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Dear Ms Edwards

Derby City Local Plan – Part 1 Core Strategy: Response to the Inspector's Matters, Issues and Questions

We write on behalf of our client Intu Properties Plc ('Intu') in response to the Inspector's Matters, Issues and Questions published on 12 February 2016.

Intu is a leading owner, developer and manager of prime shopping centres in the UK. It acquired Intu Derby shopping centre and the adjacent Bradshaw Retail Park in March 2014. Intu is therefore a key stakeholder in the City Centre with a vested interest in its future. In line with this Intu is committed to ensuring Derby continues to be a vital and viable City Centre through investment.

Intu recently obtained planning permission to provide new leisure space in the shopping centre, introducing two new operators to Derby (Hollywood Bowl and Paradise Island), which in turn will encourage more visitors to stay longer in the City Centre, particularly into the early evening. In association with this, Intu is also committed to undertaking enhancement works to the existing entrances and pedestrian walkways through the shopping centre to improve the pedestrian environment and create a greater sense of place within the 'Intu shopping area', as defined in Policy AC2..

Intu looks forward to continuing to work with the Council to assist in delivering the Council's vision for the City Centre set out in the emerging plan. Reflecting this, we previously submitted representations on the Pre-Submission version consultation document in October 2015 which noted Intu's general support for city centre Policies CP12, CP15, AC1 and AC2.

Concerns were however raised in relation to the following matters:

- 1 The explicit support for out of centre retail development in Policy CP13.
- 2 Identification on Figure 18 in Policy AC5 of Intu Derby Shopping Centre as an area of 'public realm projects'.



Having reviewed the further material available and the Council's main modifications, we note that the Minor Modifications propose to amend Figure 18 of AC5 to address our concerns in relation to this. Subject to this change being carried forward, Policy AC5 would then be sound.

Reviewing the Council's proposed Main Modification (CS39) we remain concerned that as drafted Policy CP13 is unsound. These concerns can be readily addressed, however, with some re-drafting of the policy. To assist the Inspector and the Council with this we therefore set out in Appendix 1 our suggested amendments to CP13, against the relevant Matters, Issues and Question, to ensure the plan is sound.

Since consultation comments were submitted in October, Intu has also been working with the Council exploring the future of the Eagle Market, which is located immediately adjacent to the shopping centre. Intu is currently in the process of acquiring the site from the Council. The Eagle Market makes up a large area of the City Centre and planning positively for its future is therefore important for the City Centre as a whole. Policy AC2 makes reference to the need for the Council to take into account evidence from the Market Review when planning for the future provision of markets in the City Centre. It is important to note this review has now been undertaken and we wanted to highlight the outcome of this to the Inspector as it has implications for the future of this important City Centre site which should be reflected within the plan at this juncture. To ensure the most up to date evidence on markets is reflected and to ensure a sound policy for planning the future of the City Centre is put into place, we set out some suggested amendments to Policy AC2 in Appendix 1.

Should you have any questions or require any additional information please do not hesitate to contact me or my colleague Tor Barrett.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Alison Bembenek'.

Alison Bembenek
Associate Director



Appendix 1 Comments on the Inspector's Matters, Issues and Questions

Below we set out our response in relation to Matter 4 'City Centre, Other Centres and Town Centre Uses'.

Question (a): Do policies AC1 and AC2 provide an appropriate strategy for the City Centre that is justified and consistent with national policy?

Intu has been involved in discussions with the Council in relation to the future of Eagle Market. The Market has been subject to a Market Review, referenced in the Policy AC2 which states within the City Centre the Council will:

"Maintain an appropriate level of retail market provision having regard to a Markets Review."

Furthermore, paragraph 6.2.6 of the supporting text notes that using the results of the review, the Core Strategy will ensure that the requirements of national policy are met in the long term.

The Market Review has since been undertaken by Colliers International which has published its Strategic Options Analysis of Derby Markets. This was reported to Council Cabinet on 10 June 2015. The most successful refurbishment option is identified within the report as Option B for retail and leisure services. In turn, the success of this refurbishment is considered to require early engagement with Intu; a process that is now underway.

Accordingly, in order for Policy AC2 to be justified the Council should amend the reference to markets in the Policy to be consistent with the completed Markets Review. This would ensure that the Policy is compliant with paragraph 182 of the NPPF which notes that in order for a plan to be sound it must be justified and *"the most appropriate strategy, when considered against reasonable alternatives, based on proportionate evidence."*

Consequently, it is considered that the Policy should be updated to make specific reference to the completed Markets Review and, based on the report's conclusions, should explicitly support the refurbishment of Eagle Market and its potential for increased retail and leisure use. As such, it is considered that within the Core Area section of the Policy, the third bullet point should be amended to state:

"Maintain an appropriate level of retail market provision having regard to the conclusions of the completed Markets Review undertaken by Colliers International including increasing the leisure and food and drink offer at Eagle Market".

Moreover, the St Peters Quarter section should be updated to add the refurbishment of Eagle Market as an additional 'opportunity' bullet point for priority, as follows:

"Refurbishment of Eagle Market in collaboration with Intu and its potential for increased retail and leisure use".

In turn, Paragraph 6.2.6 of the supporting text will also need to be updated to reflect the findings of the completed Market Review. We therefore suggest the following amended wording (additions in bold):



*“The City Centre has two high quality indoor markets, **Eagle Market and Market Hall**. The NPPF requires Councils to retain and enhance markets, ensuring that markets remain attractive and competitive. The Council **commissioned Colliers International to complete** ~~is currently carrying out~~ a review of its market operations to assess how best to manage long term market provision in the City Centre. **The report has been completed and concludes that the restoration of the Market Hall should be a ‘signature project’ in the Masterplan and that Eagle Market should be refurbished in a project to be driven forward by Intu. The refurbishment will feature new leisure facilities and will create a food and drink destination** ~~Using the results of this review, the Core Strategy will ensure that the requirements of national policy are met in the long term.~~”*

Overall, we consider that the above proposed amendments are required in order for Policy AC2 to be justified in accordance with the definition in the NPPF and to be compliant with national policy which requires local planning authorities to retain and enhance existing markets and ensure that markets remain attractive and competitive (para 23 of the NPPF). Adopting these suggested changes now will provide greater certainty for investors and other users of the plan. There is an easy opportunity now to ensure the plan reflects the latest evidence and is up to date when it is finally adopted.

Question (i): Is the approach to retail and leisure development outside defined Centres in Policy CP13 consistent with national policy?

The Council’s support of out of centre retail development is not in line with the town centres first approach to planning and the promotion of vitality and viability in town centres as set out in the NPPF. In addition, it is not supported by the Council’s own evidence base (updated Retail Study 2015) which indicates that the identified need for retail floorspace can be met within the City Centre. Accordingly, we do not consider the Policy to be sound in its current form.

We note that the Council has amended the wording of the Policy since the Pre-Submission version (Proposed Minor Modification CS39) to ‘permit’ rather than explicitly ‘support’ out of centre retail development in the second paragraph of the Policy. However we do not consider that this is sufficient to ensure that the Policy is compliant with national policy as it is considered that the wording is misleading. The Policy wording currently denotes the Council’s acceptance of out of centre retail development which in turn conflicts with the national policy approach to ensure the vitality of town centres. In addition, the second paragraph also states that out of centre retail provision will be accepted where it meets ‘identified need’. As identified above, this is not in line with the Council’s evidence base, which is a requirement of the NPPF for a Local Plan to be found sound.

Accordingly, the removal of the second paragraph of the Policy will ensure that the wording accords with the Council’s evidence base and will remove any implied acceptance or encouragement of out of centre retail development. We consider that this amendment will render the Policy sound and consistent with national policy.