it is considered appropriate to apply the same principles.

Planned Investments

4.41 WYG has identified the following in terms of significant planned investments in Cheshire East:

- **Macclesfield** – Macclesfield is currently subject to three emerging proposals for major retail developments. Two of the proposals are for developments within Macclesfield town centre and one is for an out-of-centre development:

  - **Eskmuir Securities Limited, Grosvenor Centre Redevelopment (In-Centre):** A planning application was submitted in 2012 (Application Ref. 12/2073M) by Eskmuir Securities Limited, the owner of the Grosvenor Shopping Centre, Macclesfield, to demolish five of the existing retail units including the Castle Street frontage to make way for a new four storey building for four shops and an extension into the former Cheshire Building Society premises to create offices. The development is currently under construction and Eskmuir have confirmed that a major fashion retailer will be occupying the anchor unit.

- **Ask Real Estate Ltd, Macclesfield Leisure Scheme (In-Centre):** Following a competitive process in which 19 development proposals were submitted to the Council in 2016, Ask Real Estates Ltd were selected to deliver a redevelopment in Macclesfield town centre including a multiplex cinema, restaurants and retail space designed around an area of quality public realm. This follows the Silk Street redevelopment which was not taken forward due to market conditions and the withdrawal of anchor tenant Debenhams. The latest scheme reflects a smaller development than the original proposals with a focus on leisure services. Ask are expected to submit a planning application for the scheme in 2017.

- **Cedar Investments and Castlemoor Securities Limited, Barracks Mill (Out-of-Centre):** Plans were submitted in December 2015 (Application Ref. 15/5676M) for outline permission to redevelop the former Barracks Mill site, which has been derelict since burning down in 2004, and is located to the north-east of Macclesfield town centre. The proposal involves the demolition of the existing buildings and the provision of a 5,146 sq.m retail warehouse with associated builders yard/garden centre of approximately 1,394 sq.m, 1,686 sq.m of bulky goods retail, 334 sq.m of non food/non-fashion retail and associated car park and access. The planning application was refused by the Council on the grounds that the development would have a significant adverse impact on Macclesfield town centre which outweighs the economic and other benefits of the scheme. The applicant has lodged an appeal to the Secretary of State which is currently in progress.

• **Crewe –** Crewe is currently subject to an emerging proposal for one in-centre major retail development:

- **Cheshire East Council & Development Partner (TBC), Royal Arcade Shopping Centre:** In 2015 the Council purchased the Royal Arcade Shopping Centre in Crewe for £6M to spearhead its redevelopment. A masterplan will be delivered to set out the vision for the site. The proposals are to include retail space (more than 90,000 square feet) an eight screen cinema, gym and five restaurant units, a new Bus Station and multi-storey car park to improve the vitality and viability of Crewe town centre. The Council have selected Cordwell Property Group and Peveril

Securities as its intended development partners for the scheme, subject to the finalisation of terms of the scheme.

- **Congleton –** Congleton is currently subject to an emerging proposal for one in-centre major retail development:

  - **Scarborough Group International, The Mills:** Scarborough Group International are set to deliver 'The Mills' redevelopment in Congleton town centre, which will revitalise the existing Bridestones Centre near Mill Street, providing nine units for shops, restaurant, cafes and a 'new look' market on the site of the existing. The site has been subject to a number of previous proposals that have not transpired. Scarborough Group is expected to submit a planning application for the latest proposal in 2017. This follows a decision by the Council to surrender the leasehold on the Princess Street car park, the freehold of which is already owned by Scarborough, as well as selling the freehold of the market square.

- **Handforth –** Handforth is currently subject to two emerging proposals for major out-of-centre retail developments.

  - **The CPG Scheme, Land at Earl Road, Handforth:** The CPG scheme is a retail-led development located at Earl Road, Handforth. The proposal is for the erection of retail floorspace, cafes, restaurants and drive thru restaurants along with associated car parking, servicing arrangements and landscaping. The applications associated with the CPG scheme can be summarised as follows:

    1. Application Ref. 16/0138M (Phase 3) – the erection of retail and leisure development comprising Class A1 retail units, Class A3 Uses.
    2. Application Ref. 16/0802M (Phase 2) – the erection of four restaurants and three drive-thru restaurants/cafes, along with parking. The application is also submitted in outline only, and proposes a total of 2,427 sq.m (gross) of floorspace. The application is submitted concurrently to application 1, with the applicant citing in the submission that this is to provide the flexibility to

deliver this element of the proposal should application 1 be delayed. The proposed units also form part of application 1.

3. Application Ref. 16/3284M (Phase 1b) – the erection of two retail units to replace the approved garden centre connected to the Next store adjacent to the application site. The application is also submitted in outline, and proposes a total of 2,320 sq.m (gross) of Class A1 floorspace.

The Council resolved to approve the proposals subject to the signing of Section 106 Agreements in May 2017 and in July 2017 the Secretary of State has called in the proposals for his determination.

- **Orbit Developments, Land at Earl Road and Epsom Avenue, Handforth:** The Orbit scheme is located directly south-west of the CPG scheme on land bounded by Earl Road and Epson Avenue. A planning application was submitted in 2015 (Application Ref. 15/0400M) for the demolition of existing buildings and erection of five units to be used for Class A1 (Non-food retail) purposes and two units to be used for Use Class A1 (Non-food retail or sandwich shop) and/or Use Class A3 and/or Use Class A5. Creation of car park and provision of new access from Earl Road, together with landscaping and associated works. The proposal was refused by the Council in February 2016 due on loss of employment land grounds. However, Orbit has appealed to the Secretary of State and a public inquiry into the application was set to begin in June 2017 but has been delayed. A resubmission of the original planning application (Application Ref. 16/5678M) was also submitted in November 2016 and was refused in May 2017. Consequently, the inquiry will now proceed, although this may be co-joined by the Planning Inspectorate with the consideration of the CPG scheme by the Secretary of State.

4.42 In terms of the planned investment and proposals relating to Macclesfield (excluding Barracks Mill), Crewe and Congleton, the above in-centre proposals are very positive in terms of their potential to improve vitality and viability of centres. However, these schemes are all at early stages, with plans yet to be submitted and planning permission secured, and as such it is likely to be some time until any of these in-centre schemes transpire and are delivered.

4.43 In terms of the out-of-centre proposal to redevelop Barracks Mill in Macclesfield, the impact of this development on the vitality and viability of Macclesfield town centre will be reduced should the two in-centre developments be realised. The Eskmuir Securities scheme is currently under construction and is therefore likely to be open to the public in late 2017/early 2018. Ask Retail Estates leisure-led development is likely to be delivered in 2018/19.

4.44 At Handforth there are two proposals for significant retail expansion at the Handforth Dean Retail Park. These developments, should they both be delivered, are not considered to have significant impact on the Handforth Key Service Centre given the limited range of retail and service units present, which cater for local needs only. Handforth's catchment is already significantly constrained by the existing provision at the Handforth Dean Retail Park and additional retail growth at the location is not likely to have significant further impact on Handforth's localised retail provision. The physical limitations of Handforth result in it not being suitable to accommodate any substantial convenience/comparison goods growth.

4.45 We recently provided the Council with advice on the likely cumulative impact of the CPG and Orbit schemes in relation to existing centres in Cheshire East (and Stockport). We concluded that the defined centres in which the developments are likely to have the greatest impact on are Macclesfield and Stockport. With regards to Macclesfield, we concluded that, although the centre has struggled in recent years, particularly with regard to vacancy rates, we do not consider that the cumulative impact of the CPG and other extant planning consents on the centre are likely to have a significant adverse impact, as the CPG schemes at Handforth are likely to compete directly with retail destinations that currently attract high proportions of comparison shopping trips of a similar nature to that which will be proposed at Earl Road. Existing shopping patterns demonstrate that high proportions of residents in the catchment area travel to Stockport, Manchester and the Trafford Centre rather than Macclesfield, to meet their comparison shopping needs, plus to other out-of-centre retail destinations such as Handforth Dean, Cheadle Royal, and Stanley Green Retail Park. We therefore consider that the impact will be less on smaller centres such as Macclesfield, due to the qualitatively different nature of these centres and the evidence confirming that shoppers are less likely to undertake their comparison shopping trips at this centre presently.

5.0 Summary and Conclusions

5.01 The NPPF promotes the role of town centres as the heart of communities and requires that their vitality and viability are protected and enhanced. In doing so, the NPPF requires applications for edge and out-of-centre development that are not in accordance with an up to date development plan, to be supported by impact assessments where their size exceeds the relevant threshold. The NPPF sets a national threshold of 2,500 sq.m, however, local planning authorities are able to set their own thresholds.

5.02 In accordance with guidance set out in the NPPG, this report has analysed data from a number of sources in forming a view on the appropriateness of setting alternative threshold levels. Overall, we have concluded that it is appropriate to set local thresholds for the Borough to reflect the differing scale of defined centres. Table 5.1 sets out our recommended thresholds for each tier of centre, the supporting text below providing justification.

Table 5.1 – Recommended Impact Thresholds

Centres	Location/Use Class	Impact Testing Threshold (Gross floorspace sq.m)
Principal Towns	1. Outside of Primary Shopping Area (Convenience & Comparison Goods – Use Class A1) 2. Outside of the Town Centre Boundary (Convenience, Comparison Goods, Service & Leisure – Use Class A1, A2, A3, A4 & A5)	500
Key Service Centres	1. Outside of Town Centre Boundary in relation to the closest defined centre(s) (Convenience, Comparison, Service & Leisure – Use Class A1, A2, A3, A4 & A5)	300
Local Service Centres	1. Outside of Local Service Centre Boundary in relation to the closest defined centre(s) (Convenience, Comparison, Service & Leisure – Use Class A1, A2, A3, A4 & A5) * Excluding Bunbury, Shavington and Wrenbury	200
Cheshire East as a Whole	Proposals for all other main town centre uses (as defined by Annex 2 of the NPPF, Page 53, 'Main town centre uses') outside of all centre boundaries.	2,500 (in line with the NPPF)

Principal Towns

- Anchor units are considered to represent units of 500 sq.m and above in terms of convenience and comparison retailers and leisure uses. There are relatively few units of this size and to lose an occupier of that scale could have a significant adverse impact on the defined Principal Town centres.
- The average convenience retail unit size is 593.5 sq.m, for comparison it is 310.5 sq.m. Average leisure use unit sizes are 248.5 sq.m.
- The town centres experience significant competition from edge and out–of-centre development, with applications for further development averaging 845 sq.m gross for convenience and 1,400 sq.m gross for comparison development.
- The health checks indicate that Crewe is particularly vulnerable to further competition, and whilst Macclesfield is showing some signs of vitality and viability, it does display some vulnerabilities.
- As a whole, a threshold of 500 sq.m, whilst significantly below the national threshold, is considered appropriate as it reflects the proportions and size compositions of the centres, it reflects the size of competition from edge and out of centre developments, and it is low enough to account for the vulnerabilities of the town centres whilst providing sufficient freedom for smaller developments to escape the need for impact tests.
- Annex 2 (Glossary) of the NPPF defines edge-of-centre for retail purposes as being located within up to 300m of the Primary Shopping Area. Within Principal Towns we consider it appropriate to require the impact test to be applied for all proposals relating to the creation of Use Class A1 convenience and comparison goods floorspace in excess of 500 sq.m outside of the primary shopping area. This excludes Use Class A1 'retail service' uses e.g. health and beauty salons. For all other Class A Uses (Service and Leisure), we consider it appropriate to apply the impact test only when an excess of 500 sq.m of such floorspace is proposed outside the town centre boundary.
- With regards all other main town centre uses as defined by Annex 2 of the NPPF which are proposed outside the defined town centre boundary, the nationally set impact testing threshold of 2,500 sq.m shall apply.

Key Service Centres

- Unit sizes of 500 sq.m for convenience retailers are considered to anchor the Key Service Centres. For comparison retailers and leisure uses this figure is 300 sq.m.
- The average convenience retail unit size is 413.4 sq.m, for comparison it is 134.0 sq.m and for leisure 150.8 sq.m.
- The Key Service Centres are considered to experience some edge and out-of-centre development pressure.
- The health checks indicate that the majority of Key Service Centres are vital and viable.
- Handforth, which has been identified as having the highest vacancies of the Key Service Centres is not subject to significant pressure from existing (and proposed) out-of-centre developments due to its more localised retail and service offer.
- As a whole, a threshold of 300 sq.m, is considered appropriate as it reflects the proportions and size compositions of the Key Service Centres, and is considered an appropriate threshold to help maintain vital and viable Key Service Centres in Cheshire East, without being too onerous.
- With regards all other main town centre uses as defined by Annex 2 of the NPPF which are proposed outside the defined town centre boundary, the nationally set impact testing threshold of 2,500 sq.m shall apply.

Local Service Centres

- Unit sizes in the region of 200 – 300 sq.m for convenience retailers are considered to anchor the majority of Local Service Centres. For comparison retailers and leisure uses this figure is 100 – 200 sq.m.
- The floorspace analysis has identified that Alderley Edge and Holmes Chapel support a greater level of retail and service provision than the other Local Service Centres.
- On average the Local Service Centres have around one to two convenience anchors and one comparison anchor and as such, the loss of one reasonably small retailer could have a significant impact on the 'health' of the centre.
- The average convenience retail unit size is 157.7 sq.m, for comparison it is 130.0 sq.m and for leisure 138.4 sq.m.
- The Local Service Centres would be more susceptible to smaller edge and out-of-centre development, suggesting a lower threshold is appropriate to those applied on Principal Towns and Key Service Centres.
- As a whole, a threshold of 200 sq.m, is considered appropriate as it reflects the proportions and size compositions of the Local Service Centres, without being too onerous.
- It should be noted that the Local Service Centres of Bunbury, Shavington and Wrenbury, whilst providing a small number of shops, do not have definable retail centres due to the sporadic nature of the limited retail and services present along arterial roads. As such, it is difficult to define whether a proposal is 'in' or 'out' of centre. Proposals in these settlements, if located away from existing facilities could constitute the formation of a new 'definable centre' and as such, it is difficult to apply impact thresholds for the three Local Service Centres.
- With regards to all other main town centre uses as defined by Annex 2 of the NPPF which are proposed outside the defined town centre boundary, the nationally set impact testing threshold of 2,500 sq.m shall apply.

5.03 In summary, this report sets out the policy context, methodology, analysis and justification for the thresholds to support their inclusion in the emerging Site Allocations and Development Policies Document. It has considered the criteria set out in the NPPG and assessed information relative to each tier of centre in relation to that criteria which are as follows:

- Scale of proposals relative to town centres;
- The existing viability and vitality of town centres;
- Cumulative effects of recent developments;
- Whether local town centres are vulnerable;
- Likely effects of development on any town centre strategy; and
- Impact on any other planned investment.

5.04 The threshold levels proposed in this report, whilst significantly below the national threshold, are considered appropriate as they reflect the proportions and size compositions of the centres, they reflect the size of competition from edge and out-of-centre developments and they are low enough to account for the vulnerabilities of the Principal Towns, Key Service Centres and Local Service Centres whilst providing sufficient freedom for smaller developments to escape the need for impact tests altogether. The thresholds reflect that, in our experience, it will only generally be development of a scale greater than these thresholds that could lead to a 'significant adverse' impact on defined centres, resulting in the refusal of an application for town centre uses in accordance with the provisions of paragraph 26 of the NPPF.

Appendix A – Table 4.13

Table 4.13 – Retail Planning History

Convenience Applications						
Application Reference Number	**Address**	**Proposal**	**Gross Additional Retail Floorspace (Sq.m)**	**Net Additional Retail Floorspace (Sq.m)**	**Category**	**Status**
Principal Towns						
12/4107N	Site of Earl of Crewe Hotel, Nantwich Road, Crewe	Construction of new foodstore with associated car parking, servicing facilities and landscaping.	1,421	1,125	Out-of-Centre	Complete
14/3477N	Aldi, 11 Grand Junction Way, Crewe	Application to extend the existing Aldi supermarket by 594 sq. m (GIA) and associated works.	594	549	Out-of-Centre	Complete
15/4363M	The Towers And Progress Mill, PARSONAGE STREET, MACCLESFIELD, SK11 7LY	Demolition of existing buildings and development of retail foodstore, a sub-divisible retail unit, car parking and associated works.	2,570	1,266	In-Centre	Withdrawn
16/4398N	Morrison's, Dunwoody Way, Crewe, CW1 3AW	Single storey front extension to existing supermarket	520	520	Out-of-Centre	Not Started
Total:			**5,105**	**3,460**		
Average:			**1,276**	**865**		
Key Service Centres						
11/3737C	Pace Centre, 63 Wheelock, Middlewich	Proposed foodstore with associated parking, servicing and landscaping and additional A1, A2 and A3 units, including demolition of existing buildings.	5,091	3,560	In-Centre	Permission Expired
14/1904M	Brookfield Hydro Motors Ltd, London Road South, Poynton	A1 foodstore of 1,579 sq.m gross internal floorspace, additional retail floorspace (use class A1 to A5 inclusive) of 743 sq.m gross internal floorspace etc.	1,579	1,394	In-Centre	Completed
13/4121C	Former Twyford Bathrooms Ltd, Lawton Road, Alsager	Demolition of all existing buildings and the construction of a new retail foodstore; parking and circulation spaces; formation of new pedestrian and vehicle accesses; landscaping and associated works (re-submission of 12/0800C).	4,254	2,323	Out-of-Centre	Under Construction
Total:			**10,924**	**7,277**		
Average:			**3,641**	**2,426**		
Local Service Centres						
12/4582M	Brook Garage, The Village, Prestbury	Change of use including sub-division of unit from sui generis car showroom to A1 food-store and A1/A2/A3 for adjoining unit.	573	431	In-Centre	Complete
13/3294C	Former Fisons Site, London Road, Holmes Chapel	Demolition of existing structures and erection of a Class A1 foodstore and petrol filling station with vehicular access, car parking, servicing area, public realm and hard and soft landscaping.	4,148	2,352	Out-of-Centre	Extant
15/3673C	Land at Manor Lane, Holmes Chapel	Erection of a foodstore (Use Class A1), together with associated service area, car parking, landscaping and access.	N/A	1,742	Out-of-Centre	Complete
Total:			**4,721**	**4,525**		
Average:			**2,361**	**1,508**		

Comparison Applications						
Application Reference Number	**Address**	**Proposal**	**Gross Additional Retail Floorspace (Sq.m)**	**Net Additional Retail Floorspace (Sq.m)**	**Category**	
Principal Towns						
12/2073M	22-26, 36 Castle Street and 25 Street Mall Macclesfield	Change of use of ground and 1st floors of 36 Castle Street from B1 to A1 (three retail units ground and 1st, office 22-26, 36 Castle Street and 25, 25B/C Castle Street Mall, Macclesfield 12/2073M 2nd), demolition of retail units 22 to 26 Castle Street and 25, 25B/C Castle Street Mall - two storey building to adjoin 36 Castle Street.	N/A	2,281	In-Centre	Under Construction
12/1212M	Land at Churchill Way, Duke Street, Roe Street, Samuel Street, Park Lane, Wardle Street, Water Street, Exchange Street, Wellington Street and Great King Street. Macclesfield town centre.	Demolition of buildings on the site to enable the development of a comprehensive mixed use scheme. To include: A1 to A5 (22,685 sqm gea, of which up to 2,325, sqm is A3 to A5 and up to 6,430 sqm is a department store), cinema 4,255 sqm, office/community space 510 sqm, 10 residential units, two car parks providing up to 818 spaces, additional street parking for 62 cars, new town square (Mulberry Square and associated highway and public realm works.	N/A	20,280	In-Centre	Permission Expired
14/4088M	Unit A, Silk Retail Park, Hulley Road, Macclesfield	Subdivision of existing retail unit (Use Class A1) to form two retail units (Use Class A1), installation of mezzanine floor in one unit (Unit A1) and external alterations to building.	854	854	Out-of-Centre	Not Started
14/4644N	Site of Bristol Street Motors, Macon Way, Crewe	The erection of a single unit Class A1 retail development with associated car parking, landscaping and infrastructure. OUT - 12/0316N.	3,715	2,972	Out-of-Centre	Application superceded by builders merchant (16/0107N)
14/5565M	Oak Furniture Land, Unit B, Silk Retail Park	Insertion of mezzanine floor.	759	759	Out-of-Centre	Complete
15/2570N	3 Grand Junction Way, Crewe	Proposed works to extend an existing retail (Class A1) building by 748 sq.m.	748	748	Out-of-Centre	Under Construction
15/5712M	Arighi Bianchi, The Silk Road, Macclesfield, SK10 1LH	Ground and first floor extensions to be built over front car park	922	922	Out-of-Centre	Not Started
Total:			**6,144**	**6,255**		
Average:			**1,536**	**1,251**		
Key Service Centres						
12/4652M	Land off Earle Road, Handforth	Erection of Class A1 retail store with conservatory, garden centre, ancillary coffee shop and associated car parking.	7,160	3,831	Out-of-Centre	Complete
Total:			**7,160**	**3,831**		
Average:			**7,160**	**3,831**		

Source: Cheshire East AMR 2012-2017