

**ITEM NO. 5**

**COMMITTEE DATE: 2 NOVEMBER 2015**

**APPLICATION NO:** 15/0704/01

**APPLICANT:**

CPG Development Projects Ltd

**PROPOSAL:**

Mixed use development of district centre comprising uses within some or all of Classes A1 (Retail) with associated Garden Centre, A2 (Financial & Professional Services), A3 (Restaurants and Cafes), A5 (Hot Food Take-Away), D1 (Non-residential institutions), D2 (Leisure), associated means of access, access road, car parks, infrastructure works, public realm and landscaping.

**LOCATION:**

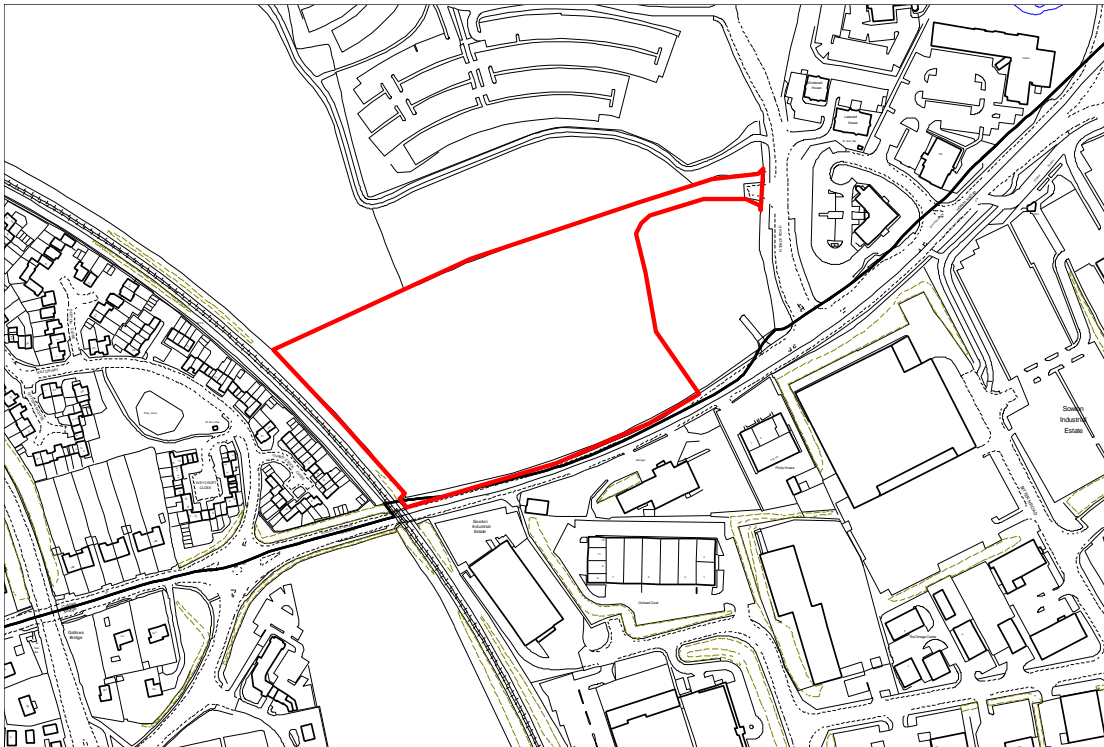
Land west of Fitzroy Road and north of Honiton Road, Exeter, EX1 3RS

**REGISTRATION DATE:**

16 June 2015

**EXPIRY DATE:**

15 September 2015



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**HISTORY OF SITE**

- |              |  |     |            |
|--------------|--|-----|------------|
| 11/1619/01 - | Outline planning permission to erect a mixed use development comprising B1, B8, D1, D2, C1, A1, A3, A4 and A5 uses (means of access to be determined only) | PER | 19/06/2012 |
| 12/0954/02 - | Hotel and restaurant (Approval of reserved matters following outline approval 11/1619/01 granted 19  | PER | 17/12/2012 |

13/5128/03 -	June 2012) Variation of condition 29 requiring a vehicular connection to the northern boundary of the site prior to the occupation of any retail unit (Ref. No. 11/1619/01 granted 19-06-2012)	PER	24/03/2015
14/1615/01 -	Mixed use development to provide a District Centre comprising uses within some or all of Classes A1 (Retail) with associated Garden Centre, A2 (Financial & Professional Services), A3 (Restaurants and Cafes), A5 (Hot Food Take-Away), D1 (Non-residential institutions), D2 (Leisure), associated means of access, access road, car parks, infrastructure works, public realm and landscaping.	REF*	02/12/2014

**\*Reasons for Refusal of last application 14/1615/01**

- 1) The application site forms a significant part of the Monkerton and Hill Barton strategic allocation area. The scale and function of the proposed development would not accord with, and would be prejudicial to the achievement of, the strategic objectives for 'around 2,500 dwellings, and around 5 hectares of employment land and all associated infrastructure' at the Monkerton and Hill Barton area as set out in Policy CP19 of the Core Strategy.
- 2) The proposed development would not accord with the retail strategy focussed on mixed use development at the Bus and Coach Station in Exeter city centre and would therefore be contrary to Policy CP8 of the Exeter Core Strategy.
- 3) The application has failed to satisfy the sequential test and has not demonstrated that the Exeter Bus and Coach Station site would not be suitable for the proposed town centre uses in accordance with Policy CP8 of the Core Strategy and paragraphs 24 and 27 of the National Planning Policy Framework.
- 4) The application has failed to demonstrate that the proposed development would not result in a significant adverse impact on committed and planned public and private investment in centres in the catchment area of the proposal; and on town centre vitality and viability in accordance with Policy CP8 of the Core Strategy and paragraphs 26 and 27 of the National Planning Policy Framework.
- 5) The application conflicts with Core Strategy policies CP8 and CP19. In accordance with Section 38(6) of the Planning and Compulsory Purchase Act 2004, section 70(2) of the Town and Country Planning Act 1990, and Paragraph 12 of the National Planning Policy Framework it should therefore be refused as other material considerations do not indicate otherwise.
- 6) Contrary to paragraph 32 of the National Planning Policy Framework, adequate information has not been submitted to satisfy the Local Planning Authority that the proposal is acceptable in terms of access and impact on the highway network.

## **DESCRIPTION OF SITE/PROPOSAL**

The application site is located to the east of the city, and forms part of a relatively isolated block of agricultural land with housing to the west and commercial development to the east, north and south, including developments such as the recently constructed Premier Inn and Brewers Fayre, Met Office, Exeter Business Park and the Sowton Industrial Estate. The A3015 (Honiton Road) forms the southern boundary.

Covering 3.2 hectares, the site has a shallow slope running from north-west to the eastern boundary. There is a variable level change on the southern boundary up to a maximum of 2m down from the site to Honiton Road. It is bounded to the north, west and south by existing hedgerows and there is particularly dense planting along the railway embankment to the west. Landscaping on the eastern boundary embankment frames the existing hotel/pub site and its car park.

A planning application is made in outline with all matters reserved for future consideration apart from means of access. The proposal is to erect a mixed use development to create a new district centre to serve the east side of Exeter, comprising all or some of the following uses: Retail (A1) with associated Garden Centre; Financial and Professional Services (A2); Restaurants and Cafes (A3); Hot Food Takeaway (A5); Non Residential Institutions (D1); and Leisure (D2).

The planning application form and Planning Statement propose a development with gross internal floorspace of up to 16,127m<sup>2</sup> (GIA) 16,933m<sup>2</sup> (GEA), subdivided as follows:

- A1 - 11,102m<sup>2</sup> food and non-food including garden centre (7,217m<sup>2</sup> net sales excluding Garden Centre)
- A2 - 316m<sup>2</sup> financial and professional services
- A3 - 1,509m<sup>2</sup> food and drink including 'drive thru's'
- A5 - 116m<sup>2</sup> hot food takeaway
- D1 - 1,138m<sup>2</sup> leisure (gymnasium)
- D2 - 1946m<sup>2</sup> e.g. crèche and health facilities
- Up to 382 parking spaces (including 20 disability spaces)

The composition includes a small number of larger units to serve the wider district centre function serving East Exeter.

The proposal is substantially similar to an earlier application 14/1615/01 which was considered by Planning Committee on 1 December 2014 and refused on 2 December 2014. An appeal inquiry against refusal of that application is due to commence on 1 December 2015. The applicant has submitted the new application with additional information to respond to issues raised in the consideration of the previous application. The new application includes:

- A revised Transport Assessment reflecting dialogue with DCC
- Suggested planning conditions to mitigate the impact of the development

The restaurant use has been reduced from previous proposals to respond to Council concern over competition with emerging proposals in the City Centre.

The application is accompanied by a Plan 2176\_PHL-001D 'Proposed Access Plan'. It is proposed that vehicular access for the development site would be provided via an existing priority junction on Fitzroy Road at the north east boundary (which also serves the existing hotel and pub). The internal road layout would join with this existing junction and provide the primary vehicular access to the development site. The submitted Highway Access Plan indicates a secondary access providing a connection to the site of already outline consented residential development to the north. Drawing PHL-002 Rev A shows a link road to the adjoining Hill Barton Consortium housing development to the north subject to conditions in consent 13/5128/03 and a link to Oberon Road having been made. However, whilst information was previously requested, confirmation has not been provided that land ownerships correspond with the application site boundary and that second access could be provided without the need to cross current or future third party land.

The proposed vehicular access would be accompanied by a footway/cycleway (much of which is already in place), which would link to pedestrian and cycle routes on Fitzroy Road and the wider network. Section 106 contributions towards a new footway/cycleway crossing of Fitzroy Road north of the access junction have already been secured. Stepped pedestrian access would also be provided to the south east, with two stepped and ramped accesses to the south and south west (three in total all fronting Honiton Road).

Plan 2176-PHL-007 Rev C shows S278 works to widen Honiton Road to provide a second eastbound lane for a length of approximately 115m from the Fitzroy Road junction, proposed bus stops and a new signalised pedestrian crossing. It is proposed that a pedestrian crossing would be constructed on Honiton Road to achieve links to the Sowton area.

The application seeks approval of a 'parameters plan' PR719-PL07 setting out maximum building scale and is accompanied by an illustrative Proposed Site Plan PR719-PL02 and illustrative Proposed Layout Plans of Blocks (PR719-PL03-6) and Elevations (PR719-PL08-13).

The Council considers that the development does not constitute EIA development requiring an Environmental Statement.

### **SUPPORTING INFORMATION SUPPLIED BY THE APPLICANT**

The following documents have been submitted in support of the application:

- Air Quality Statement - Environ
- Archaeological (letter) - Cotswold Archaeology
- Design and Access Statement - Fletcher Rae
- Ecology Report - Sunflower International
- Flood Risk Assessment - Robson Liddle
- Geophysical Survey - Stratascan
- Ground Condition Report - Landmark
- Planning Statement, June 2015 - Rocke Associates
- Retail Statement, May 2015 - Mango Planning
- Statement of Community Involvement
- Transport Assessment, 10 June 2015 - WSP

## Employment Land Submission

The Planning Statement refers to the significant supply of employment land now available around Exeter at Exeter Science Park, Exeter Gateway and Skypark. It argues, assuming a net developable area of 70%, there is a residual net supply of 126.57ha that would result in a 12-13.5 year land supply at latest take up rates. It also identifies an existing stock and market churn of 2.9 years each, a total supply of about 17.8 years.

## Mango Retail Assessment

A Retail Assessment dated May 2015 has been submitted to address the reasons for refusal of the previous application. It utilises latest population and expenditure data and a new shopping survey of 800 households focused on Exeter and the north and east edge of the city. It provides further detail in respect of the intended retail mix of the proposal and the retail restrictions that may be considered appropriate.

The assessment notes there is already an identified need for a local centre to serve the area as evidenced by the Monkerton and Hill Barton masterplan and extant planning permission. The development will serve this need as well as providing a range of additional facilities to serve residential and business communities plus those passing the site.

The retail element is intended to include an anchor sales unit of about 3,948 m<sup>2</sup> net sales (which may sell clothes from up to 60% of its net sales area [according to the conditions offered by the applicant]), two units of about 901/929 m<sup>2</sup> (there is no certainty of these operators and/or that they will be clothing retailers and an M&S Simply Food (again, it may not be M&S Simply Food and could be another food retailer. Equally, it may not be just a foodstore and instead could be a mixed goods retailer of 715m<sup>2</sup> (there is no certainty of these operators and/or that they will be clothing retailers). The other five units total 724 m<sup>2</sup>.

The assessment includes a health check of Exeter's existing retail centres. It concludes that Exeter City Centre is performing well despite difficult economic conditions of recent years, the overall environmental quality is very good, there is a large number of national multiple retailers as well as independent stores, vacancy rates are below average and there is a wide range of leisure and food and drink provision.

Heavitree is describes as a healthy and attractive district centre that continues to perform strongly notwithstanding the opening of Waitrose nearby. Pinhoe is observed as a healthy local centre.

The Retail Assessment applies the three main tests in Government policy, the sequential approach and the two impact tests on vitality and viability of existing centres and on existing, committed and planned investment.

## The Sequential Approach

National and local planning policy guidance requires applicants to demonstrate that there are no sites within or at the edge of defined centres that are suitable, available and viable to meet the identified need. The applicant argues that there is a recognised need for a new centre to serve the immediate area. Part of the site was allocated for a local centre in the DDDPD (reference is to the draft December 2013). The applicant refers to various

precedents to argue that any sequentially preferred site must meet commercial requirements, be able to accommodate the proposal in full with consideration of reasonable flexibility (flexibility should not change the intended function away from the need it is intended to serve) and that the area of search be the intended catchment.

The only site identified as at issue in respect of the sequential test is the Bus Station. The applicant contends the mix of uses is different, the site is smaller and it would not meet the local needs of Monkerton and Hill Barton.

The developer considers the Bus Station site is not available to accommodate the proposals within a reasonable time period due to the various property interests. This conclusion was reached prior to the submission of the recent planning application.

The Developer argues the viability of the Bus Station is yet to be demonstrated, the site has not come forward in 20 years. The emerging scheme is leisure not retail led and there is no demand for retail floorspace at the site. It concludes a viable large mixed use development which also supports delivery of a new bus station is not likely to be viable without significant public investment.

### Retail Impact

The report notes that the existing centres of Exeter, Heavitree and Pinhoe are performing well. The Retail Assessment is based on a new household survey of the specific catchment with a sample size of 800. The catchment approximates to a 10 minute drive time. The assessment uses a base year of 2015 and design year of 2020.

The overall pool of convenience goods expenditure in the catchment area is £464.09m in 2020.

At the base year of 2014, Sainsbury at Pinhoe £41m p.a. and Tesco Exe Vale £38.4m p.a. are identified as deriving most turnover from the study area. Sainsbury at Guildhall Centre is the largest city centre convenience store turnover £11.55m p.a. The assessment also estimates the turnover of the consented Morrisons at Middlemoor and notes that supermarkets compete on a like with like basis. The convenience turnover from the development, estimated at £6.85m p.a. at the M&S Simply Food will impact most notably on Waitrose and Sainsbury's at Pinhoe and have only a limited local impact on smaller local shops principally in Heavitree.

Exeter City Centre is estimated to have a comparison goods turnover of £511m p.a. at 2015 and Heavitree £2.9m p.a. Retail parks such as Stone Lane and Rydon Lane draw £35 - 38m p.a. at 2015. A future IKEA is also factored into the assessment.

Moor Exchange is estimated to have a comparison goods turnover of £19.65 – 32.25m p.a. The impact is assessed on the basis that Next or TK Maxx Homesense take the largest anchor unit. The assessment indicates that all defined centres will see significant growth in turnover between 2015 and 2020 notwithstanding the cumulative effect of IKEA and the application proposal. City Centre comparison turnover is estimated at £735m p.a. without Moor Exchange and £720m p.a. with it, about 2% impact. This is not considered to be significantly adverse.

The assessment judges leisure and restaurant uses against whether they would have a significant adverse effect on the vitality and viability of Exeter City Centre as a whole. It

argues any impact will fall on out of centre facilities in the locality and that vitality and viability of centres is underpinned by retail not restaurant/hot food provision.

The intended user of the D2 use is identified as “The Gym Limited”, a planning condition is offered preventing cinema use.

#### Impact on existing, committed and planned investment

The Bus Station is identified as the key investment site, a proposal they identify as leisure led. The assessment identifies the lack of evidence of effect on viability of a scheme in a similar appeal decision and of the viability of the Bus Station development ‘without a viable scheme’ they argue ‘there is no planned investment’, referring to the lack of any planning permission (application now received).

The developer also refers to the lack of confirmation of what is proposed at the Bus Station in terms of layout, mix and composition stating it is difficult to predict operations likely to be represented and therefore any material overlap in tenants.

#### Proposed Planning Conditions

The applicant proposes a series of draft Planning Conditions limiting the total overall floorspace and quanta per use class to the maximum specified and limiting the net sales area of retail (Class A1) to 7,217m<sup>2</sup>, a single unit anchor unit of up to 5,807m<sup>2</sup> gross for non food retailing plus two additional units of up to 1,162m<sup>2</sup> gross of non food retailing, a single unit of up to 1,487 m<sup>2</sup> gross for predominantly convenience retailing, a single unit of up to 1,946m<sup>2</sup> gross for a gymnasium (Class D2) and 835m<sup>2</sup> for a community use Class D2 and 3 freestanding units for Class A3 (restaurants), not individually to exceed 506m<sup>2</sup> with optional ‘drive-thru’ facilities.

With the exception of the above no individual unit is proposed shall exceed 511m<sup>2</sup> gross and no subsequent amalgamations of units.

The proportion of floorspace in the anchor unit (A) dedicated to clothing and footwear shall not exceed 60% of the overall scheme and the retail units B and C shall not be predominantly clothing and footwear (but not to restrict sports and/or outdoor pursuits). Unit D shall not be used for comparison goods.

### **REPRESENTATIONS**

The Council has received 108 representations relating to the proposed development. There are 15 objections and 93 letters of support.

#### **Objections: 15**

The Council has received 13 objections mainly relating to transport and retail matters, from individuals. It has also received objections from representatives of John Lewis, East Devon New Community Partners and the owners of Exebridge Retail Park. They can be summarised as:

### John Lewis

The proposals could not be considered to be local in scale and type reflecting the local centre allocation and are not policy compliant, wish to avoid impact on the city centre.

The new application is broadly the same as the appeal scheme and gives rise to the same concerns. The additional information on proposed unit mix and sales area is welcome.

If the proposal is to be approved there should be specific controls over the nature and quantum of retail floorspace.

### East Devon New Community Partners

Object strongly as they did to the previous similar application. The proposals are fundamentally related to the Cranbrook development. Moreover, the Moor Exchange proposals:

- are inconsistent with, and will undermine, the positively planned strategy for Exeter and East Devon that includes a clear strategy and hierarchy of defined centres;
- fail to satisfy the sequential test in so far as that should be applied to Cranbrook (irrespective of the conclusions that are drawn in relation to other alternative locations);and
- will have a substantial negative impact on Cranbrook town centre (and again irrespective of impacts on other centres) in particular investment therein

The delivery of Cranbrook Town Centre is at a key stage and everything is being done to ensure that Cranbrook can come forward at the earliest opportunity. The timing of the Moor Exchange proposal, as well as its undermining of the public and private sector investment in Cranbrook town centre, is therefore particularly unfortunate.

The prospect of a new consent at Moor Exchange can only serve to detract from and undermine the concerted investments being made in the delivery of the Cranbrook town centre.

### Owners of Exebridges Retail Park

The policy context has not changed since the determination and appeal on the previous application, concerns raised in previous letters are requested to be considered.

Still have concerns regarding conclusions of the retail assessment, applicant has not sufficiently demonstrated no serious adverse impact on existing centres.

Scale of development significantly larger than envisaged local centre, 30% of turnover from outside the study area, a higher proportion than the city centre (20%) and retail parks (15%). It is clear the primary purpose is not to serve day to day local needs as a local centre but to provide an alternative destination to the city centre, £8.29m or 26% of comparison turnover is diverted from the city centre. Potential tenants include names who are not a local retail offer.

Impacts are understated due to use of a 2020 design year, 2018 appropriate.



Trade diversion from retail parks overstated, these are more typically retail warehouses with limited overlap.

Trade diversion from district/local centres of 0.2% and 0.1% unrealistically low and inconsistent with statements.

No indication of trade diversion for the 30% derived outside the study area.

### **Support: 90**

There have been 16 letters of support from businesses in eastern Exeter. Many of these make similar statements that Moor Exchange proposes a wide range of high quality retail and leisure facilities which are currently not available to their staff locally. Due to the time pressures of the working day, the majority of staff are unable to travel into the city centre during the week and thus are reliant on shopping elsewhere en route home around the county. The current application proposals will raise the standards of retail and leisure provision on the East side of Exeter and remedy the existing deficiencies of the area in terms of town centre facilities for the substantial existing and future business communities. These district centre facilities proposed will enhance the attractiveness of the employment district for the business and staff and no doubt assist with ongoing inward investment for the area.

The representations include Exeter Science Park who state it is vital to the success of the Science Park that current and future tenants have access to high quality leisure and retail facilities within close proximity and they believe that it is essential that the proposal should proceed.

There have been 77 representations in support from individuals who work and/or live in the area. A number of these are from work email addresses so it is unclear whether they are a personal or company view.

Principal planning issues raised can be summarised as follows:

- The proposal will enhance local facilities for staff and those visiting the area.
- Improved facilities will make the local employment areas more attractive to employers and employees.
- Alternative facilities (including the city centre) are not easy to access.
- Spending power of employees would be retained in Exeter.
- The proposal will boost the economy of the area and provide more employment.
- The proposal will help to address a lack of facilities local to Exeter Business Park.
- The scheme will serve other development areas including Cranbrook, Exeter Science Park and Pynes Hill.
- A 'Local Centre' will not deliver what the area needs in terms of a range of uses.

## **CONSULTATIONS**

### **Devon County Council (Highways Authority)**

Large parts of the Highway Development Manager officer's comments are reproduced in full.

The submitted application follows a similar application for the site for a mixed use development which was refused by the Local Planning Authority in December 2014.

For this application, the total scale of the development has been slightly reduced from 16,000 to around 15,000 square metres. Nevertheless, from a transport perspective the total predicted traffic generation of the site, as set out in paragraph 6.1.4 (970 two way PM peak hour trips) is comparable to the original application (954 two way PM peak hour trips). On that basis, the updated comments to the previous application are still applicable and set out below.

Following the previous highway consultation response and refusal of the application at Exeter Planning committee, the applicant and Highway Authority have been in discussion in an effort to reach agreement over the vehicular impact of the Moor Exchange development and need for any mitigation.

Further discussions have taken place regarding the likely break down of trips and the following has been agreed.

- 20% of the predicted trip generation will be linked (internalised)
- 55% will be pass-by trips (ahead movements becoming left/right in & left/right out)
- 25% Mix of Primary (20%) and Diverted (5%) (new trips on the network)

Although it is agreed that the development will have a lesser impact than set out in the original TA the proposed development will still substantially increase traffic movements at the Fitzroy Road junction, particularly the level of right turn traffic into and out of the site. The current right turn facility into the site from Honiton Road can accommodate 8 vehicles.

Preceding the westbound approach to Fitzroy Road is Moor Lane Roundabout, a major gateway into the city from the strategic road network and identified as a critical highway constraint. It is therefore essential that demand for the right turn movement in any one signal cycle does not exceed the storage.

The increase in demand will increase the likelihood of this blocking and to ensure the strategic corridor is not blocked, green time would need to be reallocated to this movement. This green time will need to be taken from other movements – namely Honiton Road outbound and the right turn movement out of the site. Queuing on Honiton Road outbound is already a point of concern and substantial worsening of this would not be acceptable.

To mitigate against this, the applicants have now proposed widening of approximately 100 metres along the Honiton Road frontage. This is identified on *Drawing 2176-PHL-007 Revision C* and includes relocation of the existing eastbound bus stop into the widened section and the addition of a Toucan crossing (as required with the original outline app 11/1619/01 granted 19-06-2012) to the west of the widening opposite Heron Road. The operation of the signals themselves, particularly with regards providing the right run in a separate signal stage, will also need to be amended.

An acceptable Stage 1 Road Safety audit of the proposals has also been submitted.

The additional lane will considerably increase outbound throughput at the signals, allowing full saturation flow to be maintained for a much greater period of time. It will also help with better use of the outbound lanes, particularly allowing more traffic to access the underutilised right hand lane. As such, the current vehicle throughput on Honiton Road can be achieved with a shorter amount of green time.

The applicants have confirmed the works to Honiton Road will be provided through S278 works linked to the application. The applicant is advised that detailed design will need to be progressed in liaison with the highway authority, but the submitted mitigation works are broadly acceptable and sufficient to overcome the highway authorities concerns with the acceptability of the application. The applicant is advised that the provision of a shared use footway, where achievable, along the frontage of the site would also be desirable.

These improvements are desirable immediately, but not strictly required until the site is partially built out. A condition is therefore recommended to ensure that these works, including the Toucan crossing are provided prior to the occupation of any A1 use on the site.

The submitted parameters plan indicates three pedestrian and cycle links to the southern boundary and a single link to the north of the site. These are welcomed, although the applicant is advised that a suitable cycle connection from the southern boundary to the northern boundary is essential. These links, and the connections to the south, should be secured by appropriate conditions.

Finally the submitted plans also indicate provision of a vehicular connection to the northern boundary with the adjacent Hill Barton Consortium residential site. There has been substantial debate about the timing of the delivery of this, and a Section 73 application to vary the timing of this link to a date no later than 4 months after the opening of a link to Oberon Road was previously approved. This position still holds and a condition to that effect should be attached to any approval.

These improvements are sufficient to overcome the previous concerns and therefore, subject to conditions being attached in the granting of any permission, no objection.

## **Highways England**

Highways England formally directs planning conditions attached to the delivery of highway works.

It notes during the assessment of the 2014 application, concerns were raised in respect of the operation of Moor Lane roundabout, which forms part of the local road network. During peak periods this queues back towards junction 29, and this situation will worsen as development comes forward in the local area.

The directed condition relates to completion of improvement works to the Moor Lane roundabout or completion of the Tithebarn Link Road to the A30 or provisions in place to use Science Park Drive in the interim. It is understood that an agreement to use Science Park Drive has nearly been concluded.

## **Natural England**

Natural England has no comments to make.

## **ECC Environmental Health**

The conclusions of the air quality report are accepted, no mitigation works are required. The Senior Environmental Technical Officer comments that a noise impact of the entire proposal should be submitted prior to determination. If mitigation measures are required, these should be included on any consent as conditions. If the above information were satisfactorily received it is recommended that conditions requiring the following should apply:

- Implementation of agreed noise mitigation measures
- A Construction and Environment Management Plan should be approved by the planning authority prior to the commencement of development

## **Environment Agency**

No objection.

## **Met Office**

The Met Office has no objection to the proposal on the basis that the highest point of development is 53.4 m AOD as indicated on the submitted design and access statement. If development was to exceed that height there may be unacceptable degradation to the Met Office operations. It proposes a planning condition:

*There should be no building or structure with height greater than 53.4m as indicated on the submitted Design and Access Statement. Any plantings or trees would also need to not be allowed to exceed this height now or in the future.*

## **PLANNING POLICIES/POLICY GUIDANCE**

### **Central Government Guidance**

National Planning Policy Framework

National Planning Policy Guidance

### **Exeter Local Development Framework Core Strategy**

Core Strategy Objectives

CP1 - Spatial Strategy

CP2 - Employment

CP3 - Housing

CP8 - Retail

CP9 - Transport

CP10 - Meeting Community Needs

CP11 - Environment

CP12 - Flood risk

CP13 - Decentralised Energy Networks

CP14 - Renewable and Low Carbon Energy in New Development

CP15 - Sustainable Construction

CP16 - Green Infrastructure

CP17 - Design and Local Distinctiveness

CP18 - Infrastructure

CP19 - Strategic Allocations

## **Exeter Local Plan First Review 1995-2011**

AP1 - Design and Location of Development  
AP2 - Sequential Approach  
T1 - Hierarchy of Modes  
T2 - Accessibility Criteria  
T3 - Encouraging Use of Sustainable Modes  
C5 - Archaeology  
EN2 - Contaminated Land  
EN3 - Air and Water Quality  
EN5 - Noise  
DG1 - Objectives of Urban Design  
DG3 - Commercial Development  
DG4 - Residential Layout and Amenity

## **Development Delivery Development Plan Documents**

(Publication version July 2015, these policies carry less weight than those in an adopted plan).

DD2 – Employment land provision  
DD3 – Retention of employment land  
DD4 – Local services in employment areas  
DD14 – Bus and Coach Station area  
DD32 - Local Energy networks

## **Exeter City Council Supplementary Planning Documents**

Planning Obligations SPD  
Residential Design Guide SPD

## **Other Guidance**

Monkerton and Hill Barton Masterplanning Study

## **OBSERVATIONS**

### **Principle of Development**

The National Planning Policy Framework is clear that,

*‘The National Planning Policy Framework does not change the statutory status of the development plan as the starting point for decision making. Proposed development that accords with an up-to-date Local Plan should be approved, and proposed development that conflicts should be refused unless other material considerations indicate otherwise...’*

The adopted Core Strategy includes ten objectives. Objective 2 is  
“Develop the potential of the city for further economic and commercial investment by:

....

*Providing sufficient land and an appropriate range of accommodation for businesses particularly in the Monkerton/Hill Barton, Newcourt and Matford areas.”*

The Exeter Core Strategy includes a strategic allocation for around 2,500 dwellings alongside 5 hectares of Employment Land in the Monkerton and Hill Barton area and supporting infrastructure. Supporting infrastructure includes a Local Centre (as defined). The application has been identified and advertised as a departure from Development Plan policies because it conflicts with landscape setting policy LS1 of the Exeter Local Plan First Review and because the proposed development would not accord with provisions for a Local Centre (including local retail facilities) at Monkerton and Hill Barton as set out in policies CP8 and CP19 of the Exeter Core Strategy

The Publication Version DDDPD Policy DD2 allocates the current planning application site for employment development and associated infrastructure. This includes the area covered by the previous outline consent.

The Publication Version DDDPD (July 2015) Policy DD3 provides that proposals involving the loss of employment allocations will not be permitted unless the alternative use is sustainable in the location proposed and it is demonstrated that development for an alternative use represents an opportunity that would create significant economic benefits for the city and its travel to work area; or the site or premises is not viable for employment use, cannot reasonably be made viable for such use and has been actively marketed at a reasonable price or rent for at least 12 months prior to the planning application being submitted. In this case the proposed use is not sustainable with regard to the retail strategy, there are no significant economic benefits, JLL concluded the site is viable for employment and the site has never been actively marketed.

Were the Planning Committee to resolve to approve the planning application, it would need to be referred to the Secretary of State so that he would determine whether or not he wished to 'call it in'.

### **Landscape Setting**

Whilst technically a departure from Local Plan policy LS1, the principle of development in the Monkerton and Hill Barton Strategic allocation area is accepted through the more up to date Core Strategy and the previous planning consent 11/1619/01. As the site sits within the Strategic Allocation area, policy LS1 is not considered significant in this case.

### **A Local Centre**

Policy CP19 of the Core Strategy identifies a (single) Local centre (defined) as part of the package of infrastructure needed to deliver sustainable development for the Monkerton and Hill Barton area. This is in the context of a wider retail strategy (set out through the Core Strategy) that defines a network and hierarchy of centres. The principle of whether the Core Strategy should provide for a Local or District Centre was considered at length during public Examination of the Strategy (which the applicant's agent and former agents participated in).

#### Core Strategy definition of a Local Centre

'A range of small shops of a local nature serving a small catchment area'.

#### Core Strategy definition of a District Centre

'A group of shops normally containing at least one supermarket or superstore and a range of non-retail services and public facilities'

#### Monkerton and Hill Barton Local Centre (Core Strategy Policy CP19)

'... all associated infrastructure including: Local centre to provide shops, doctors surgery and community facilities...'

The Core Strategy's Examiners report summarised the issue as follows:

*'...it was queried whether a local or district centre should be sought. It was also argued that new community facilities along the Honiton Road frontage would be needed to serve 'Monkerton south'. The masterplan study reviewed options for a new centre (or centres) and I have insufficient evidence that Policy CP19 is inconsistent with PPS4 or out of line with Exeter's hierarchy of centres. Flexible application of the plan and masterplan should allow for appropriate provision of shopping and community facilities as the urban extension develops.'*

Exeter's only District Centres are at Heavitree, St Thomas (including Exe Bridges Retail Park) and Topsham. The smallest is Heavitree District Centre, which has a commercial floorspace of around 7,000m<sup>2</sup>. The Council has identified 10 existing local centres. At approximately 4,000m<sup>2</sup>, and accommodating a range of uses, Polsloe Bridge is the largest; much larger than the average. A further new Local Centre is allocated at Newcourt. By way of context, City Centre commercial floorspace currently amounts to approximately 120,000m<sup>2</sup>.

#### **Local Services in Employment Areas**

The applicant argues that the proposal will provide services to the local employment area around Sowton/Exeter Business Park. The Publication Version DDDPD states (para28/29) that:

*"... the Council recognises that many of the successful employment areas in Exeter would benefit from the provision of some local services which would otherwise be located in existing centres. This could assist the workforce, be attractive to inward investors seeking a suitable location and should also reduce the need to travel by car. Local services could include a child care nursery, a medical practice or walk in centre, a dentist, a chemist, a post office, a bank, cash points, a sandwich bar or a small convenience store for top-up purchases (with Class A1 floorspace not exceeding 280 sqm)<sup>7</sup>.*

*The acceptance of local services within the city's employment areas must not set a precedent for other uses. Planning permission should only be granted if it is demonstrated that the local service is not already suitably provided within the area. The service should meet local workforce needs only and not generate trips by people living or working outside the employment area and such services should be located within reasonable walking distance of the local workforce (which would normally be approximately 400 metres).*

*Policy DD4 identifies those criteria that a proposal for a local service must meet to be acceptable.*

**DD4:** *Development involving the provision of local services within the employment areas at Matford, Marsh Barton, Pinhoe, Sowton, Exeter Business Park, Newcourt, Pynes Hill and Peninsula Park will be permitted provided that:*

- (a) the service is designed to serve local workforce needs only;*
- (b) there is not sufficient provision to meet local workforce needs through existing services in the area;*
- (c) it would be located within reasonable walking distance of the local workforce, taking into account new or enhanced routes provided or funded by the developer;*
- (d) it would provide clear benefits to the environment and the road network by reducing the need for workers to travel outside of the employment area during the working day; and,*
- (e) it would not harm the primary function of the area as a business park or industrial estate”.*

Policy DD4 provides that the provision of local services will be permitted provided that the service is designed to serve local workforce needs only. The scale of the current proposal is designed to serve more than local needs.

### **Existing Planning Permission**

The City Council applied the flexibility sought by the Core Strategy Examiner when approving previous proposals for development on the site in 2012. In addition to the Premier Inn hotel, consent was granted for a mix of uses with up to 3,000m<sup>2</sup> of floorspace, including up to 1,600m<sup>2</sup> of Class A floorspace as part of a predominantly Use Class B (employment) scheme.

The Planning Statement submitted in support of those proposals confirmed that:

*The proposed site provides the opportunity to link the new residential development to the north with the employment area of Sowton, Exeter Business Park and the Met Office with the existing Honiton Road Park and Ride facility, as well as ensuring the provision of supporting facilities during the plan period.’ (6.55); and,*

*‘The concept for developing a local commercial centre is two-fold; the first to serve the existing employment areas and the second to provide for the new residential area as it is developed between 2006 and 2026’. (7.38)*

### **A Hierarchy of Centres**

There have been significant representations in favour of the proposed development that indicate some local demand for the proposals. This is not, however, considered to constitute evidence that the needs the Core Strategy seeks to provide for would not be met through Policy CP19 and delivery of the existing planning permission on the site.

The Core Strategy is clear in its aspirations for a new centre as supporting infrastructure for the Monkerton and Hill Barton area. Policy CP19 proposes the provision of a new local centre to include shops, doctors surgery and community facilities, whilst Policy CP8 notes that “local retail facilities will be required as part of the community provision at the Monkerton/Hill Barton and Newcourt urban extensions”.

This application proposes a significant amount of retail floorspace which can sell a wide range of goods from a variety of unit sizes. This is likely to attract a wide variety of retailers,



many of whom are likely to be national multiple retailers. Such a form of development is very likely to lead to a retail destination with a large catchment area and this is confirmed by the applicant's own Retail Assessment which indicates a significant part of the turnover of the proposed development will be drawn from people living outside of Exeter. This role and function does not sit comfortably with the allocation of a local centre, which is intended to meet local needs. Neither would it contribute towards minimising the need to travel and reducing greenhouse gas emissions.

Moreover, there is no evidence that:

- A Local Centre (such as the one already permitted on site) would not meet local day-to-day needs;
- Development of a Local Centre (such as the one already permitted on site) would be unviable. The CIL Charging Schedule suggests that local centre development is viable;
- Exeter's identified network and hierarchy of centres (as set out in the adopted Core Strategy) is incorrect.

The conclusion that the proposed development would not accord with the identified hierarchy of centres also needs to be seen in a wider context. Local Centres have been secured for each of the growth areas (residential and employment) east of Exeter in East Devon (including at the Science Park). With a balance of facilities already provided for, the proposed development could damage the sustainability of those communities by drawing people away from local facilities.

There is not considered to be an existing or prospective deficiency of shopping and community facilities on the eastern side of Exeter or east of Exeter. The Council's retail strategy is considered to be up to date. Whilst it is recognised that the Core Strategy Examiner's report sought flexibility in applying policy CP19, the existing consent is considered to demonstrate such flexibility. It is not considered that the Core Strategy provides for a 10-fold increase in the amount of retail floorspace to be delivered on the site as now proposed.

In addition, Cranbrook town centre has outline planning permission. The town is being developed at a considerable pace. As with the other growth areas, it is not considered reasonable that a significant departure from the adopted Exeter Core Strategy should come forward in order to provide a range of additional shopping facilities for Cranbrook. To provide for Cranbrook would contribute towards minimising the need to travel and reducing greenhouse gas emissions.

### **Status of the Masterplan Study**

The Masterplan Study was adopted for 'development management purposes' in 2010 before examination and adoption of the Exeter Core Strategy. It has not been adopted as a Supplementary Planning Document and the Core Strategy is clear that development of the area should only have general regard to the Study. In this context, the City Council has granted planning permission for developments that do not accord with framework principles of the Study.

The Study can only be accorded limited weight. It forms part of the evidence base that provides for the Core Strategy's strategic allocation but is not adopted policy. The Core Strategy Examiner's comments that the Masterplan Study and Core Strategy provision for a local centre

should be applied flexibly do not somehow elevate the Study's status. The requirements of the Core Strategy (including policies CP8 and CP19) are a key starting point.

The applicant contends that the Masterplan Study provides for a district centre in name and description. However, whilst a 'District Centre' is referred to in a single instance, the term 'Local Centre' is used synonymously on several more occasions.

Moreover, the Study indicates a centre (on Pinhoe Road) comprising a very high density mix of uses, including residential development at 65+ dwellings per hectare and office/employment elements. The proposed development would not deliver anything like this mix of uses.

Most importantly though, the Masterplan Study does not form policy (but was available at the time of policy formulation). The Core Strategy sets out the adopted retail strategy and specific policies for the area and this proposes one new local centre as 'associated infrastructure' to support housing and employment development. In light of its scale, nature and catchment area, the proposed development would not accord with even the most flexible interpretation of those policies.

### **Available development land**

All matters above are particularly important because there is a limited supply of development land around the city. The application proposals would be prejudicial to the achievement of the principal strategic objectives for the Monkerton and Hill Barton Area, namely the delivery of around 2,500 dwellings and 5ha of employment land.

Whilst it is recognised that there may be reasons to apply Core Strategy provisions flexibly, this does not mean (as the applicant suggests) that provisions for a local centre as supporting infrastructure equate to a 'town centre' local to the Monkerton and Hill Barton Area whose land take is immaterial.

In the case of the recent proposals submitted by IKEA for retail development at Newcourt the Council accepted that the development would accord with the Core Strategy's definition of employment development because it would create, 'significant economic benefits for the city and the travel to work area' and comply with Core Strategy Policy CP2.

The development proposed through this planning application would not accord with the Core Strategy's employment land definition or policy CP2. For that reason it would be prejudicial to achievement of the strategic objectives for the Monkerton and Hill Barton area. The applicant identifies that around 2.2 hectares of extra development land would be required to accommodate the proposed development over and above the land take of the already significant retail, restaurant and local facilities (a very similar range of uses apart from comparison retailing) with extant consent on site.

The application permitted in 2012 (11/1619/01) demonstrates that Class B employment development can be delivered. The 2.2 hectares that would be 'lost' if the proposed development were approved should instead make an important contribution to key development strategy outcomes (including those identified at policy CP19). The proposed development would not be in conformity, or even general conformity, with the Core Strategy. The DDDPD Publication Version July 2015 allocated the 3.2ha site for employment uses,

this allocation includes the entire site in the event that the local centre is not capable of being implemented.

The Council has commissioned Jones Lang LaSalle to advise on employment land issues with regard to this planning application and at the forthcoming planning appeal. The issues relate to the loss of 2.2ha of employment land from the total supply to serve the Exeter area and the strategic allocation and the qualitative issues due to the potential for high quality office development in this area close to the Met office and Science Park.

Jones Lang LaSalle advise that there is now 2 years supply of offices in the greater Exeter area covered by the City and West End of East Devon, however, there is very limited Grade A stock. It has undertaken an analysis of employment land based upon sites identified in the applicant's planning statement and identifies an average office take up of 175,000 sq ft per annum over 2006-14. It has also rated each site as a potential office location concluding that the Moor Exchange site could accommodate 140,400 sq ft as a pure office campus or 90,000/97,500 sq ft with a local centre of the scale approved and the site scores highly in terms of location, availability, suitability and market attractiveness. It concludes that at the take up rate of 175,000 sq ft pa the available sites could provide 9.84 years supply, with slightly over 2 years current supply and a churn of about 2.5 years there is about 14.5 years supply of land and buildings at today's date.

JLL concludes there is a need for high quality office sites in Exeter and specifically around the Exeter Business Park. Moor Exchange is a natural extension to the business park and on a par with it, Exeter Gateway, Pynes Hill and Skypark. Subject to a pre-let, an office scheme is viable in the current market producing a land value similar to that paid NE of Exeter Business Park.

JLL notes that Moor Exchange has not been market tested neither as an employment site or the consented scheme featuring a mix of employment and a local centre.

Officers consider that the report identifies a qualitative case to seek to protect and encourage the office use of the part of the site not approved as a local centre. The case is less compelling in quantitative terms, 14.5 years supply would more cover the Core Strategy plan period to 2026 but a limited range and choice of sites in later years and is not sufficient for the East Devon plan period to 2033.

### **Retail Issues**

Exeter's Core Strategy has been prepared to objectively identify and meet the housing, business and other development needs of the city, whilst responding positively to wider opportunities for growth. The Strategy plans positively for growth in the city centre and seeks to ensure the vitality and viability of other centres through managed growth, whilst recognising that there may be a role for retailing at other out of centre sites. It does not offer any support for retail development of this scale or nature in this location and, instead, identifies other priorities.

The Mango Retail Assessment has sought to address 'town centres first' considerations including Core Strategy policy CP8 and decision making guidance set out at NPPF paragraphs 24, 26 and 27. In doing so, a Retail Assessment with sections on 'sequential' and 'impact' tests has been prepared. If the tests are satisfied, that should weigh in favour of the proposals. If either test cannot be met, the application should be refused.

## Sequential Test

The sequential test set out at NPPF paragraph 24 requires that,

'Local planning authorities should apply a sequential test to planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan. They should require applications for main town centre uses to be located in town centres, then in edge of centre locations and only if suitable sites are not available should out of centre sites be considered. When considering edge of centre and out of centre proposals, preference should be given to accessible sites that are well connected to the town centre. Applicants and local planning authorities should demonstrate flexibility on issues such as format and scale'

Policy CP8 of the Core Strategy accords with this position. The Publication Version DDDPD July 2015 Policy DD14 proposes a retail, leisure and enhanced bus station comprehensive mixed use development of the Bus Station reflecting Policy CP8.

## Impact Test

The impact test is set out at NPPF paragraph 26 and applies to this application. It requires that the following impacts of a proposal are considered:

- Impacts on existing, committed and planned investment in a centre or centres; and
- Impacts on town centre vitality and viability

Expert consultants, Bilfinger GVA, have been appointed to assist the Council in considering these issues. Their advice in a letter dated 20 August 2015 is attached to this report. The conclusion is reproduced below:

*'Paragraph 27 of the NPPF indicates that where an application fails to satisfy the sequential test or is likely to have significant adverse impact on one or more of the impact tests outlined at paragraph 26 of the NPPF, then it should be refused. This approach is supported by the contents of the NPPG which note that "it is for the applicant to demonstrate compliance with the impact test in support of relevant applications" and "it is for the applicant to demonstrate compliance with the sequential test".'*

*In this instance, we consider that the BCS site represents a sequentially preferable alternative site which is available for redevelopment and suitable to accommodate the proposed development when appropriate allowance is made for flexibility in scale and format. As a consequence, we consider that the Honiton Road proposal is contrary to paragraph 24 of the NPPF and Policy CP8 of the Exeter Core Strategy. We also consider that the proposal is likely to lead to a significant adverse impact on investment in Exeter city centre given its impact on the BCS scheme. As a consequence, the proposal is contrary to paragraph 26 of the NPPF and Policy CP8 of the Core Strategy.*

*In addition, there applicant has, in our opinion, failed to provide sufficient information and analysis to demonstrate compliance with the 'impact of town centre vitality and viability' limb of the NPPF impact test. This is contrary to the requirements of the NPPG and therefore at the present time we are unable to conclude that the proposal will not have a significant adverse impact upon nearby 'town centres' such as Exeter city centre and St Thomas district centre.*

*In addition, we also consider that the content of the current application is contrary to the requirements of Policy CP17 of the Core Strategy which promotes a local centre in the Monkerton and Hill Barton strategic area.'*

The applicant was provided with a copy of the Council's retail consultant's initial advice shortly after it was received and it was agreed that the respective retail consultants could meet to discuss areas requiring clarification to identify areas of dispute, common ground or further information / clarification that was needed. That discussion, on 11 September, covered the current application and previous scheme subject to the appeal. The discussion covered the catchment area used for the survey, relationship to a forthcoming Exeter and East Devon survey and information available on the current planning application for Princesshay Leisure but focused on the extent to which concerns over the policy compliance of the proposal could be controlled by planning conditions while remaining within the broad remit of the description of development.

#### Proposed Imposition of control requiring provision of a supermarket/superstore

Following that meeting and legal and retail advice, the Council's retail consultant wrote to the applicant on 23 September. He noted a key part of the description and promotion of the scheme is the phrase 'district centre'. Leaving aside the fact that the Council's Core Strategy promotes a 'local centre' at Monkerton / Hill Barton, the Core Strategy defines a district centre to include at least one supermarket or superstore and these also featured in the definition in the now superseded previous Government guidance PPS4. Therefore to control the development to the type sought in the application and the Core Strategy definition, the Council was considering whether the imposition of a set of controls requiring provision of a superstore/supermarket along with other uses would address its sequential and impact concerns. The following were specifically suggested:

Restriction on the largest unit on the western side of the parameters plan to a single Class A1 supermarket or superstore with floor space to be agreed and no sub-division.

The other northern block shown on the parameters plan would be limited to the unit numbers, gross floor space unit sizes and use classes shown in the design and access statement.

Limit on number of restaurant cafe units and 3 out of 4 should operate as combined restaurant and drive through facilities, not optional drive through.

If the applicant had accepted this proposal it would become necessary to consider whether this should lead to a change in the recommendation to one of approval subject to planning conditions. A key consideration would be whether the development (as so conditioned) would be acceptable despite its non-compliance with the policy requirements for the Monkerton/Hill Barton strategic allocation, as a result of the replacement of the proposed local centre by a district centre and the consequential foregoing of other preferred uses (particularly Class B employment) on the balance of the site.

#### Applicant response to proposed imposition of control requiring supermarket/superstore

The applicant's retail consultant responded on 12 October on a without prejudice basis having taken commercial market advice that:

There is no commercial market for a large foodstore in Exeter. There is however interest from Lidl for a 2,369 sq m gross store at this site.

My client is prepared on a without prejudice basis to amend the current application scheme to accommodate this requirement as an anchor foodstore to the District Centre, in lieu of an equivalent quantum of non food floorspace.

We are also prepared to accept a condition limiting the use of this quantum of floorspace to a single floorspace.

Within the same gross floorspace parameters as the current application we have sought to amend the floorspace mix of the scheme on the illustrative plan to accommodate a store of this size. This results in the removal of the two mid size non food units, loss of the garden centre, relocation of the M&S Simply Food unit and the inclusion of a 5,800 sq m non food sub dividable unit.

The changes in gross floorspace arising are summarised as follows:

<b>(Sq M)</b>	<b>Application</b>	<b>Proposed</b>	<b>Change</b>
Convenience	1,603	3,972	2,369
Comparison	9,499	7,110	-2,389
-compromising Next	6,457	5,807	-650
-local shops	765	765	0
-other*	2,277	538	-1,689

\* Note that at present Unit D is shown as a divided unit of 2 x 269 sq m to meet either potential small local store or larger more general unit demand e.g. for sports or pets

### Officer observations

Whilst the inclusion of the foodstore/supermarket is a positive, the applicant wants to retain the ability to accommodate a full-line Next store. Given that the planning conditions need to keep to the spirit of the original application (i.e. the total quantum of development), the unwillingness of the applicant to go for a larger supermarket means that the surplus floorspace from the small foodstore/discounter will need to be filled by other comparison A1 floorspace and this remains an issue of potential significant harm to the planned investment on the Bus and Coach Station and failure to satisfy the sequential test.

### **Environmental Impact Assessment (EIA)**

The application was accompanied by a 'screening request'. The proposal was screened (in combination with nearby development proposals) in accordance with the Environmental Impact Assessment Regulations and was not considered to require an Environmental Statement.

### **Visual Impacts and Residential Amenity**

The existing ground level of the site is approximately 40m Above Ordnance Datum (AOD). The proposed parameters plan PR719-PL07 seeks approval of maximum building scale, including height. The plan also implies a layout that would result in service access at the northern and western boundaries. The maximum height of the proposed northern block is

53.4m AOD, and the western block 50.5m AOD, with buildings at the south east corner with a height of 45.2m AOD.

The Hill Barton Consortium raise concerns on the previous application that the proposed buildings will result in adverse impacts on the residential amenity of neighbours. In the context of an intervening rail line, it is considered that the scheme could come forward without resulting in an unacceptable impact on residents of Wilton Way and Chard Stock Close. To the north, there is no detailed planning permission for residential development. In view of the distance of the proposed buildings from the site boundary it is considered that both developments could come forward without resulting in unacceptable residential visual amenity impacts.

An appropriately worded planning condition could secure preparation, agreement and implementation of a landscape masterplan; incorporating structural planting to ensure visual compatibility between the proposed development and adjacent residential development.

### **Noise**

The City Council has already accepted the principle of storage and distribution development on the application site (ref. 11/1619/01). This could involve plant and equipment as well as noise from deliveries and operation. In that case it was concluded that planning conditions could be applied to require a noise survey and management plan (including for deliveries). It is considered that the same approach could apply in this instance in combination with controls on construction hours

### **Highways and Sustainable Transport**

The proposed improvement to Honiton Road to increase the length of the two lanes outbound increase capacity at the junction.

The proposed pedestrian and cyclist arrangements are considered acceptable. The Toucan crossing on Honiton Road would help to facilitate trips to the site from Sowton. Accessibility to and from housing areas to the north can be addressed by planning conditions.

The Transport Assessment has been updated using TRICS data and states that trips at Fitzroy Road/Honiton Road junctions are high, however there is a reduction in traffic on the local network including the critical Moor Lane junction and M5 Junction 29 due to pass-by and linked trips. There is no highway authority or Highways England objection to the development.

### **Drainage**

The drainage strategy relies entirely on infiltration. Based on its implementation the Environment Agency raises no objection to the development. It is considered that a drainage solution can come forward in accordance with Core Strategy policy CP12 and this could be secured through an appropriately worded planning condition.

### **Sustainability**

The application's Design and Access Statement states an aim to achieve Excellent BREEAM credentials. Achievement of BREEAM Excellent would accord with Core Strategy Policy CP15 and could be secured by planning condition.

A local energy network is proposed for the area. The Publication Version DDDPD (July 2015) Policy DD32, proposes a local energy network at Monkerton and Hill Barton defined on the Proposals Map to include the Moor Exchange site. Within this area development of this site must be designed to be compatible with a network and allow connection when the network is available. The application does not commit to network connection but it is considered that this could be secured through a suitably worded planning condition, unless it can be demonstrated that connection would not be viable or feasible.

## **Ecology**

A Preliminary Ecological Appraisal was submitted with the application. It concludes that no further ecological work will be required, that mitigation and enhancement of ecological impacts can be achieved through the provision of nesting boxes and that there will be no implications for European protected species. Natural England make no specific comments and it is not considered that further commitments would be required as a result of applying their Standing Advice.

## **Heritage**

The letter submitted with the application from Cotswold Archaeology confirms that investigation work was completed and signed off pursuant to planning conditions of the earlier planning permission.

## **Financial Considerations**

The proposed 13,043 m<sup>2</sup> of gross floorspace in Class A1-5 use would yield a CIL payment of about £1.85m at the 2015 rate of £141.87 sqm. The Council may benefit from retention of non domestic rates of several hundred thousand pounds per annum, this would be more than the previously approved scheme. There may, however, be indirect losses due to appeals against valuations elsewhere. This income could be used to help support development growth in the area but the Council has made no project specific decisions. The money cannot, therefore, be relied upon to deliver infrastructure improvements that may be needed to make the proposed development acceptable.

## **Job Creation**

The application's Planning Statement indicates that around 400 jobs (gross) would be created by the proposals. The applicant contends that this is more jobs than Class B employment uses (particularly storage and distribution) would generate. In headline terms, office or mixed employment development on the site would not deliver significantly more jobs but could help to achieve the economic expansion and diversification envisaged through the Core Strategy.

Rather than being a full time equivalent figure, many of the estimated 400 jobs would be 'part- time flexible opportunities. Nevertheless, the creation of 400 jobs would be a notable benefit of the proposals. Similarly, a stated construction and fit out investment of more than £40 million, creating around 150 temporary jobs, is a notable positive consideration.

As above however, whilst positive benefits of the scheme, it is not considered that these estimated figures would result in significant economic benefits to the city and the Travel to



Work Area to the extent that the proposals should be considered to comply with the Core Strategy definition of employment land and policy CP2.

### **Representations from Local Employers**

The applicant has generated a considerable number of positive representations from local residents and businesses. These generally cite the importance of facilities to meet day-to-day needs and in many cases the attractiveness of the applicant's wider potential offer (often with reference to the applicant's indicative layout plan).

Maintaining the attractiveness of Exeter Business Park and Sowton as strategic employment areas is a key Core Strategy objective but the importance of an extensive retail offer in addition to the other uses and facilities applied for is unclear. Again, the retail assessment indicates only a small proportion of non-food shopping trips in the study area start or end at work.

The submitted Transport Assessment indicates a relatively high proportion of locally diverted, linked and pass-by trips from vehicles already on the network. What proportion of those pass-by trips can be expected to relate to local employment sites (rather than other locations accessed via Honiton Road) is unclear.

The transport evidence is understood to be based on national comparators. Its focus is on vehicular movements. Nevertheless, it is reasonable to expect that the local centre facilities proposed would generate a significant number of 'basic lunchtime trip[s] or local shopping trip[s]', including by other modes. Whether the majority of the proposed development floorspace (indicatively comparison retailing) would also generate a high proportion of sustainable movements from the local employment areas is much more doubtful and not supported by the submitted retail assessment local survey evidence.

### Officer conclusions

The applicant considers that the proposals are in accordance with the Exeter Core Strategy and that there are no contrary material considerations, development plan policies are considered to be up to date to the extent that they support a new centre on the site but out of date in terms of implied restrictions on its scale and composition. The proposals are considered to be sustainable development when assessed against the NPPF framework taken as a whole due to economic growth and investment, provision of customer choice and a heart to the community whilst protecting other retail centres and promote sustainable transport by minimising trips. Officers disagree for the reasons summarised below.

There is not a surplus land supply at Monkerton/Hill Barton, including land supply for employment development on the fringes of Exeter Business Park, that would allow for the proposed development to come forward in addition to the proposals of Policy CP19. If the appeal proposals proceed they will be at the expense of the mix of uses set out in Policy CP19 and so will be in conflict with the strategic allocation.

While the proposal will provide employment, this will not be higher quality jobs that would reflect the potential of this location and the Council's strategy.

The appeal proposals are not appropriate in scale and character to the role and function of the proposed location. The applicant has misinterpreted Policies CP8 and CP19 of the Core Strategy. When those policies are read in their proper context, they do not promote anything

more than “*local retail facilities*” in the Monkerton/Hill Barton area as part of a “*local centre*”. Having regard to the expected realistic catchment area of the proposed development, the proposal is not a retail development that is in accordance with either Policy CP8 or Policy CP19.

The proposals are contrary to the retail strategy in the Core Strategy which seeks to promote retail land uses, as part of a mixed use development, on the Bus and Coach Station in Exeter city centre. The Bus and Coach Station site is a suitable and available sequentially preferable alternative to the appeal site. When full and proper account of the NPPF requirement for flexibility is taken into account, then the BCS site is a suitable alternative location.

The proposal is likely to have a significant adverse impact upon planned investment in the Bus and Coach Station site.

Regard has been had to the positive considerations in favour of the proposal including letters of support for the development, including the proximity to local businesses and transport facilities and capital investment in the development site. These are not considered to represent material considerations that outweigh the strategy for the Monkerton/Hill Barton area.

The proposal conflicts with Policies DD2-4 of the Publication Version DDDPD for the reasons outlined. This plan carries some weight at this stage of preparation.

The appellant was invited to amend the scheme to include a large supermarket or superstore that would have created a district centre within the normal definitions. This would have addressed some but not all of the impacts of the scheme. However, the applicant advised there is no market for a large superstore and the smaller Lidl proposed would still leave some space for a large Next of similar comparison goods store that would not address the issues of the sequential approach and impact on planned investment at the Bus and Coach Station.

## **RECOMMENDATION**

### **REFUSE**

- 1) The application site forms a significant part of the Monkerton and Hill Barton strategic allocation area. The scale and function of the proposed development would not accord with, and would be prejudicial to the achievement of, the strategic objectives for ‘around 2,500 dwellings, and around 5 hectares of employment land and all associated infrastructure’ at the Monkerton and Hill Barton area as set out in Policy CP19 of the Core Strategy.
- 2) The application conflicts with the proposed employment allocation in Policy DD2 of the Publication Development Delivery Development Plan Document, Policy DD3, that seeks to resist loss of employment allocations and Policy DD4 that limits local services within employment areas to those designed to serve the workforce need only.
- 3) The proposed development would not accord with the retail strategy focussed on mixed use development at the Bus and Coach Station in Exeter city centre and would therefore be contrary to Policy CP8 of the Exeter Core Strategy.

- 4) The application has failed to satisfy the sequential test and has not demonstrated that the Exeter Bus and Coach Station site would not be suitable for the proposed town centre uses in accordance with Policy CP8 of the Core Strategy and paragraphs 24 and 27 of the National Planning Policy Framework.
- 5) The application has failed to demonstrate that the proposed development would not result in a significant adverse impact on committed and planned public and private investment in centres in the catchment area of the proposal; and on town centre vitality and viability in accordance with Policy CP8 of the Core Strategy and paragraphs 26 and 27 of the National Planning Policy Framework.
- 6) The application conflicts with Core Strategy policies CP8 and CP19. In accordance with Section 38(6) of the Planning and Compulsory Purchase Act 2004, section 70(2) of the Town and Country Planning Act 1990, and Paragraph 12 of the National Planning Policy Framework it should therefore be refused as other material considerations do not indicate otherwise.

Local Government (Access to Information) 1985 (as amended).  
Background papers used in compiling the report:

Files of planning applications available for inspection from the Customer Service Centre,  
Civic Centre, Paris Street, Exeter: Telephone 01392 265223