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Supplementary information for 9th August 2011 Development Plan Panel

Pages 1 - 8: Agenda item 7 – Copies of representation submitted by Hammerson and Land Securities in relation to the Leeds City Centre, Town and Local Centres Study.

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Your ref

Our ref GJR/GL

Cllr Keith Wakefield
Leader
Leeds City Council
4th Floor East
Civic Hall
LEEDS LS1 1UR



3 August 2011

Dear Keith

REPORT TO DEVELOPMENT PLAN PANEL 9 AUGUST 2011 - Agenda Item 7: Leeds City Centre, Town and Local Centres Study.

We are writing as owners of the White Rose Centre and founder members of the Investment Partnership for South Leeds (IPSL) to raise our profound concerns about the above report.

We have met the planning officers who have written the Panel Report and it has been confirmed that the Report is a précis of the Colliers Study and in no way represents an opinion or recommendation of the City Council or its officers. It merely serves to update and inform the Panel of progress. We are grateful for that confirmation.

We are advised that the Colliers Study to which the Panel Report relates is not complete and whilst the Study is noted as a Background Paper the Study is not yet publically available. Consequently we are unable to look behind the Panel Report and examine the Study itself. When we have sight of the Study we will review and make further comments and representations as necessary.

In the meantime we have read the Panel Report in detail and we feel it is important to make the following points that we feel are fundamental.

1. Paragraphs 3.33, 3.34 and 3.35 of the Panel Report records Colliers opinions about the future of retail in South Leeds and, in particular the White Rose Centre. These fail to have regard to a wider context. In particular they pay no regard to the benefits of the White Rose Centre to the local economy, the positive work that has been undertaken through the Investment Partnership, reference to the officers and members that have worked hard to produce the Investment Strategy for South Leeds and the views of the public in the area that have been engaged over the past 2 years. Colliers should have been made aware of this work in their brief, and the report should not include discordant and unjustified paragraphs that pre-determine the strategic content of the Core Strategy.
2. Colliers comments on the future direction of retail in Leeds give no weight to issues of regeneration. This is at odds with both PPS4, and the National Planning Policy Framework and undermines the emerging approach for the future of South Leeds and the important potential role that retail and office development might play in that.

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3. The assessment of the requirement for new retail development and retail need is based on, amongst other considerations, projected population growth. This is clearly a fundamental issue and Members of the Panel should be satisfied that these figures have a sound basis. Critically, as a result of the Investment Strategy, Leeds City Council Members have asked that options be considered for major growth in South Leeds together with the benefits that may result. This will have a potentially significant impact on that identified demand for Outer South Leeds (para 3.33).
4. The report is based on a basic premise of caution (para 2.5.) and states that the retail strategy for the LDF should be focussed on potential retail floorspace to 2016 only (para 3.30). This is contrary to NPPF which seeks a 15 year approach and cannot be appropriate in developing future policy for the city where projected demand to 2026 is in all cases significantly higher than that for 2016.
5. The views attributed to Colliers are based on outdated policy. The recently published National Planning Policy Framework seeks to support economic development and excludes office development from a sequential test approach. This has potentially profound implications in planning for sustainable places that respond to market demand and deliver mixed use. Moreover, the HM Treasury 'The Plan for Growth' seeks to prioritise growth and job creation through a presumption in favour of sustainable development.
6. Account must also be taken of the intention to abolish the Regional Spatial Strategy. The justification for Policy E2C which applies to the White Rose Centre is that there was no evidence to support major development. It appears that the Colliers Study now provides evidence to support additional development, but in Colliers opinion development should be accommodated elsewhere. This view is based on existing policy (a key part of which is to be abolished) and assertions about the impacts of development on the City Centre and other centres for which there is no indication that the assertions are based on evidence or analysis. Furthermore, there appears to have been no consideration of alternative approaches, the wider economic context and whether the requirement arising at the White Rose Centre is transferable.
7. The Study clearly identifies retail need in the order of 100,000sq. m. for the Outer South zone and that provides a positive basis for economic growth in South Leeds in line with the work of the IPSL. White Rose is an economic asset for South Leeds, Leeds and the wider City Region and it should be recognised as having the potential to play a bigger role on all fronts. Land Securities is investing £360m in Leeds city centre and is continuing to invest in White Rose. The ability to continue to invest in both schemes provides hard evidence that the two can add to the regional economy and investment at White Rose should not be curtailed based on the Colliers Study.

In conclusion, we feel strongly that were the Colliers report to be published as indicated in the Panel Report, the positive partnership working that has been established in South Leeds would be critically undermined and key strategic policy decisions for the Core Strategy would be unacceptably premature. Therefore, for the reasons outlined above, we would strongly request the Committee to reject those elements of the Colliers Study which address the issues of where the requirements for additional development should be located. We believe that the Panel should look to the IPSL Investment Strategy as a key reference for the emerging Core Strategy as this document has been widely debated with the South Leeds community and stakeholders and is one of the most up to date pieces of research and reports available for this key area of Leeds.

(cont / 3)

Please note this letter is sent on behalf of Land Securities, Evans Property Group and Millshaw Property Company Ltd.

Yours sincerely

Gerald Jennings

Portfolio Director

Retail Portfolio Management

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cc:

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Hammerson

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Your ref
Our ref JWS/2486675v1/LYH

8 August 2011

Ms S Speak
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Dear Sue

Leeds City Centre, Town and Local Centres Study

We write in relation to the above document which we understand will be the subject of a report taken to the Development Plan Panel tomorrow (Tuesday 9 August). The report summarises the findings of the Study, which was published on the Council's website over the weekend.

Whilst we are still reviewing the contents of the Study and the detailed technical appendices in order to fully understand the methodology and assumptions used to reach its conclusions, we would like to take this opportunity to place on record our initial concerns.

As you will be aware, Hammerson UK Properties Plc is a major stakeholder within the City and is committed to delivering the major redevelopment of the Eastgate and Harewood Quarter in Leeds City Centre. Whilst the project has been delayed as a result of the recent economic uncertainty, we have recently progressed a revised scheme (under application 11/01000/OT) that received a resolution to grant planning permission at the Plans Panel on 7 July 2011. We are currently working with officers to complete the associated S106 Agreement and we therefore hope planning permission will be issued shortly.

As a result, we have maintained a keen interest in the production of the Leeds City Centre, Town and Local Centres Study, which you commissioned Colliers International to undertake in July 2010.

The findings of the Study will form an important part of the evidence base of the Local Development Framework (LDF) and will be used to inform future policy direction and development control decisions within the City.

Having reviewed the Development Plan Panel report, Hammerson has a number of concerns in relation to the findings and approach adopted in the Study and wants to raise these now. Our comments are made in the context that the Study needs to be robust in its findings and recommendations and set out clear advice to the Council on future policy formulation. We set out our comments below.



Eastgate

The Panel Report notes the existence of the Eastgate scheme as a significant commitment within the City Centre. It is imperative that the maximum levels of retail floorspace that can be provided under the extant permission and the recent resolution are included within the Study as firm commitments and deducted from the overall retail capacity figures.

Future Retail Capacity

The Panel report notes that the Study calculates convenience and comparison goods floorspace capacity based on existing market shares within each of the district zones. In simple terms this can be broken down into the City Centre and other areas beyond the City Centre but within the Council's administrative boundary.

At the time of writing, we have not had the opportunity to critically review the methodology and approach adopted by Colliers in calculating the level of future retail capacity and as a result has had to take the figures quoted in the Panel Report at face value. We do however reserve the right to make further submissions on this point in due course.

The City Centre

The Report correctly identifies both the Eastgate and Trinity schemes in Leeds as commitments and as a result, the floorspace delivered by these two major schemes has been deducted from the future retail capacity calculations in the Study. However, the Report notes that in addition to these two major schemes, the Study calculates there will still be further capacity of 24,404 sq m net of comparison floorspace in the City Centre at 2016, rising to 40,177 sq m net at 2026.

Whilst this in itself is a significant amount of additional retail floorspace (effectively an additional Trinity scheme), Hammerson welcomes the acknowledgement in the Panel report that given the commitments of Trinity and Eastgate there is no need to identify further allocations or specific proposals for the City Centre. First priority should be the delivery of the Eastgate scheme given its policy compliant location, its importance to the City, and the wider benefits it will deliver. Acknowledgement that the UDP Shopping Quarter will accommodate the committed and additional growth (through reconfiguring and remodelling existing floorspace) is welcomed and supported.

It is both correct and proper to allow these two significant schemes to come forward as priorities and then to allow the City Centre to readjust and consolidate as the two schemes will lead to a restructuring and realignment of retailers and service providers within the City Centre. Only once this readjustment of the City Centre retail offer has taken place should the Council consider further significant development schemes or policy strategies.

This is particularly important, as the Report notes, given the current economic conditions and the uncertainty relating to future expenditure and population growth. It is correct to adopt a cautious approach and to review the position on a regular basis.

Non City Centre Locations

Beyond the City Centre, the Study identifies further capacity of 111,172 sq m net of comparison floorspace at 2016 rising to 138,024 sq m net at 2026. The majority (100,012 sq m at 2016) of this capacity is generated by the existing trading position of White Rose. White Rose is not a



defined centre in policy terms (at any level) and it is important as the Report notes that the Study and subsequent planning policy provides no support for its further expansion.

Indeed, Hammerson supports the position adopted by Colliers in the report, that:

“given national guidance, the currently extant RSS and Leeds’ own policy, together with the aims and objectives relating to town centres in neighbouring Districts, there is no case for supporting additional development at White Rose....While new proposals are emerging it would be inappropriate for development to take place at White Rose which might deter investment in committed city centre schemes, as well as denying trade to established town centres within Leeds and elsewhere.”

Any significant out-of-centre retail development will have an impact on the deliverability of the Eastgate scheme and investment in other identified centres. Whilst planning policy at the national level is evolving, it is clear in the recently issued draft National Planning Policy Framework that the Government remains committed to its town centre first approach embodied in PPS4 and before that PPS6. The sequential and impact tests remain key threads of national policy.

Hammerson is therefore extremely concerned that the Study should give no encouragement for further large scale retail schemes in non-central locations and in particular the further expansion of White Rose. Given the importance of the Eastgate scheme to Leeds City Centre and the wider benefits it would deliver, it is imperative that nothing should prejudice that scheme coming forward. The Study and the subsequent planning policy formulation should make this position clear.

Only when both Trinity and Eastgate have been delivered and the City Centre allowed to readjust and consolidate should any major new developments be considered, and tested against the relevant planning policy in force at that time. This will not be before 2016, and is unlikely to be in out-of-centre locations. Both the Study and future planning policy should be explicit in this regard.

Next Steps

We would be grateful if these comments could be reported to the Panel on Tuesday (9th August) and taken into consideration in the future evolution of planning policy.

As noted earlier we are still reviewing the contents of the Study itself in order to fully understand the methodology and assumptions used to reach its conclusions, and we reserve the right to make further comments/representations in this regard. We did however believe it important that we take this opportunity to place on record our initial concerns in order that these could be highlighted to members.

Yours sincerely



Mike McGuinness
Development Director

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