



**Nathaniel Lichfield
& Partners**

Planning. Design. Economics.

Cambridge Local Plan Examination

Hearing Statement

Matter 4

Orchard Street Investment Management
LLP

(Respondent No. 3871)

13 October 2014

13309/DL/RHi

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1.0 Introduction

- 1.1 This Hearing Statement has been prepared by Nathaniel Lichfield & Partners (NLP) on behalf of Orchard Street Investment Management LLP ('Orchard Street') in relation to Matter 4 of the Cambridge City Council Local Plan Examination.
- 1.2 Orchard Street holds a discretionary mandate from the Railway Pension Nominees Limited to purchase, sell and manage all of its real estate investment assets, including the Beehive Centre (which was purchased from British Land in October 2012). Orchard Street is a leading UK specialist commercial property investment manager responsible for over £3 billion of UK commercial property investments for a number of institutional clients. Those investments include 11 shopping centres and 31 retail parks nationally.
- 1.3 Orchard Street's interest within Cambridge include Microsoft's new headquarters at 21 Station Road, Cambridge Lakes Business Park, Coldham's Lane, St Andrew's House and Radio House, St Andrew's Street, and the Waitrose and Argos stores at 2-14 Fitzroy Street.
- 1.4 As the investment manager for the owner of this important retail destination in Cambridge (alongside their other local interests), Orchard Street welcomes the opportunity to continue to engage in the formulation of planning policy for Cambridge to ensure that a positive and supportive Local Plan is adopted to enable Cambridge to continue to grow as a vibrant and thriving City.
- 1.5 NLP submitted a number of representations to the Cambridge Local Plan 2014 (CLP 2014) throughout its preparation. Specifically, we submitted representations to the initial Issues and Options Report (ref.RD/LP/250) (May 2012) on behalf of British Land (the former owners) and to the Issues and Options Report 2 (ref. RD/LP/270) (January 2013) and Proposed Submission Version (ref.RD/Sub/C/010) (July 2013) on behalf of Orchard Street.

Matters and Issues for Examination

Matter 4: Employment and Retail

- 1.6 The Matters and Issues for Examination identified four questions to be considered in relation to Matter 4. Those of relevance to this Hearing Statement are:
- b Does the evidence base supporting employment and retail policies meet the requirements of Planning Practice Guidance?; and
 - d Do the Plans accurately identify the likely requirements for new retail development (convenience and comparison goods over the Plan period)?
- 1.7 This Hearing Statement responds to questions (b) and (d) only.

- 1.8 In addition, we comment on the process undertaken by CCC in preparing the CLP 2014 against the requirements of regulation 18(3) of the Town and Country Planning Regulations 2012 (The Regulations), which we note most closely relate to Matter 1. We are however content for these concerns to be addressed in the context of Matter 4 in view of the overlap between them.

Focus of Ongoing Objections

- 1.9 In essence our earlier representations focus on matter 4(b) and our concerns that the emerging CLP 2014 is not sound as we consider:
- 1.10 (i) it is appropriate for the Beehive Centre to be identified as a District Centre within the retail hierarchy (policy 6) – its exclusion means that this part of the plan is not “*justified*”
- 1.11 (ii) the evidence base has not appropriately addressed the potential inclusion of all potential additional centres within the retail hierarchy – therefore this element of the plan has not been “positively prepared.”
- 1.12 (iii) notwithstanding the requirement on Cambridge City Council (CCC), under regulation 18(3) of the 2012 Regulations to “*take into account any representation made to them*” in relation to earlier iterations of the CLP 2014 there is no evidence prior to December 2013 that CCC considered our earlier representations or post December 2013 that they have assessed, or sought to justify, not proposing the modifications sought; and
- 1.13 (iv) the proposed retail impact threshold is not “*consistent with national policy*”.
- 1.14 We expand on these points within this Hearing Statement.

2.0 **Planning Policy Requirements**

National Planning Policy Framework (NPPF)

- 2.1 The NPPF (para. 14) indicates that plans must “*meet objectively assessed needs with sufficient flexibility to adapt to rapid changes.*” LPAs are also required (para. 23) to plan positively and set out policies for management and growth of centres and:
- define a network and hierarchy of centres that is resilient to anticipated future economic changes;
 - allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, office, tourism, cultural, community and residential development needed in town centres; and
 - meet the needs for retail, leisure, office and other main town centre uses in full, and not compromise this by limited site availability.
- 2.2 Each Local Planning Authority should ensure that the Local Plan is based on, “*adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area*” (para. 158).

Impact Thresholds

- 2.3 The NPPF states (para 26) 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 sqm)*”.

National Planning Practice Guidance (PPG)

- 2.4 Paragraph: 006 Reference ID: 2b-006-20140306 identifies, “*it may not be possible to accommodate all forecast needs in a town centre: there may be physical or other constraints which make it inappropriate to do so. In those circumstances, planning authorities should plan positively to identify the most appropriate alternative strategy for meeting the need for these main town centre uses, having regard to the sequential and impact tests. This should ensure that any proposed main town centre uses which are not in an existing town centre are in the best locations to support the vitality and vibrancy of town centres, and that no likely significant adverse impacts on existing town centres arise, as set out in paragraph 26 of the National Planning Policy Framework.*”
- 2.5 Paragraph: 014 Reference ID: 12-014-20140306 states:

“Appropriate and proportionate evidence is essential for producing a sound Local Plan, and paragraph 158 onwards of the National Planning Policy Framework sets out the types of evidence that may be required. This is not a prescriptive list; the evidence should be focused tightly on supporting and justifying the particular policies in the Local Plan.... The evidence needs to inform what is in the plan and shape its development rather than being collected retrospectively. It should also be kept up-to-date. For example when approaching submission, if key studies are already reliant on data that is a few years old, they should be updated to reflect the most recent information available (and, if necessary, the plan adjusted in the light of this information and the comments received at the publication stage).”

- 2.6 Paragraph: 017 Reference ID: 12-017-20140306 identifies that, *“Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012 sets out specific bodies or persons that a local planning authority must notify and invite representations from in developing its Local Plan. The local planning authority must take into account any representation made, and will need to set out how the main issues raised have been taken into account.”*

Impact Thresholds

- 2.7 Paragraph: 016 Reference ID: 2b-016-20140306 contains guidance on setting a *“locally appropriate threshold”* and states:

- 2.8 *“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*
 - *impact on any other planned investment”*

3.0 The Beehive Centre

- 3.1 A key focus of our representations is our view that the existing role and function of the Beehive Centres should lead to it being identified as a defined centre within the retail hierarchy (policy 6). The Beehive Centre forms an established retail location to the east of Cambridge City Centre. Retailers at the centre include Asda, M&S Simply Food, TK Maxx, Toys 'R' Us, Next Home, Carpetright, Pets at Home, Multiyork, Oak Furniture, Hobbycraft and Maplin. DW Sports and Fitness (which includes a significant health and fitness facility), Costa Coffee and Subway are also present. A further summary of its role and function, using the same format as the CCC Shopping Surveys 2012 (ref.RD/E/110), is contained at appendix 1.
- 3.2 The Beehive Centre therefore forms an established retail destination within the City and also forms an accessible location - the Officer Report relating to a recently permitted mezzanine (LPA ref:11/0025/FUL) identifies that "*the Beehive Centre is well connected to sustainable transport modes with existing footpaths, cycleways and provision of 159 cycle stands located across the site. There is a frequent bus service operating between the site and the city centre, with additional serviced along Coldham's Lane and Newmarket Road*" (para 8.16).
- 3.3 The planning history of the Beehive Centre is complex and the retail development present dates back to the original planning permission granted in July 1986. This, and subsequent planning permissions, permit a variety of open A1 retail floorspace, food retail development, A3 (food and drink uses), bulky goods floorspace and the DW health and fitness use.
- 3.4 In recent years CCC has granted a series of planning permissions/variations to S106 Agreements which have relaxed original restrictions and widened the range of goods which may be sold from previously "*bulky goods*" floorspace.

The Beehive Centre's Role within the Retail Hierarchy

Role as a "*De Facto*" District Centre

- 3.5 We consider that the Beehive Centre functions as a "*de facto*" District Centre and it is appropriate for it to be identified within the retail hierarchy accordingly.
- 3.6 Specifically, whilst the Cambridge Retail and Leisure Study Update (CRLSU) (May 2013) (ref RD/E/130) recognises that the Beehive Centre draws comparison trade from across the City (appendix 3, table 8) it has a specific role in serving the surrounding population within this eastern part of the City in particular. This is reflected in the fact that the Centre has both a more localised convenience role (53 % of the turnover of the Asda store is derived within the zone around the Beehive Centre – appendix 2 table 8) and also meets the other needs of these local residents in a variety of ways (far wider than the sale of "*bulky goods*" referred to in earlier iterations of the draft Local Plan). This

role means it can be differentiated from the other “Retail Warehouse” locations in the City which primarily accommodate units selling bulky goods.

- 3.7 Not only is it acknowledged by CCC as forming an accessible location but it also benefits from a large walk-in catchment area population (with pedestrian/cycle access from Coldhams Lane, Sleaford Street (Rope Walk) and St Matthews Garden). The Beehive Centre also provides a variety of goods and services, - the ASDA and M&S Simply Food at the Beehive Centre sell convenience goods, there are clothes sold in ASDA and TK Maxx and the Centre also has a pharmacy (in the ASDA), a cash machine, a Health and Fitness Facility and coffee shops. The Centre also contains a substantial recycling facility. All of these facilities meet the day to day needs of the local area.
- 3.8 The initial Issues and Options Report (IOR) of the draft CLP (para 4.45) refers to the former PPS4 definitions including that of a District Centre comprising a group of shops often with at least one foodstore and a range of non retail services and local public facilities. Whilst the government has subsequently published both the NPPF and the PPG neither of these include subsequent definitions of a District Centre and there is no suggestion that the PPS 4 definition no longer provides an appropriate starting point for analysis.
- 3.9 We are aware of a number of locations nationwide which have been designated as District Centres through the Development Plan process. These include, but are not limited to, The Kingston Centre in Milton Keynes and the Arnison Centre in Durham.
- 3.10 For the reasons set out above we consider that the Beehive Centre is already operating as a District Centre and is very different in character from other Retail Warehousing locations elsewhere in Cambridge. We consider this role should be appropriately reflected in emerging planning policy. This would be in accordance with the NPPF which requires Council's to plan positively for growth. Indeed the Beehive Centre has more of the characteristics of a retail centre than Cambridge Leisure Park, which is identified as a local centre within the retail hierarchy (as Hills Road/Cherry Hinton Road).

4.0 Representations to Matter 4

4.1 As set out in Section 1, this Hearing Statement responds to questions (b) and (d) only of Matter 4.

(b) The Evidence Base Underpinning the Proposed Retail Hierarchy

4.2 We briefly summarise the key chronology of the progression of the CLP2014, and its associated evidence base in table 4.1 below.

Table 4.1 Chronology of CLP 2014 and retail evidence base

Document	Date	CLP Ref
Cambridge Sub Region Retail Study	October 2008	(RD/E/80)
Cambridge Sub Region Retail Study	Amended September 2009	(RD/E/80)
CCC Shopping Centre Surveys	Undertaken 2012 (but not Published until 19 March 2014)	(RD/E/10)
CLP 2014 – Issues and Options Report	June 2012	(RD/LP/240)
CLP 2014 – Issues and Options Report 2	January 2013	(RD/LP/270)
Cambridge Retail and Leisure Study Update 2013	May 2013	(RD/E/130)
CLP 2014: Proposed Submission	July 2013	(RD/Sub/C/010)
CLP 2014: Schedule of Proposed Changes	March 2014	(RD/Sub/C/050)
CCC and SCDL Retail Topic Paper	March 2014	(RD/Top/040)

Source: NLP

4.3 The IOR (June 2012) (IOR) (RD/LP/240) did not set out a retail hierarchy and NLP's representations to this set out the importance of subsequent iterations of the CLP assessing whether the current retail hierarchy should be widened. It also stated that it was appropriate for the Beehive Centre to be identified as a District centre within the retail hierarchy (as expanded upon in section 3.0).

IOR (2) (January 2013)

4.4 CCC's initial assessment of a revised City wide retail hierarchy was the set out in the Issues and Options Review 2 (IOR 2) (RD/LP/270) within Annex L2.

4.5 Whilst we support the stance taken by CCC in seeking to identify both new centres and additional centres capable of expansion we are concerned that the preparation of this revising hierarchy within Annex L2 was premature. Specifically, these proposals (January 2013) pre-dated the publication of the (CRLSU) (ref. RD/E/130) which was subsequently published in May 2013.

4.6 Instead it appears that Annex L2 is based on the (then unpublished) 2012 "shopping surveys" which "identified a number of new centres" but which were

not then available for comment or review. Based on such limited (and unpublished) analysis the proposed amendments to the retail hierarchy cannot be considered to be fully informed or based on an up to date evidence base (both pre-requisites of a Local Plan which is “justified”).

- 4.7 It also appears from the subsequently published shopping surveys that they did not include an assessment of the appropriateness (or otherwise) of identifying the Beehive Centre within the retail hierarchy, despite NLP raising this issue in July 2012. NLP have since undertaken this exercise for the Beehive Centre (appendix 1) and this confirms both the range of uses present and the accessibility of the Centre which further justify our view that it is appropriate for the Beehive Centre to be incorporated within the retail hierarchy.
- 4.8 In addition, there does not appear to be any assessment in the Annex of the current role and function of existing (or potential new) Centres or how they perform against the appropriate criteria for assessing such Centres.

CRLSU (2013)

- 4.9 The shortcomings of the January 2013 IOR2 analysis are then exacerbated by the subsequent failure of the CRLSU (2013) to undertake the necessary analysis of the existing and proposed retail hierarchy despite it identifying this as one of its terms of reference.
- 4.10 The CRLSU states (para 5.9) that “*as part of our assessment we have also considered the scope to define the following as new or planned centres in the emerging Local Plan*” before going on to assess Cambridge Leisure Centre, Carlton Way, Hawthorn Way, Station Area, two sites in North West Cambridgeshire and Clay Form. However it undertakes no such assessment of the scope for the Beehive Centre to be accommodated within the retail hierarchy despite the assessment that NLP had previously presented to the CLP Process.

The Beehive Centre and Cambridge Leisure Park

- 4.11 Not surprisingly, given the absence of a robust evidence base, CCC is proposing a Local Plan which results in a greatly contrasting treatment of both the Beehive Centre and Cambridge Leisure Park within the revised retail hierarchy. The inconsistency arising from the fact that the Leisure Park area (now Hills Road / Cherry Hinton Road) has been identified within the retail hierarchy, whilst the Beehive Centre has not, is indicative of the inadequate and flawed evidence base underpinning this part of the plan.
- 4.12 Cambridge Leisure Park contains a Cinema, Bowling Alley, Hotel, range of restaurants and two relatively small foodstores (Tesco Express and Sainsbury’s Local) and therefore, has a substantially narrower retail function than the Beehive Centre. Since publication of both the IOR 2 and the CRLSU, CCC are now proposing to allocate a more limited area of the Leisure Park

within the retail hierarchy, further reducing the relative retail role and function of this area relative to that of the Beehive Centre.

- 4.13 Conversely, and as set out in our previous representations, we consider that The Beehive Centre's accessible location, large walk in catchment area and the range of goods and services provided means that it functions as a 'de facto' District Centre. Therefore, it is at least as suitable, if not more suitable than Hills Road / Cherry Hinton Road (or any of the additional Centres) now proposed for reclassification or extension, to accommodate additional floorspace.
- 4.14 This fact would be clearly identified had CCC undertaken a robust analysis of existing and potential Centres of the type required for the preparation of a Development Plan.
- 4.15 We consider therefore, that CCC's analysis is flawed and that this part the Local Plan is unsound as it does not draw on "adequate, up-to-date, relevant evidence" (NPPF para. 158). The evidence underpinning the proposed retail hierarchy is therefore contrary to paragraph 014 Reference ID: 12-014-20140306 of the PPG which states, "*The evidence needs to inform what is in the plan and shape its development rather than being collected retrospectively. It should also be kept up-to-date.*"
- 4.16 This has not been the case a key element of the retail planning evidence base was prepared after CCC's substantive work in revisiting the retail hierarchy).

(d) Do the Plans accurately identify the likely requirements for new retail development (convenience and comparison goods over the Plan period)?

Need to accommodate Retail Growth

- 4.17 The initial IOR recognised that it is likely that CCC will require new retail centres reflecting the fact that:
- The City Centre has a limited capacity and is constrained by historic buildings and open spaces (para 4.27); and,
 - The previously proposed East Cambridge District Centre will not come forward in the Plan period up until 2031 (para. 4.67). The Cambridge East AAP (adopted February 2008) recognises (policy D1/C) that this District Centre was proposed to meet not just the needs of Cambridge East but also the "*immediately surrounding area*" too. The needs of these residents are, therefore, not currently being satisfied or planned for.
- 4.18 However, whilst CCC has gone some way to reappraising the City wide retail hierarchy, and are proposing to allocate further retail centres, their assessment of this matter to date has serious shortcomings and is not supported by the evidence base (as set out above in response to question (b)).

4.19 The derivation of an appropriate retail hierarchy, including the Beehive Centre, would enable the anticipated need for further retail floorspace to be met in appropriate locations.

Consideration of NLP Representations

4.20 Our concerns regarding the inappropriate evidence base and flawed analysis undertaken by CCC in preparing this part of the CLP 2014 is exacerbated by their response to our earlier representations.

4.21 In essence whilst CCC are entitled to “*take account*” of representations and determine that revisions to the emerging CLP are not necessary or appropriate there is no evidence trail that they have undertaken this exercise.

4.22 Orchard Street (and previously British Land) as owners of this important shopping location, has engaged in the Local Plan process since the outset.

4.23 There is no evidence that IOR2, in revisiting the retail hierarchy had regard to our July 2012 representations on the IOR seeking this.

4.24 There is also no evidence that either the CCC Shopping Surveys 2012 or the CRLSU (2013) also undertook this necessary exercise and considered the appropriateness of the inclusion of the Beehive Centre within the retail hierarchy.

4.25 As set out in our September 2013 representations to the Proposed Submission Version, NLP was advised by CCC that draft chapters of the Pre-Submission version of the Local Plan were taken to various Development Plan Scrutiny Sub-Committees from March to May 2013 and that the Planning Officers summarised earlier objections and CCC’s response to them in preparing draft Policy 6 within the Draft CLP (Hierarchy of centres and retail capacity). Having reviewed the documentation provided by CCC in detail (and despite the covering email from them stating that it includes “*summaries of all representations received*”) our representations to both the July 2012 and February 2013 consultations were not identified or referred to within any of the identified committee reports.

4.26 We have undertaken a similar exercise for our September 2013 representations to the Proposed Submission Version. We note that the consultation responses were reported to the Development Plan Scrutiny sub-Committee on 17 December 2013, the Environmental Scrutiny Committee on 14 January 2014 and Full Council on 13 February 2014. Our representations are noted briefly in summary of responses reported to each committee, however, our fundamental concerns with regard to the retail evidence base (set out above) have not been responded to.

4.27 Regulation 22(c) states that the documents submitted to the Secretary of State should include a statement setting out:

- i “A summary of the main issues raised by the representations made pursuant to regulation 18,

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- ii *How any representations made pursuant to regulation 18 have been taken into account,*
- iii *If representations were made pursuant to regulation 20, the number of representations made and a summary of the main issues raised in those representations...*

4.28 The Statement of Consultation and Audit Trails (March 2014) has been submitted in accordance with Regulation 22. However, this confirms the above comments that our earlier representations, made pursuant to Regulation 18, have been noted but not responded to.

4.29 Overall therefore we are concerned that this element of Local Plan process fails to comply with Regulation 18(3) and 22(c) and the Submission Version of the Plan cannot be considered sound as there is no evidence that CCC has had regard to our initial representations, as evidenced by them not seeking to have the matters raised assessed in subsequent elements of the evidence base.

Impact Threshold

4.30 We do not consider that any reference to CCC potentially seeking a retail impact assessment, at their discretion, “where a proposal could have a cumulative impact or an impact on the role or the health of nearby centres within the catchment area of the proposal” is appropriate. Not only is such vague wording clearly not “effective” it is not consistent with the requirement within the PPG for addressing different locally appropriate thresholds. This advises that 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
- impact on any other planned investment

4.31 Whilst the CRLSU (paras 9.49 and 9.50) has had regard to identifying such a threshold, their analysis falls short of the comprehensive approach set out within the subsequent PPG and no further evidence has been prepared.

5.0

Suggested Amendments to the Cambridge Local Plan

5.1

In the light of our analysis above we consider that the following amendments are required to Policy 6 and the supporting text (page 32).

- 1 The Beehive Centre should be identified as a District Centre within the Designated Retail Hierarchy; and
- 2 The threshold above which retail impact assessments are required should be 2,500 sqm for all proposals.

Appendix 1 Shopping Survey of Beehive Centre Undertaken by NLP

Name The Beehive Centre

Location Coldhams Lane, Cambridge

Ward Petersfield Ward

Does the Centre seem busy and well used – why is this? Yes, centre is well used and popular given range of services available.

Transport

Number of Bus Stops

1

Bus Routes Covered

Stagecoach, Freedom Travel, Whippet Coaches Ltd

Number of Bus Routes

3 (114, 196 17 - City Centre, Addenbrooks and Fen Estate)

Do the stops have shelters/real-time information? Shelters only.

Parking Information

Off Street Public

Number of Spaces 0

Off Street Private

Number of Spaces Circa. 880 (including disabled spaces)

Layby

Number of Spaces 0

On Street Metered

Number of Spaces 0

On Street Un-Metered

Number of Spaces 0

Number of Disabled Bays

90

Further Comments:

Purpose built car park to serve the retail unit within the Beehive Centre. Free parking for up to 3 hours.

Number of Cycle Stands

159 (provision for 318 bicycles)

Quality of Cycle Stands

Sheffield cycle stands - uncovered

Pedestrian Crossings?

Yes

Crossing Type

Zebra

Are there any barriers to movement?

No

State of the Environment

Trees Planting

Yes – numerous tree and verge planting between parking bays across the entire car park

Bins

Good provision along all walkways

Graffiti Litter

The centre is well maintained with very little, if any, graffiti or litter

Seating, Street Lighting and Furniture

Modern street lighting and seating provided along car park walkways. Designated outdoor seating area outside Costa

Noise/air pollution

Little – purpose built units with appropriate plant noise levels due to surrounding residential areas

Pedestrian Surfacing

Good quality and well maintained

Landscaping/Public Realm/Overall Condition

Good overall condition with tree and planting across the car park. Public realm suitable for function of retail units.