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Planning Design Economics

CURRYS, UNIT C, QUEENS ROAD RETAIL PARK, MANCHESTER.

PROPOSED MEZZANINE EXTENSION TO RETAIL STORE

RETAIL STATEMENT

ON BEHALF OF DSG INTERNATIONAL PLC

MA40727/01/NG/SPe/Csi

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1.0 Introduction

1.1 This Statement has been prepared by Nathaniel Lichfield and Partners Limited (NLP) on behalf of DSG International PLC. It provides information on retail planning issues to assist the Council in its consideration of the proposed mezzanine at the Currys store at the Queens Road Retail Park, Cheetham Hill. The additional floorspace is part of the Company's strategy to introduce the new Megastore format into the unit.

1.2 This Statement covers all the relevant planning issues, drawing from other documents that accompany the application where appropriate. Section 2.0 of the report describes the proposed development, the application site and the surrounding area whilst Section 3.0 details the planning history of the site. Section 4.0 reviews relevant planning policy at all levels, and Section 5.0 provides an assessment of the existing centres in the surrounding area.

1.3 In accord with the recently published PPS4, Section 6.0 of this Statement provides an analysis of our approach to site selection and considers all relevant alternative sites. Section 7.0 provides an analysis of the proposal and forecasts the likely impact upon nearby centres, including Cheetham Hill District Centre and Manchester City Centre. Following this retail impact analysis the other impacts of the proposal are considered (in accord with Policy EC17 of PPS4) as well as other material considerations.

1.4 The conclusions are set out in Section 8.0 of this statement. Supporting material is contained in Appendices to this report.

2.0 The Site and Surrounding Area

Site and Surroundings

2.1 The existing Currys store is located at Unit C of the Queens Road Retail Park, Cheetham Hill, to the west of Cheetham Hill Road and to the south of Queens Road.

2.2 The Queens Road Retail Park is located within a mixed commercial and residential area. To the south and east lies the Manchester Fort Retail Park, which is located at the junction of Cheetham Hill Road (A665) and Queens Road. To the north lies a school and residential areas, to the west are industrial buildings.

2.3 As well as the Currys store, the Queens Road Retail Park accommodates Laura Ashley, Matalan, and a vacant unit under refurbishment.

2.4 Access to the retail park is from Elizabeth Street. Bus stops are located along Cheetham Hill Road with services to and from, inter alia, Manchester City Centre, Cheetham Hill, Moston, Whitefield, Prestwich and Fallowfield.

2.5 Queens Road Retail Park is located over 1.0 km to the south of Cheetham Hill District Centre, and 1.5 kms to the north of Manchester City Centre.



Fig 1: Currys, Queens Road Retail Park

Store Formats

2.6 Currys is part of DSG International plc who operate from 550 stores throughout the UK and is one of the largest specialist electrical retailers within the UK. It operates Currys, PC World and Currys Digital in the UK market and is generally regarded as one of the market leaders in its field with over 600 stores nationwide. It is also important to note that the three formats are different in terms of their offer. PC World specialises in computer related products and is

not discussed further in this Statement. Currys Digital Stores are focussed on city/town centres and purpose built shopping centres. They are smaller than Currys stores and sell a more limited range of goods wholly subsumed within the range sold by Currys stores. They do not sell the bulkiest household goods and are focussed on smaller and technology based goods which are generally more portable.

2.7 Currys seek to offer a wider range of electrical goods focussed on bulky household goods. They are predominantly located on retail parks where the combination of size of unit and associated car parking can provide the opportunity to display a wide range of goods, and give customers the opportunity to transport them away. The existing range of goods sold by Currys at the Queens Road Retail Park includes items relating to cooking, laundry, refrigeration, hi-fi and audio, vacuum cleaners, TVs, computers, domestic appliances, cameras, computer games machines and mobile phones.

2.8 Based on the Currys format, DSGi has launched an extensive programme of refurbishment which will focus on the introduction of the new Megastore format in a number of key locations across the UK. Manchester (Cheetham Hill) has been identified as one of these key locations reflecting the strength of the City as a shopping destination.

2.9 The first Currys Megastores have now opened in Birmingham, New Malden and Croydon. This allows this planning application to be supported by accurate details concerning the new offer of the Megastore format. One of the important considerations in assessing the acceptability of the mezzanine is the specific format that the new store offers and how it differs from the existing offer of other store types within the DSGi group.

2.10 The background to the introduction to the Megastore trading format provides a response to changing consumer shopping requirements and expectations. The more traditional style display of many electrical items behind locked glass cabinets is no longer an accepted retailing approach. Instead, there is a greater desire for consumers to interact with the products and the Megastore format allows customers the opportunity to handle and operate display products. As such, customers can appreciate how the item(s) will be beneficial and thus suit their requirements and lifestyle. Providing excellent service from a well trained group of employees is a further essential component of the Megastore format. This changing consumer approach is relevant to a number of electrical purchases such as computers, televisions and cameras, all of which are offered in the Megastore format in tandem with domestic white goods (large electrical home appliances).

2.11 This raises an important point in planning terms relating to the primary purpose of the floorspace. This is to increase the range of choice and brands sold in each product category but also to enhance the overall shopping experience. An improvement to the customer experience will be achieved by altering the means of display and format of the sales area within the unit by allowing a far greater

amount of circulation space between the product ranges and more efficient storage. Fuller product ranges within brands will be offered, improving customer choice. Interactive *"play tables"* allow shoppers to pick up and test out a wide variety of products prior to purchase, including a number of premium brands.

2.12 Customer confidence will also be strengthened through the provision of significantly enhanced customer service facilities including customer service, collect at store and technical advice (including after sales) areas.

2.13 In light of the above, it is possible to identify three specific areas the Megastore shopping experience will address; product range, store format/environment and people.

Range:

- Wider product ranges
- More choice of top end of the range products
- Large increase in TVs
- Focus on stock management to maximise customer's ability to take away the selected product

Store Format/Environment:

- Enhanced customer circulation space
- Increased customer service areas
- Simplified and straightened layouts (clear sight lines, less clutter)
- Easy product and brand-led navigation including discrete areas with same brand products to assist customers
- More interactive features
- Clearer signage and better navigation

People:

- More discerning recruitment
- Total focus on the customer, insistence on high standards
- Significant investment in training
- More comprehensive product knowledge
- Significant change in reward programme
- Clear career progression, structure and opportunities

2.14 The Megastore format provides a significant improvement to the shopping environment for customers. There is a clear enhancement to the range of goods in each of the product categories and the way they are displayed supported by a new employee training programme. Furthermore, the customer service side of the business is growing as the product ranges become more complex in terms of their function and ability to be linked together. Customers desire help and support when purchasing their products at the point of sale and

when they return home. The Megastore format enables this by providing better advice from increased numbers of employees together with enhanced customer support areas within the stores. Appendix 1 provides photos of the interior of the store to illustrate the new floor layouts.

The Proposed Development

2.15 To create the Megastore at Cheetham Hill, this planning application seeks planning permission to construct an internal mezzanine floorspace of 1,864 sq m gross of which 1,289 sq m will be sales area. However, the additional mezzanine floorspace will also allow additional sales area of 373 sq m at ground floor level giving a total additional net sales area of 1,662 sq m. This gives a total net sales area for the store of 3,242 sq m.

2.16 The existing Currys store comprises some 2,527 sq m gross with a sales area of 1,580 sq m net.

3.0 Planning History

3.1 The planning history of relevance to this planning application is as follows:

1 Planning permission was granted on the 03/12/1980 for the erection of a non-food D.I.Y. retail unit and 3 warehouse units on vacant land within the triangular shaped site bounded by Cheetham Hill Road, Queens Road/Elizabeth Street, Cheetham Hill [LPA ref: F14360].
2 Planning permission was granted by the Secretary of State on 16/05/2001 for the erection of a 10,127 sq m non-food retail unit with associated car parking, landscaping and access works after demolition of existing buildings [LPA ref: 060881/FO/NORTH1/00].
3 Planning permission was granted on 25/01/2001 for material changes to external elevations in conjunction with subdivision of existing unit, and erection of new customer entrance canopies, construction of new service road, service yard and associated landscaping [LPA ref: 077128/FO/2005/N1].

3.2 The planning history indicates a long-standing presence of retail uses on the Queens Road Retail Park with planning permission originally granted in December 1980 [LPA ref: F14360]. The existing floorspace within the Currys unit restricted to selling non food goods (Condition 5).

3.3 Condition 6 of planning permission 077128/FO/2005/N1 specifies that no works to insert additional floorspace shall be undertaken without the submission to and approval in writing by the LPA.

4.0 Relevant Planning Policy

4.1 In this section we summarise the main policy guidance at national, regional and local plan level which sets the policy context for consideration of this application.

National Planning Policy

4.2 National Planning Policy comprises a mix of Planning Policy Guidance Notes (PPGs) and Planning Policy Statements (PPSs) in addition to Ministerial Speeches and Statements. Eventually the PPSs will replace the PPGs.

4.3 **PPS1** ***"Delivering Sustainable Development"*** (February 2005) supports the principle of sustainable development.

4.4 PPS1 identifies that the Government is committed to promoting a strong, stable and productive economy that aims to bring jobs and prosperity for all (para. 23). The Guidance states that planning authorities should ensure that suitable locations are available for industrial, commercial, retail, public sector, tourism and leisure developments so that the economy can prosper and provide for improved productivity, choice and competition, particularly when technological and other requirements of modern business are changing rapidly. They should recognise that all local economies are subject to change and planning authorities should be sensitive to these changes and the implications for development and growth.

4.5 Planning authorities should promote urban and rural regeneration to improve the well being of communities, improve facilities, promote high quality and safe development and create new opportunities for the people living in those locations (para. 27). PPS1 also promotes the more efficient use of land through higher density, mixed use development and the use of suitable previously developed land and buildings, and states that planning should seek actively to get vacant and underused previously developed land and buildings back into beneficial use to achieve targets set by the Government for development on previously developed land (para. 27).

4.6 **PPS4** ***"Planning for Sustainable Economic Growth"*** was published on 29 December 2009. The policy statement replaces PPS6 "Planning for Town Centres" 2005 as well as PPG4, PPG5 and parts of PPS7 and PPG13.

4.7 PPS4 places retail and town centre development in its wider context, as 'economic development' and removes the 'need' test for determining planning applications. Planning applications will be determined on the basis of compliance with the sequential approach and a revised 'impact' assessment, details of which are outlined below. The policy statement reinforces the Government's application of the 'plan-led approach' and 'town centre first' principles to retail and all other developments for town centre uses.

4.8 PPS4 emphasises that the Government's overarching objective is sustainable growth (para. 9.). To help achieve sustainable economic growth the Government's key objectives for planning are to:

- build prosperous communities
- reduce the gap in economic growth rates between regions, promoting regeneration and tackling deprivation
- deliver more sustainable patterns of development
- promote vitality and viability of town and other centres as important places for communities
- raise the quality of life and the environment in rural areas (para. 10.)

4.9 Policy EC14 states that applications for main town centre uses include any applications which create additional floorspace (including internal alterations where planning permission is required and applications to vary or remove conditions changing the range of goods sold). The town centre policies in PPS4 therefore apply to the above uses unless they are ancillary to other uses.

Sequential Assessment

4.10 A sequential assessment is required for planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up to date development plan. The requirement applies to extensions to retail and leisure uses only where the gross floorspace of the proposed extension exceeds 200 sq m (policy EC14.3).

4.11 Policy EC15 specifically relates to the consideration of sequential assessments for planning applications for main town centre uses that are not in a centre and not in accordance with an up to date development plan.

"In considering sequential assessments…local planning authorities should:

a. ensure that sites are assessed for their availability, suitability and viability.

b. ensure that all in-centre options have been thoroughly assessed before less central sites are considered.

c. ensure that where it has been demonstrated that there are no town centre sites to accommodate a proposed development, preference is given to edge of centre locations which are well connected to the centre by means of easy pedestrian access

d. ensure that in considering sites in or on the edge of existing centres, developers and operators have demonstrated flexibility in terms of:

i. scale: reducing the floorspace of their development;

ii. format: more innovative site layouts and store configurations such as multi-storey developments with smaller footprints;

iii. car parking provision: reduced and reconfigured car parking areas; and

iv. the scope for disaggregating specific parts of a retail or leisure development including those which as part of a group of retail or leisure units, onto separate, sequentially preferable sites. However, local planning authorities should not seek arbitrary sub-division proposals."

4.12 With regards to flexibility, it states that local planning authorities should take into account any genuine difficulties which the applicant can demonstrate are likely to occur in operating the proposed business model from a sequentially preferable site. However, it also states that evidence which claims the class of goods proposed to be sold cannot be sold from the town centre should not be accepted (para EC15.2).

4.13 Further guidance on the terms' suitability, availability and viability are contained in the Good Practice Guidance (GPG) which accompanied PPS4. While this is not policy it does provide some further advice on the terms including:

- Availability means both now or likely to become available within a reasonable period of time;
- Suitability means, taking into account the need for flexibility, whether the site is suitable to accommodate the need or demand which the proposal is intended to meet; and
- Viability is defined as whether there is a reasonable prospect that the development will occur on a site at a particular point in time.

Impact Assessment

4.14 An assessment addressing the impacts in Policy EC16.1 is required for planning applications for retail and leisure developments over 2,500 sq m gross floorspace or any local floorspace threshold set under policy EC3.1.d not in an existing centre and not in accordance with an up to date development plan (policy EC14.4).

4.15 Policy EC16 states that planning applications for main town centre uses that are not in a centre (unless 16.1.e applies) and not in accordance with an up to date development plan should be assessed against the following impacts on centres:

a the impact of the proposal on existing, committed and planning public and private investment in a centre or centres in the catchment area of the proposal

b the impact of the proposal on the town centre vitality and viability, including local consumer choice and the range and quality of the comparison and convenience offer

c the impact of the proposal on allocated sites outside town centres being developed in accordance with the development plan

d in the context of a retail or leisure proposal, the impact of the proposal on in-centre trade/turnover and on trade in the wider area, taking account of

current and future consumer expenditure capacity in the catchment area to five years from the time the application is made and where applicable, on the rural economy

e if located on or on the edge of a town centre, whether the proposal is of an appropriate scale (in terms of gross floorspace) in relation to the size of the centre and its role in the hierarchy of centres

f any locally important impacts on centres under policy EC3.1.e (which requires RPB and LPA's as part of strategy for management and growth of centres define any locally important impacts on centres which should be tested.

4.16 In advance of development plans being revised to reflect this PPS, an assessment of impacts in policy EC16.1 is necessary for:

- planning applications for retail and leisure developments below 2,500 sq m which are not in an existing centre that would be likely to have a significant impact on other centres (policy EC14.5).
- planning applications in an existing centre which are not in accordance with the development plan and which would substantially increase the attraction of the centre to an extent that the development could have an impact on other centres (policy EC14.6).

4.17 Impact Assessments should focus on the first five years after the implementation of a proposal and the level of detail and type of evidence and analysis required in impact assessments should be proportionate to the scale and nature of the proposal and its likely impact.

4.18 Further to this, Policy EC10 states that local planning authorities should adopt a positive and constructive approach towards planning applications for economic development and that planning applications that secure sustainable economic growth should be treated favourably. All applications for economic development should be assessed against the following impact considerations (policy. EC10.2):

a whether the proposal has been planned over the lifetime of the development to limit carbon dioxide emissions and minimise vulnerability and provide resilience to climate change

b the accessibility of the proposal by a choice of means of transport including walking, cycling, public transport and the car, the effect on local traffic levels and congestion (especially on the trunk road network) after public transport and traffic management measures have been secured

c whether the proposal secures a high quality and inclusive design which takes the opportunities available for improving the character and the quality of the area and the way it functions

d the impact on economic and physical regeneration in the area including the impact on deprived areas and social inclusion objectives

e the impact on local employment

4.19 Policy EC17 states that applications for main town centres uses that are not in an existing centre and not in accordance with an up to date development plan should be refused where the applicant has not demonstrated compliance with the requirements of the sequential approach or there is clear evidence that the proposal is likely to lead to significant adverse impacts in terms of any one of the impacts set out in policies EC10.2 and 16.1, taking account of the likely cumulative effect of recent permissions, developments under construction and completed developments.

4.20 Further to this, EC17.2 states that where no significant adverse impacts have been identified (under policies EC10.2 and 16.1) planning applications should be determined by taking account of:

a the positive and negative impacts of the proposal in terms of policies EC10.2 and 16.1 and any other material considerations; and

b the likely cumulative effect of recent permissions, developments under construction and completed developments.

4.21 Judgements on the extent and significance of any impacts should be informed by the development plan (where this is up to date). Recent local assessments of the health of town centres will also be relevant where they take account of the vitality and viability indicators in Annex D of the policy statement along with any other published local information.

4.22 This proposal is for a mezzanine of 1,864 sq.m. This is significantly below the minimum size for which a detailed retail impact study is required. Taking Policy E14.4 into account, it is clear that this development is not of a scale where PPS4 envisages harmful retail impact is likely to be an issue. However, as indicated in Policy EC14.5, in advance of the development plan being revised, an assessment of impact in accord with Policy EC16.1 will be undertaken.

4.23 The Practice Guide (GPG) on Need, Impact and the Sequential Approach which accompanied PPS4 is not policy but provides advice on preparing and understanding need and impact assessments and applying the sequential approach. Where relevant we draw on this in the relevant subsequent sections on these issues.

4.24 This guidance does (in para. 7.5) highlight the circumstances where, in advance of LDFs being revised to reflect PPS4, impact for retail developments below 2,500 sq.m gross may need to be considered. It states:

"It may occasionally also be relevant to consider the impact of proposals below this threshold, for example if they are large compared to a nearby centre, or likely to have a disproportionate effect or 'tip the balance' of a vulnerable centre."

4.25 **PPG13 *"Transport"* (March 2001)** emphasises (para. 19) that a key planning objective is to ensure that jobs, shopping, leisure facilities and services are accessible by public transport, walking and cycling.

"Policies for retail and leisure should seek to promote the vitality and viability of existing town centres, which should be the preferred locations for new retail and leisure development… At the local level preference should be given to town centre sites, followed by edge-of-centre and, only then, out-of-centre sites in locations which are (or will be) well served by public transport. Where there is a clearly established need for such development and it cannot be accommodated in or on the edge of existing centres, it may be appropriate to combine them with existing out-of-centre developments, provided that improvements to public transport can be negotiated." (para. 35).

The Development Plan

4.26 The statutory development plan for the site comprises the adopted North West of England Regional Spatial Strategy to 2021 (September 2008) and the saved policies of the adopted Manchester Unitary Development Plan (1995).

The North West of England Plan Regional Spatial Strategy to 2021 (September 2008).

4.27 Policy W5 deals with Retail Development and seeks to promote retail investment where it assists with the regeneration and economic growth of the region's town centres and should not undermine the vitality and viability of any other centre. While the policy sets a presumption against new out-of-centre regional or sub-regional comparison retailing facilities and large scale extensions to these there are no retail policies of direct relevance to an extension of this relatively modest scale.

4.28 Policy MCR1 refers to the 'Manchester City Region Priorities' and states that plans and strategies in the Manchester City Region should

"support interventions necessary to achieve a significant improvement in the sub-region's economic performance by encouraging investment and sustainable development in the Regional Centre, surrounding inner areas, the towns/cities and accessible suburban centres…"

The Manchester Plan (1995)

4.29 The UDP was adopted in July 1995 and the Secretary of State saved many of the policies in a Direction in September 2007. Only *"saved"* policies are referred to below. Given that the UDP is somewhat dated, some of the policies have been superseded by more up to date national and regional planning policy. This affects the weight that can be attached to certain policies within the plan.

4.30 Policy S2.2 refers to *"large out of centre store"*. Importantly, the City Council only applies this policy to proposals which create more than 2,500 sq.m gross of retail floorspace ie. greater than the application proposal.

4.31 Policy S2.3 states that the Council will permit the limited expansion of the City's two non-food retail parks at Queens Road, Cheetham Hill (which includes the application site) and the Central Retail Park, Gt. Ancoats Street. Within these areas improvements will be made, where necessary, to enhance accessibility for disabled people. The objective behind this policy is to "*ensure the provision of a full range of shopping facilities for all people in the City"*.

4.32 Policy CC18 refers specifically to Shopping and Community facilities in the Cheetham Hill area and in particular the area which surrounds the application site. It states:

"The Council will not normally permit expansion of retail uses in the area around Cheetham Hill Road/Queens Road/Elizabeth Street beyond the area shown on the Proposals Map (which generally incorporates sites already developed or where planning permissions have already been granted) but would permit appropriate redevelopment schemes within this area. Notwithstanding the generality of this proposal, the Council will not usually permit food-based stores within this area."

Emerging Local Development Framework

4.33 Manchester City Council is developing its Local Development Framework which will eventually lead to the adoption of Development Plan Documents which will replace the UDP policies and form the Development Plan in association with the North West Plan.

4.34 An Issues and Options Report for the Core Strategy was produced in December 2007 and a Refined Options document was produced in April 2009. The issues were developed into policy approaches for each of the options outlined at the Issues and Options stage and a set of background Issues Papers were prepared to support the document.

4.35 A Core Strategy Proposed Options Stage Consultation recently ended on 4 January 2010. It contains the proposed approach to the issues that have been identified as being important to the City in previous stages of the Core Strategy's preparation. The emerging Core strategy confirms that the retail hierarchy comprises the City Centre, 16 district centres, 21 local centres and five out of centre shopping facilities. Policy Approach C4 refers to out of centre retailing and confirms that proposals to enhance the shopping environment will be supported.

5.0 The Existing Retail Hierarchy

5.1 This section assesses the function, character and health of the nearest centre to the application proposals – Cheetham Hill District Centre. We have also undertaken a review of Manchester City Centre as the nearest higher order shopping centre and it is important to note that there is an existing Currys Digital store within the Arndale Centre. The existence of this store, which complements the Currys store in Cheetham Hill, as well as other Currys stores in surrounding towns is important when consideration is given to the PPS4 tests outlined above.

5.2 This section has been informed by a NLP site visit in October 2009.

Manchester City Centre

5.3 Manchester City Centre is a regional centre and the fourth largest retail centre in the UK according to Management Horizons, who compiles a ranking of retail destinations on the basis of the nature and strength of the national multiple retailers which they contain. The Quantitative Retail Needs Study produced by GVA Grimley in July 2006 for the City Council, forecast that the City Centre would have a comparison goods turnover of £1,217 million by 2009 (2003 prices). This excludes commitments such as the Arndale Centre extension which has now been completed.

5.4 In overall terms, it is a very strong centre which is a focus for retail, leisure, evening economy, cultural and arts facilities. In terms of its retail offer the latest Goad Survey (September 2008), confirms that the centre contains over 1,300 retail/service units, including over 500 comparison goods stores. It is a strong and healthy centre which the GVA Retail Study notes draws trade from a wide area, including all 35 survey zones. In the core catchment area (Zones 1-6 and 9 and 10) the City Centre draws over 40% of comparison goods trade in each survey zone.

5.5 It contains a number of major retailers (key attractors) including House of Fraser, Harvey Nicholls, Marks and Spencer and Debenhams. The Centre has recently been strengthened by the opening of the Arndale Centre extension.

5.6 Although the vacancy rate is higher than the national average, these are often units in peripheral secondary locations. The core retail areas remain strong. In overall terms, the city centre is vital and viable, commensurate with its position as the fourth largest retail centre in the Country.

Cheetham Hill District Centre

5.7 Cheetham Hill District Centre is a linear centre focused along Bury Old Road and Cheetham Hill Road and is situated over 1km to the north of the application site. The centre largely comprises terraced units of varying sizes

which serve the surrounding residential areas. However, the centre has benefited from recent investment to provide a new Tesco store of 4,500 sq m net, 28 smaller retail units (known as Cheetham Hill Shopping Parade), a car park of circa 500 spaces, public realm works and a memorial garden. Notwithstanding this, the centre generally serves a more localised role and function, meeting the day to day needs of local residents.

5.8 The majority of national multiple retailers are located around the redeveloped Cheetham Hill Shopping Parade to the north of the centre, including Peacocks, Boots, Ethel Austin and Poundstretcher. Aside from Tesco, convenience retailers include Iceland, Heron Frozen Foods and Worldwide Foods (located in the former Somerfield), as well as a number of smaller specialist operators. The centre also includes a range of community uses, including a job centre, police station and a housing office. There is a high proportion of service uses within the centre, with many of the main high street banks, including Lloyds TSB, Nat West and Halifax represented.

5.9 The centre appears to be in relatively good health, although there were 36 vacancies in the centre at the time of the site visit. The units are generally small.

Use Type	Total	% Total
Comparison	33	23%
Convenience	18	13%
Service	56	39%
Vacant	36	25%
Miscellaneous	1	1%
Other	0	0%
Total	**144**	**100%**

Table 1 Cheetham Hill District Centre - Mix of Uses

Source: NLP Site visits, September / October 2009

5.10 There are no national multiple electrical retailers in Cheetham Hill and apart from the Tesco that sells some electrical goods, only includes one independent retailer selling bulky electrical goods such as fridges and freezers.

5.11 As illustrated in Table 1, [above] the vacancy rate in the centre is currently, at around 25%, above the GOAD national average, though most of the vacant units lie within the recently constructed Shopping Parade, and several are under offer from prospective occupiers. It is therefore likely that this vacancy rate will decrease significantly in the future as these units are occupied, and the current economic climate improves. Indeed, the centre remains popular with its local catchment, and appeared to be busy at the time of the NLP survey, reflecting its ongoing role as a focus for the community.

Other Centres

5.12 The only other centre in the area surrounding the Queens Road Retail Park is Harperhey, which is located 3 kms to the north east of the application site. This is a small centre, which according to the *"District Centre Review"* produced by the City Council in May 2007, included around 45 retail and service units. The centre is anchored by convenience retailers and includes Asda and Lidl stores.

Retail Warehousing

5.13 There are a number of out-of-centre retail warehousing parks in the Manchester City Region. These include:-

- The Manchester Fort Retail Park, located at the junction of Cheetham Hill Road (A665) and Queens Road. Shops and stores include B&Q, Halfords, Sports World, Argos, Comet, Asda Living, Boots, Thorntons, Thomson Holidays, Subway, Next, Borders Bookshop, as well as many others.
- Central Retail Park, Ancoats, which is located on Great Ancoats Street and includes Toys-R-Us, Argos, JD Sports, Currys, JJB Sports, Next catalogue Shop and Mothercare.

Major Retail Commitments and Proposals

5.14 We have been advised by Officers at Manchester City Council that major retail commitments in the surrounding area comprise:-

1 Outline planning permission was granted on the 07/02/2008 for a new mixed use multi-phase development including 1161 sq m [convenience] retail unit (Parcel E) on Land South Of Queens Road, Cheetham Hill 07/02/2008 [LPA ref: 083788/OO/2007/N1]. This site is located 0.8 km from the application site.
2 Outline planning permission was granted on the 01/02/2008 for a mixed use scheme comprising 500 apartments and commercial uses, including up to 1,000 sq m retail [retail type not specified] Land At Faber Street/Roger Street And Redbank Cheetham Hill (1.2 km to the south of the application site).
3 Full planning permission was granted on the 07/04/2009 for the erection of 16 no. 2 storey houses and 14 apartments, with 372 sqm [convenience] A1 retail on ground floor with new access road linking Monsall Road and Emmett Street East with associated parking and landscaping [LPA ref: 087221/FO/2008/N1]. This site is 2.8 km to the east of the application site.
4 Outline planning permission was granted on the 02/07/2008 for the construction of a mixed use development providing a significant level of residential floorspace, Class A1 retail floorspace, offices, a restaurant, a public house & takeaways totalling 2,028 sqm, offices, non residential accommodation & assembly & leisure floorspace totalling 11,121 sqm & a primary school on land known as Holt Town Waterfront and bounded By

Ashton New Road/ New Viaduct Street/Bradford Road and Carruthers Street [LPA ref: 083447/OO/2007]. This site is located approximately 3.5 km to the south of the application site.

5 Planning permission was granted on the 29/10/2007 for the construction of a 1,552 sqm Class A1 retail food store and a 255 sqm Class A1 retail unit with associated car parking following demolition of the bus depot on land at A Mayne & Son, Ashton New Road [LPA ref: 084018/FO/2007]. This site is located approximately 4.8 km to the south of the application site.

6.0 Retail Location and the Sequential Approach

6.1 This section considers the proposals in the context of the sequential approach to site identification and assessment.

Planning Policy Context

6.2 Drawing from the analysis in Section 4.0, PPS4 indicates that:

1 the sequential approach is only a relevant consideration for extensions of over 200 sq m gross floorspace (Policy EC14.3);
2 sites should be considered in terms of their suitability, viability and availability (Policy EC15.1.a);
3 in considering sites in or on the edge of existing centres, developers and operators should demonstrate flexibility in terms of scale, format, car parking and the scope for disaggregation (Policy EC15.1.d);
4 local planning authorities should take into account any genuine difficulties which the applicant can demonstrate are likely to occur in operating the proposed business model from a sequentially preferable site (Policy EC15.2); and
5 the purpose of the policy is not to seek the arbitrary sub-division of proposals (Policy EC15.1.d).

6.3 PPS4, however, makes clear that a sequential assessment is only required if the proposal is out of centre and not in accordance with an up to date development plan. In terms of the latter, although the UDP is somewhat dated, policies S2.3 and CC18 allow the expansion of retail uses at the Queens Road Retail Park. As such, the incorporation of a mezzanine floor to enhance the shopping environment in a designated retail area is supported by *"saved"* UDP policy. We therefore consider that this is an appropriate retail location and it is unnecessary to consider alternative sites in this instance. Despite this, and to ensure a robust analysis, we have considered the sequential approach further below.

The Scope for Disaggregation

6.4 As noted above, Policy EC15.2 explains that local planning authorities should take into account any genuine difficulties which the applicant can demonstrate are likely to occur in operating the proposed business model from a sequentially preferable site.

6.5 As noted in Section 2.0, the proposal is for a store extension and will enable a wider range of electrical products (generally within existing goods categories) including bulky goods to be sold from the store, and allow additional display and circulation floorspace.

6.6 The extended range of products within individual existing goods categories could not be sold from a different store. The extra lines sold are reliant on the

attraction, customer draw and footfall of the existing lines. A freestanding store of around 1,864 sq m (ie. the size of the proposed mezzanine floor) selling a wide range of electrical goods categories would simply duplicate the offer of the existing Currys store at Cheetham Hill and other Currys stores in surrounding towns including stores at the Central Retail Park and Heaton Retail Park. It would not provide additional choice in each range which is the reason behind the Megastore concept. The increase in circulation, customer display space, play tables etc. also could not be achieved by providing it in a separate unit of this size.

6.7 It is acknowledged that DSGi operate town centre stores in the form of Currys Digital stores. However, the goods sold by these stores are a significantly more limited element of the range of Currys stores goods (in particular Megastores) focussed on smaller goods and audio visual goods. Provision of such a store in a city/town centre would not meet the same needs as this proposal, rather it would provide an alternative destination for purchasing goods already sold at the Currys store. It would not therefore provide a sequential alternative. Despite this, and as noted below, it is important to recognise that there is a Currys Digital store in Manchester City Centre which demonstrates the complementary nature of the different DSGi formats.

6.8 Currys show flexibility in their business model by having different models for different markets and locations. However, in a situation where they have an existing Currys store and the proposal is to expand this to create a Megastore, their city/town centre model would clearly not meet the same needs.

6.9 It is therefore not viable to disaggregate the proposed extension from the present store or to divide it into smaller elements to see if these could be accommodated on a number of separate sequentially preferable sites. The need can only be met by a retail unit that could accommodate the total quantum of floorspace that would allow Currys to locate within it and operate as a Megastore. It is not, however, a requirement of the sequential approach to seek a site to relocate the whole of an existing store to; such an approach would conflict with policy and guidance (as reiterated in PPS4).

6.10 We therefore consider that the proposal satisfies the sequential approach but alongside this we have considered alternative sites that could in theory accommodate floorspace of the scale proposed.

Methodology

6.11 As noted above, there is an existing Currys Digital store located in the Arndale Centre, Manchester City Centre. This serves the City Centre and its catchment area. The location of a further Currys unit in the City Centre would not comply with the Company's business model, nor would it provide a viable alternative for DSGi. We therefore consider that it is not necessary to consider the City Centre further for the purposes of applying the sequential approach. As such, we have

concentrated on the potential for sites within Cheetham Hill District Centre to accommodate the proposals.

6.12 Given that the City Centre is served by the Currys Digital store and taking account of the fact that there are other Currys stores in surrounding centres (see above), we consider that Cheetham Hill District Centre is the only potential alternative location for the proposals which would enable the same catchment area to be adequately served.

6.13 In terms of other out of centre sites, we consider that as an existing established retail destination with good public transport access and the opportunity for linked trips, the Queens Road Retail Park is a suitable out of centre site. As noted above, this is supported by Policies S2.3 and CC18 of the UDP. Specifically, numerous bus services provide good public transport accessibility to the retail park from Manchester City Centre and Cheetham Hill District Centre. Relevant services include routes 88, 89, 123, 124, 135, 149, 151, 167 and 51A, all of which provide good access between the site and surrounding area.

6.14 The scheme seeks planning permission for an additional 1,864 sq m gross floorspace on the site. As outlined above, it is not realistic to expect Currys to split the additional floorspace proposed into a smaller unit, therefore the sequential approach should only consider sites capable of accommodating a proposed unit of about this scale.

6.15 To meet the same needs as the application proposal i.e. to enable the transportation away from the store of some bulky goods, some associated car parking would be required or some facilities to collect goods by car. Although no change to the level of car parking already permitted is proposed, a separate retail unit of the size proposed would require such car parking and servicing facilities associated with it. We have therefore assumed that alternative sites will need to provide associated car parking in addition to a servicing area. We consider that for a new store this would require a site of at least 0.3 hectares which is viable, available and suitable. However, even smaller sites and vacant units/buildings have been considered to provide a robust analysis.

6.16 The methodology adopted in identifying site availability is as follows:

a **Development Plans**: to identify sites allocated for retail development within or adjacent to the district centre;

b **Existing Permissions and Proposals**: to establish the existence of extant permissions and applications for retail development, through discussions with the local authority; and

c **On the Ground Site Survey**: to establish from a detailed site survey, sites or buildings with potential for development occupancy, such as cleared sites, undeveloped sites or redundant buildings.

Site Consideration

6.17 Adopting the above approach enables the identification of all potential development sites.

Assessment of Identified Sites

6.18 The sites that have been identified as potentially available and assessed against the above criteria are summarised below.

Summary of sites

Vacant units at Cheetham Hill Shopping Parade, Cheetham Hill District Centre

6.19 Cheetham Hill Shopping Parade is located at the heart of Cheetham Hill District Centre on Bury Old Road and comprises 28 smaller retail units developed alongside a new Tesco food store on Thomas Street. The new development opened in January 2009, and 23 of the units are currently vacant and being marketed for occupation. However, it is understood that several of these units are currently under offer to potential new tenants, and it is considered likely that the remaining available units will be taken up as the new Tesco store establishes its position in the local retail hierarchy and the national economic climate improves.

6.20 Notwithstanding the above, new comparison development of a scale even approaching the additional floorspace proposed on the application site could clearly not be accommodated in these units. This is particularly the case given that the largest unit comprises just 356 sqm and, even if the potential to amalgamate units is taken into account, the largest cluster of such units would comprise just 1,300 sqm gross (approx).

6.21 The vacant units within Cheetham Hill Shopping Parade are considered to be neither suitable nor viable to accommodate the proposed retail floorspace.

Conclusions

6.22 The proposed mezzanine extension of 1,864 sq m (net sales) is needed to meet the qualitative requirements for additional floorspace at the Currys unit at the Queens Road Retail Park to create a Megastore. The mezzanine will meet the need to improve the quality of choice of electrical goods in Cheetham Hill and the shopping environment of the store, which are aspects of qualitative need that are material considerations in the context of national guidance and emerging policy and guidance.

6.23 The fact that the expansion of retail facilities in the Queens Road area is supported by UDP policy, in our view means that it is not necessary to apply the sequential approach. Despite this, we have explored the scope for disaggregation, but in practical terms it would not be viable for the additional

floorspace to be provided on a separate site to the existing store given that it will be used to improve the shopping experience for customers, provide additional circulation and display areas and broaden the range of goods sold within existing goods categories. It is clear from PPS4 (E15.1.d) that the sequential approach does not seek the arbitrary sub-division of proposals.

6.24 Despite this, we have assessed sequentially preferable sites above in Cheetham Hill which could accommodate the proposed extension and the associated car parking and servicing space that would be required. No site has a realistic prospect of accommodating a unit of the size required.

6.25 Furthermore, Manchester City Centre already accommodates a Currys Digital Store at the Arndale Centre.

6.26 We therefore consider that the current proposals accord fully with the requirements of PPS4 and development plan policy in terms of the accessibility of the site and the sequential approach.

7.0 Retail Impact

7.1 The principal retail impact issue in respect of these proposals is the extent to which the forecast retail turnover of the proposed additional development, as would result in an adverse impact on the vitality and viability of surrounding shopping centres. This assessment particularly focuses upon Cheetham Hill district centre and Manchester city centre, which are the nearest centres to the application site.

Turnover of the Proposed Development

7.2 The proposals comprise a mezzanine sales floorspace of 1,864 sq m gross. The subsequent analysis considers the turnover and implications of this level of retail floorspace.

7.3 The latest Mintel Retail Rankings (2009) indicates that the sales density of Curry's is £6,754 per sqm net (at 2007 prices). This equates to £7,175 per sq.m at 2003 prices which is consistent with the price base used in the Retail Study produced by GVA Grimley for the City Council in July 2006. This would give an existing turnover of some £10.67 million (or £11.34 million in 2003 prices).

7.4 However, it is generally accepted that extension floorspace to large stores trades at significantly lower levels than existing floorspace. This is true of Currys own store portfolio. It reflects the fact that the stores already sell many of the highest performing lines, that only part of the additional floorspace will in effect be used to sell a wider range of electrical items with this being complemented by a revised layout which also gives additional space for circulation and product display. The introduction of a mezzanine provides a relatively low cost way of enabling the store to improve its offer and environment to meet customer needs providing an uplift in turnover. The new floorspace would primarily be used to sell lower value, bulkier electrical items compared to those available elsewhere in the unit. The ground floor will continue to predominantly sell higher value electrical goods. The photographs/images contained in Appendix 1 provide evidence of how extensions in DSGi stores have been used elsewhere to improve the shopping environment for customers.

7.5 The store would be refitted at the same time as the mezzanine is installed as part of DSG's transformation programme. Recent experience at other Currys stores where sales floor mezzanines have been installed, (often in conjunction with a refit), have shown increases in the turnover of the unit between 23% and 32% (due to a combination of a refit and mezzanine). However, based on a store of this size, we have allowed for an increase in the turnover of the unit in excess of the upper end of the range (assuming it currently achieves company average levels). This increase reflects the additional turnover arising from the proposed mezzanine taking account of the fact that the increase in turnover

arising from the refit is capable of being achieved without the need for planning permission.

7.6 Based on a robust turnover increase of 50% this would give a turnover of £5.34 million (£5.67 million in 2003 prices) for the mezzanine. This equates with the additional mezzanine floorspace achieving a sales density of around £3,212 per sq.m (again £3,411 per sq.m in 2003 prices) i.e. about 48% of the company average turnover level. This is entirely consistent with the widely recognised characteristics (referred to above) of extensions to existing stores achieving a lower level of turnover than the existing facility.

7.7 In terms of growth in turnover efficiency for existing retail floorspace, recent information provided by Experian (August 2009) recommends a growth rate of 2.4% per annum for the next 15 years based on a historic trends. However, Experian indicates that this average growth rate will not be achieved in the short term due to the economic downturn. We have therefore assumed no growth in turnover efficiency in the short term up to 2011 which we have used as the design year. This would be the first full year of trading and represents a relatively early time to test impact, ensuring the *'worst case'* scenario is tested.

Trade Diversion

7.8 The trade diversion of the proposed development has been assessed having regard to the presence of existing electrical retailers in the City Centre and the surrounding district centres. As noted above, Cheetham Hill only includes a single electrical goods store, although the new Tesco store sells some electrical goods. The City Centre includes a range of retailers selling electrical goods including Currys Digital, Argos and a range of mobile phone operators. In addition, department/variety stores such as House of Fraser, Debenhams and M&S also sell a range of electrical goods.

7.9 We have also identified a number of nearby out-of-centre retail units selling a range of electrical goods, including the Currys and Argos at Central Retail Park and the Comet on the adjacent Manchester Fort Shopping Park, from which the proposed extension is likely to draw some trade.

7.10 In addition, there are other retail warehouse parks located within easy reach of the application site which contain electrical retailers, for example the Heaton Mills Retail Park (Currys) and Mancunian Way (PC World). Given the overlap in electrical goods and style of trading compared to that provided by other out-of-centre retail parks, it is likely that much of the trade will be diverted from similar facilities in other out-of-centre locations.

7.11 Our assumptions for trade diversion (based on a turnover of £5.67 million at 2011 in 2003 prices) comprise the following:

- 20% diverted from Manchester City Centre.
- 2.5% diverted from Cheetham Hill District Centre.

- 67.5% diverted from other out of centre retail warehouse facilities.
- 10% from other facilities, eg. other centres, stand alone stores.

7.12 Table 2 below shows the estimated comparison goods turnover of the City Centre and Cheetham Hill District Centre, derived from the GVA Retail Study.

City/District Centre	Comparison Goods Turnover 2011 (£m)	Trade Drawn From Centre		Trade Diversion (%)
		% Scheme Turnover	£m	
Manchester City Centre	1,227.0	20%	1.13	0.09
Cheetham Hill District Centre	26.21	2.5%	0.14	0.53

Table 2: Impact Analysis (2003 Prices)

7.13 Table 2 shows the estimated comparison turnover of Manchester City Centre and Cheetham Hill District Centre derived from the GVA Retail Study. The Retail Study estimates that the City Centre has a comparison goods turnover at 2009 (2003 prices) of £1,217 million. Cheetham Hill District Centre is forecast to have a comparison goods turnover at 2009 of £26.21 million. We have assumed that these figures remain the same at 2011, As such, these turnover figures represent a conservative estimate of the current turnovers as they exclude commitments at the time of the GVA Study (such as the Arndale Centre extension in the City Centre and the Tesco store in Cheetham Hill, the latter selling a range of comparison goods). We understand that the Tesco store includes around 1,500 sq.m of comparison goods floorspace. The use of these figures will, therefore, underestimate the actual turnover of the two centres at 2011, thereby providing a robust impact analysis.

7.14 In terms of direct competition with the Megastore, the latest Goad survey (September 2008) confirms that the City Centre includes 11,325 sq.m gross of floorspace selling electrical goods. Assuming 65/35 net/gross ratio, this results in 7,361 sq.m of net sales area. Assuming that this floorspace trades at £6,000 per sq.m (which we consider is reasonable based on the GVA study and the average turnover often achieved by such floorspace) the total electrical goods turnover would be £44.17 million (2003 prices). This would account for under 4% of the City Centre's comparison goods turnover at 2011. although there are other retailers whose main offer is not the sale of electrical goods, eg. Argos, M&S and House of Fraser, this figure demonstrates the City Centre's very limited reliance upon electrical retailers, in terms of their contribution to the vitality and viability of the Centre.

7.15 Assuming 20% of the mezzanine's turnover is diverted from Manchester City Centre, the estimated levels of trade diversion as shown in Table 2, would result in an impact on the town centre comparison goods turnover of under 0.1%. This is a negligible level of impact. It is also important to note that some of this City Centre trade will be drawn from retailers who sell a range of

electrical goods as part of a significantly wider range of goods. As such, the impact upon these individual stores would still be very limited.

7.16 In terms of Cheetham Hill, the level of trade diversion is again very limited. As noted above, the forecast turnover of the district centre has been derived from the GVA Retail Study, and therefore excludes the comparison goods turnover of the new Tesco store. Given that there is only one other electrical shop in Cheetham, most of this trade will be diverted from Tesco. This raises two issues, firstly the actual impact levels are overestimated because the Tesco turnover is not incorporated in the total centre turnover figure. Secondly, the impact upon Tesco will be limited given that electrical goods only form a small part of Tesco's retail offer. It is clear, based on these figures, that the vitality and viability of Cheetham Hill district centre would not be adversely affected by the proposals.

7.17 The majority (67.5%) of the remaining turnover of the proposed extension drawn from within the Borough will be diverted from out-of-centre retail warehouse stores which are afforded no protection under planning policy.

7.18 The remaining 10% of trade will be drawn from other facilities, for example other centres and stand alone stores. This trade will be drawn from a range of dispersed facilities some of which are out-of-centre.

7.19 There is no prospect of these impact levels having a harmful impact on any town centre in terms of the considerations set out in Policy EC16 of PPS4. They would have no effect on any spatial planning strategy for the area or for centres, the retail hierarchy or on future investment in any centres. Such low levels of trade diversion would also have no impact on the ranges of services provided by centres, the level of vacant properties, the condition, quality or attractiveness of centres, their role in the community or their overall vitality and viability. In contrast, there will remain ongoing capacity for further comparison floorspace in these centres to accommodate the growth in spending and meet the quantitative need for further comparison floorspace in the period after 2011.

7.20 We have not considered in quantitative terms the cumulative impact of the proposals with other retail commitments (Policy EC17.2.b of PPS4) because the levels of impact of the proposed extension are so low that in a situation where the impact of other commitments is acceptable the additional impact from the Currys extension could not be considered to turn an acceptable situation into an unacceptable one.

Scale

7.21 The requirement to identify the appropriate scale of development within PPS4 relates to development located in or on the edge of a town centre ensuring the proposal is of an appropriate scale (in terms of gross floorspace) in relation to

the size of the centre and its role in the hierarchy of centres (Policy 16.1.e). As such, the PPS4 test of scale is not directly applicable to these proposals.

7.22 Notwithstanding this, we consider that the scale of the proposed development is appropriate in this location. The additional mezzanine floorspace proposed will be located internally within the existing Currys unit and is modest in the context of the Queen Road and other retail parks in the area including the Fort Shopping Park.

Other Impacts

Test 1: Accessibility/Reducing Carbon Dioxide Emissions

7.23 The accompanying transport statement by Savell Bird & Axon identifies (para.4.1.3) that the application site is highly accessible by non-car travel modes (walking, cycling and by public transport). Further to this, the report states that the proposed development would facilitate diverted and linked trips and that it would not result in a material increase in traffic.

7.24 The fact that the site is accessible by non car travel means it therefore complies with the requirement for the development to be accessible by a choice of means of transport (policy EC10.2.d).

7.25 As the site is accessible by a choice of means of transport and it would not result in a material increase in traffic. In addition, it forms part of an existing retail destination. As such, it will assist in limiting carbon dioxide emissions and minimise vulnerability/provide resilience to climate change, therefore complying with the relevant PPS4 tests.

Test 2: Securing a High Quality Design and Physical Regeneration

7.26 There are no proposed changes to the external appearance of the building as the mezzanine proposed is internal. This test is therefore not applicable.

Test 3: Employment Creation and Economic Regeneration

7.27 A significant benefit of this proposed development is the creation of additional jobs. PPS4 emphasises the importance that should be attached to this benefit. Specifically, DSG anticipate that around 40 additional jobs (full and part-time) will be created within the store by providing an enhanced shopping experience and greater customer care and service.

Other Material Considerations

7.28 As indicated in Section 4.0, PPS4 removes the need test in determining applications, however, we demonstrate below that there is a clear qualitative need for the proposed mezzanine.

Qualitative Need

7.29 The proposed development forms part of DSGi's national transformation programme of store refurbishments which includes, where necessary, the addition of further floorspace. This includes the creation of the Megastore format (including Cheetham Hill) and the combined Currys and PC World stores. This is being carried out to enable DSGi to meet customer needs in individual catchment areas by providing the combination of the optimum range of goods for a particular catchment area displayed in an attractive environment with adequate space for circulation.

7.30 The mezzanine floorspace for which permission is sought will predominantly be used for the sale and display of bulky domestic appliances, and will enable a wider range of electrical goods to be sold predominantly within existing product areas, particularly in areas such as plasma screen TVs, home cinema systems and fridge freezers for which demand from consumers is increasing. In part this is also likely to involve moving existing bulky goods on to the mezzanine area and refitting and improving the layout of the ground floor to provide a more modern, spacious and attractive ground floor layout.

7.31 As indicated in Section 2.0, the proposed mezzanine will increase the range of choice and brands sold in each product category but also to enhance the overall shopping experience. An improvement to the customer experience would be achieved by altering the means of display and format of the sales area within the unit by allowing a far greater amount of circulation space between the product ranges and more efficient storage. Fuller product ranges within brands will be offered, improving customer choice. Interactive *"play tables"* allow shoppers to pick up and test out a wide variety of products prior to purchase, including a number of premium brands.

7.32 More generally Currys is seeking to create a situation where customers' consideration of generally expensive bulky electrical products is not restricted to a display based on stacked or shelved items, which prevent full review or testing prior to purchase.

7.33 PPS4 sets out a range of considerations which should be taken into account in assessing qualitative need for retail and leisure development at the development plan stage including the degree to which shops may be overtrading and whether there is a need to increase competition and retail mix (Policy EC1.4.d). The accompanying Practice Guide on Need, Impact and the Sequential Approach (PG) expands on qualitative need, highlighting five factors that are frequently identified, but states that others may be relevant (para.3.10):

- Deficiencies or 'gaps' in existing provision;
- Consumer choice and competition;
- Overtrading, congestion and overcrowding of existing stores;

- Location specific needs such as deprived areas and underserved markets, and
- The quality of existing provision.

7.34 Because need is no longer a requirement at the application stage this advice is aimed at assessments at a LPA wide level rather than at the micro level of an individual store, however, ultimately it is put into practice through seeking to provide a range of modern facilities able to meet consumer needs in a particular catchment area which is what this proposal seeks to do.

Conclusions on Retail Impact

7.35 The above assessment considers the extent to which the forecast retail turnover of the proposed development will impact upon the vitality and viability of surrounding shopping centres, particularly focusing on the City Centre and Cheetham Hill district centre. Based on the forecast levels of impact the role and function of the centres would not be undermined as a result of the proposed development, and we consider that there would be no harm to the vitality and viability of the centres in terms of the considerations in PPS4.

7.36 Based on this conclusion, the proposals are then considered against Policy E17.2 of PPS4 which confirms that the other impacts are positive.

7.37 In conclusion, it is our view that the proposals fully accord with policies within PPS4 and in particular Policies EC10.2, EC16 and Policy EC17.

8.0 Conclusions

8.1 This Retail Statement has been prepared by Nathaniel Lichfield and Partners (NLP) on behalf of DSG International PLC. It provides information on retail planning issues to assist the Council in its consideration of the proposed mezzanine at the Currys store at the Queens Road Retail Park, Cheetham Hill. Currys seek to install a 1,864 sq.m gross mezzanine into the existing Currys unit to create a new Megastore. The Megastore format is described in detail in Section 2.0 of this report.

8.2 Section 4.0 of the Statement considers relevant retail planning policy and in particular the newly adopted PPS4. It is also noted that the Manchester UDP in saved policy S2.3 permits the limited expansion of retail floorspace of the two non food retail parks including Queens Road, Cheetham.

8.3 The existing retail hierarchy is described in Section 5.0 with particular reference to Manchester City Centre and the nearby Cheetham Hill District Centre. In terms of the latter, the health checks confirm that there is only one electrical retailer within the centre, although it is noted that the Tesco store sells some electrical goods.

8.4 Section 6.0 considers the sequential approach and at the outset it explains why we consider that this is a suitable location for the proposals. It also explains why it is not viable to disaggregate the proposed extension from the present store or to divide it into smaller elements. Despite this, we have considered potentially available sites in Cheetham Hill and conclude that these proposals fully accord with the sequential approach as set out in PPS4.

8.5 Finally, Section 7.0 of the Statement considers retail impact and in particular the impact upon the City Centre and Cheetham Hill District Centre. The analysis concludes that most of the trade will be diverted from other similar retail warehouse operators in surrounding retail parks such as the Manchester Fort Shopping Park and the Central Retail Park. It is clear from the analysis that local centres will experience a very limited level of impact which will not threaten their vitality and viability.

8.6 The section also considers other impacts as set out in PPS4 and considers other material considerations.

8.7 We conclude that the proposals fully accord with all relevant planning policy including the policies contained within PPS4, and the Manchester UDP.

Appendix 1 Photographs showing DSG Stores after remodelling/mezzanines






Televisions
Computing
Audio
Cookware
Electrical accessories
Travel accessories


Fridges & Freezers
Fridges & Freezers
LIEBHERR
BOSCH
Whirlpool
6th sense
www.whirlpool.co.uk
up to 50% savings on energy, water and time


SONY VAIO
COMPAQ
HEWLETT PACKARD
DELL
Broadband
Internet and Email
TechFriend


LEXMARK
LEXMARK
LEXMARK
MYTOUCH

Appendix 2 DSGi Environmental Policies

DSG international plc is committed to achieving high standards of environmental management throughout its business. We believe that our objective can best be achieved where we integrate our environmental policy into sound business processes. We do this in the following ways:

Increasing understanding- in order to devise appropriate strategies we must establish and maintain a good understanding of our overall environmental impacts. We do this through a system of measurement allowing trend analysis to yield meaningful comparators.

Raising awareness - we pursue a policy of dialogue on environmental issues with our shareholders, suppliers, customers, staff, Non-Governmental Organisations and Government. This is a two way process that ensures that we are not only aware of developing trends but also that we are part of Government and EU policy making processes.

Reducing impacts - having already identified key impact areas, we are committed to a proactive programme of environmental management. For example, to reduce CO2 emissions we target both energy and fuel use. Energy efficiency measures extend beyond that which we use in the course of our business and into the design or products which we sell to our customers.

Key impact areas:

Resource use: resources are used throughout the business in the products that are retailed, for packaging and within the retail infrastructure. The Group has an ongoing programme in place to explore ways of reducing materials consumption and to understand and implement measures to use sustainable and recyclable materials.

Energy consumption: energy is used across the business in the form of gas and electricity and by the distribution fleet in the form of fuel. The Group continues to strengthen energy and fuel use efficiency measures, monitor consumption and use consumption data and subsequent CO2 equivalents to benchmark and report on its progress.

Waste management: the disposal of waste places a significant burden on the environment and the Group has adopted measures to segregate waste materials for recycling in order to reduce this burden. The Group has a well-established system for compacting materials ready for collection by recyclers (particularly in the distribution chain) and continues to develop both internal services and those available to customers for the recycling and safe disposal of products and their associated consumables.

DSG international works with a wide range of public and private sector groups to reduce the impacts of our business on ecosystems and resources. Here are details of just a few of our partnerships.

Managing spent batteries

The UK generates 20,000 - 30,000 tonnes of waste batteries every year, but less than 1,000 tonnes are recycled. (Figures from Waste Online). The EU Batteries Directive requires the collection of 25% of all household batteries for recycling by 2012. We sit on the UK Government's advisory group on batteries, and all Currys and PC World stores have specialist battery containers to collect batteries used in-store. These are then recycled by G&P Batteries. We've also been working with the Government funded Waste & Resources Action Programme 'WRAP' to trial the collection of customer batteries.

Carrier bags – less packaging, more recycling

Our customers continue to require carrier bags and we are working to reduce the impact that bags have on the environment. There is growing legislative pressure in some EU countries to move away from plastic to paper. However, evidence has shown that plastic is a far more appropriate material for carrier bags (being durable and waterproof) and also that the life-cycle of a plastic carrier bag has less impact on the environment that that of paper. For these reasons we are supplying plastic bags while taking steps to produce a more sustainable bag.

In 2002 we altered the design of our carrier bags to reduce the amount of material used per bag. This produced the annual equivalent total saving (in weight of bags produced) of 262 tonnes of plastic. Bag strength remained unchanged. During late 2003, we became the first major retailer to offer 100% recycled content carrier bags, helping to save non-renewable resources and reducing the need for landfill or other disposal. Research shows that every tonne of new recycled content bags made saves 1.8 tonnes of oil. We are working to introduce similar bags through our whole business.

The size of many of the products we sell (fridges, ovens, computers, televisions and so on), our pattern of distributing bags is just one bag per £500 spent in our stores, but we are working on plans to reduce our carrier bag consumption.

Climate change & energy consumption

As a consumer of energy and a retailer of energy -sing products we have identified CO2 emissions as one of our key impact areas. In addition to working with organisations such as the Carbon Trust to understand how our own CO2 reductions that can be reduced, we encourage suppliers to design energy efficient products.

We work closely with the Energy Savings Trust and have support its Energy Savings Week by providing free delivery and installation on Energy Saving

Recommended products, and hosting in-store sessions with the Energy Savings Trust's 'Energy Doctors'.

PC World is trialing a space age lorry with NYK to distribute stock to stores. The aerodynamic RoadMouse, so called because it is shaped like enormous computer mouse, reduces the fuel consumption by 20%. Each equivalent journey can be carried out using by 10% less fuel and the new vehicles provide 10% more storage capacity.

Water efficiency

The need for greater water efficiency is becoming ever more evident. Non-Governmental organisation Waterwise works to reduce water use across the UK, and Currys sponsors a section on the Waterwise web site that ranks all water using products in terms of their efficiency. Please visit **www.waterwise.org.uk** for more information. We have been providing new water saving devices to stores to fit into staff toilet cisterns. More than 3,000 have been installed, each saving a litre of water at every flush!