



Development Management Plan (Regulation 18 Stage)

Retail Warehouse Areas: Review,
Designation & Policy

June 2016

1. Introduction

- 1.1 The 'retail warehouse' became a feature of UK retailing in the early 1980s, with companies such as B&Q, Comet and Allied Carpets rapidly expanding through building large "big box" stores in locations away from traditional retail areas. These stores typically specialised in particular types of non-foods such as do-it-yourself items and bulky goods such as electrical/ electronic goods and furniture which require large display areas, sometimes with internal access for fork-lift trucks. More recently clothing retailers such as Marks & Spencer's, Next and T.K Maxx have also developed retail warehouses.
- 1.2 Reigate & Banstead Borough Council is currently preparing its Development Management Plan (DMP). This background paper has been prepared in support of the DMP Regulation 18 consultation and discusses and makes recommendations on retail warehouse areas.
- 1.3 This paper draws on an assessment of local circumstances; site visits; enquiry and appeal decisions; and findings from the Retail Needs Assessment¹.
- 1.4 It reviews the existing policy and designation to determine whether they are still appropriate to retain and/or whether they require updating going forward.

Policy Context

Borough Local Plan

- 1.5 Policy Sh14 of the Borough Local Plan relates to retail development outside town centres. In the policy amplification, the Borough Local Plan defines retail warehouse areas by referencing Annex A of the PPG6² which defined such provision as:
'Large single level stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), and bulky DIY items, catering mainly for car-borne customers and often in out-of-centre locations'
- 1.6 The Borough Local Plan designates two retail warehouse areas:
 - Rushworth Road, Reigate: free standing unit
 - Brighton Road, Redhill: three units
- 1.7 The Borough Local Plan permits development, redevelopment and extensions in retail warehouse areas subject to satisfying detailed design requirements

¹ Produced by Peter Brett Associates – commissioned by Reigate & Banstead Borough Council February 2016 and available at www.reigate-banstead.gov.uk/dmp.

² PPG6 no longer in force

captured in Policy Sh2. Considerations include making the best use of the site, being of a suitable scale and form and not having an impact on neighbouring properties.

- 1.8 Policy Sh14 reflects the national “town centre first” site selection policy approach. It makes clear, with the exception of retail warehouse areas that further retail development outside the town centres (inclusive of extensions to or improvements at existing premises) will be permitted subject to a sequential test and demonstration of need.

Planning Policy Statement 4: Planning for Sustainable Economic Growth

- 1.9 The document set out a national policy framework for planning for sustainable economic development in urban and rural areas, including town centres.
- 1.10 The document replaced PPG6 and has since been superseded. However, it also provided a useful definition of retail warehouse areas:
‘Large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods catering mainly for the car-borne customer’

National Planning Policy Framework

- 1.11 The National Planning Policy Framework³ (NPPF) replaced PPS4. The NPPF does not make any specific reference to retail warehouse areas. Instead, the glossary defines the main town centre uses as:
- Retail development: including warehouse clubs and factory outlet centres
 - Leisure, entertainment facilities and the more intensive sport and recreation uses: including cinemas, restaurants, drive-thru restaurants, bars and pubs, night-clubs, casinos, health and fitness centres, indoor bowling centres and bingo halls
 - Offices
 - Arts, culture and tourism development: including theatres, museums, galleries and concert halls, hotels and conference facilities.
- 1.12 Paragraph 26 of the NPPF states that when assessing applications for retail, leisure and office development that are not within an existing centre and 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 threshold, or exceeds 2,500sqm in the absence of a local floorspace threshold (see Town Centres Evidence Paper prepared in support of the DMP Regulation 18 consultation). This should include an assessment of:

³ <http://planningguidance.communities.gov.uk/blog/policy/>

- The impact of the proposal on existing, committed and planned public and private investment in the centre or centres in the catchment area of the proposals; and
- The impact of the proposal on town centre vitality and viability including local consumer choice and trade in the town centre and wider area, up to 5 years from the time the application is made.

National Planning Practice Guidance (NPPG)

- 1.13 The NPPG⁴ does not make any specific reference to retail warehouse areas. However, it recognises that it may not be possible to accommodate all forecasted needs within town centres (due to physical or other constraints) and encourages local authorities to ensure that, should this be the case, provision should be in the best location to support the vitality and vibrancy of the town centres.

Core Strategy

- 1.14 The Council's adopted Core Strategy⁵ (2014) does not make any specific reference to retail warehouse areas across the borough. Instead, Policy CS7 defines the retail hierarchy as:
- Redhill – primary town centre
 - Banstead, Horley and Reigate – district centres
 - Local centres
- 1.15 Policy CS7 promotes an efficient use of land and buildings within existing centres, with higher density redevelopment where appropriate. In line with national policy, the Core Strategy requires a sequential approach to the location of town centre uses and an assessment of impact to be applied for proposals for retail and leisure uses outside identified centres.

⁴ <http://planningguidance.communities.gov.uk/blog/guidance/>

⁵ www.reigate-banstead.gov.uk/corestrategy

2. Identifying retail warehouse areas

Rationale for retail warehouse areas

- 2.1 The NPPF does not provide specific guidance on, or require local planning authorities to identify, retail warehouse areas.
- 2.2 Retail warehouse areas are not, in their own right, retail centres. Depending upon their location, they will therefore be classified as edge-of-centre or out-of-centre for the purpose of retail planning and, in this regard, are less sequentially preferable than in-centre sites.
- 2.3 However, retail warehouse areas perform a specific role in terms of the retail hierarchy and offer in the borough. Specifically, they provide for those retail uses that are not commonly provided, or often not able to be provided, in town centres or local centres; in particular, those which provide a specific range of goods (often larger/bulky goods) which require a unique format in terms of their display and sale and attract car borne customers who require dedicated and immediate access to parking.
- 2.4 Given the type of goods sold, retail warehouses often have larger catchments than town centres, drawing trade from a greater distance due to the limited availability of alternative outlets. Retail warehouse areas located closer to town centres can therefore provide a supportive function, bringing potential visitors who may not otherwise have come to town, whilst retail-warehousing areas further away tend to function more independently because of the increased distance and therefore the reduced opportunity for linked trips.
- 2.5 The rationale for identifying retail warehouse areas is two-fold:
 - To ensure, in appropriate locations, the availability of land or appropriate units for large format, restricted goods retailers to locate.
 - Provide appropriate protection and support for our existing town centres by ensuring the provision of out of centre retail is managed

Reviewing retail warehouse designations

- 2.6 The purpose of this assessment is to review the existing retail warehouse area designations to ensure they remain fit for purpose; and to review the existing boundaries to ensure they reflect current conditions.
- 2.7 A review was also conducted to identify whether any other locations should be considered as retail warehouse areas; however, no other sites or areas were identified.

Key characteristics of retail warehouse areas

- 2.8 Three key characteristics have been identified to inform the identification of retail warehouse areas:
- 2.9 **Location:** To maintain distinction between town centre uses and retail warehousing uses, retail warehouse areas should ideally be outside of, but — ideally in close proximity to town centre boundaries, in order to maximise the benefit to existing centres in terms of linked trips. Sites with a good visual and pedestrian relationship to the town centre core should be favoured for protection. In this way, they are likely to be a meaningful designation as they will – in most case – be the most sequentially preferable locations for retail development beyond in-centre sites.
- 2.10 **Format, scale and type of provision:** In order to perform a retail warehouse function, sites should comprise or have land capable of accommodating, large, predominantly, single storey units. Where existing units are present, these should be of an appropriate size (larger than standard town centre units e.g. a minimum 700sqm). Sites should be occupied by retailers and operators that sell predominantly larger/bulky/specialist goods which cannot be found in town centres.
- 2.11 **Access and car parking:** Retail warehouse areas attract car-borne customers (due to their out-of-centre location and bulky goods use) and sites should therefore be capable of accommodating adequate parking provision to cater for car-borne users. Sites with good access to the main road network should also be favoured for protection.

Summary of assessments

- 2.12 Site assessments of the existing retail warehouse areas were carried out in May 2016. Records were taken of the occupiers and uses. Comprehensive survey assessments are found in appendix 1.
- 2.13 On the basis of the review undertaken, it is considered that both sites designated within the Borough Local Plan are worthy of continued protection. It is therefore recommended that both sites are carried forward into the DMP, with no boundary amendments being necessary. The assessments identified these areas to offer complementary retail to the town centre; they are well designed, stand-alone units with good parking provision.
- 2.14 A potential development opportunity to the north of the existing retail warehouse area in Redhill has been identified (potential expansion onto Reading Arch Road Industrial Estate). This may – in part – have potential to be brought forward to provide additional bulky goods retail as an extension to

the existing retail warehouse area, thus addressing the under-representation identified in the Retail Needs Assessment. However, until such time as the viability or nature of a scheme on this site is confirmed, it is not proposed to include it within the boundary of the retail warehouse area.

Table 1 Summary of assessment of retail warehouse areas

Name	Ward	Reason	Designate?	Boundary change?
Brighton Road North, Redhill	Redhill East	<ul style="list-style-type: none"> • Three purpose built retail warehouse units – c.3,000sqm in total • Minimum unit size 880sqm • Cohesive, clearly defined development • Direct access to A23 and prominent location • Existing uses/retailers are complementary to, and not normally found in, the town • Plentiful parking (approx. 1 per 29sqm) • Potential for future expansion 	Yes	No
Rushworth Road, Reigate	Reigate Central	<ul style="list-style-type: none"> • Purpose built retail warehouse unit • Single, stand-alone unit – c.2,400sqm • Home improvements/DIY based retailer – not normally found in-town • Plentiful parking (approx. 1 per 19sqm) • Close proximity to A217 but not prominent location 	Yes	No

3. Developing the policy approach to retail warehouse areas

- 3.1 This section will discuss the key considerations in setting a policy approach for retail warehouse areas.

Review of Existing Policy

- 3.2 As the NPPF does not provide specific guidance on retail warehouse areas, local planning appeals can play an important role in helping to define the policy approach to retail warehousing areas.

Former Mercedes Benz Garage, Brighton Road, Redhill

- 3.3 Planning permission⁶ was refused in 2011 and subsequently dismissed at appeal for a change of use (SG to non-food A1 retail) for the former Mercedes Benz Garage in the Brighton Road, Redhill retail warehouse area.
- 3.4 The application was refused as it did not accord with the objectives of PPS4, namely it was deemed that the proposal would have a significant effect on the viability and vitality of the town centre. It was demonstrated that the town centre already had a high vacancy level (above the local maximum target) and that a development not subject to bulky goods restriction would negatively impact the vitality of the town centre. A number of sequentially preferable sites within the town centre (namely a large unit of comparable size under construction on Queensway; nos. 22-27 the Belfry; and proposed Marketfield Way scheme) were also identified.
- 3.5 During the appeal the Inspector felt that the current policy lacked definition in terms of the uses permitted. The original 1994 Local Plan implied that only bulky goods should be sold in retail warehouse areas. The 2005 Borough Local Plan defined retail warehouse areas through referencing PPG6 which also considers bulky and household goods to only be appropriate. However, PPG6 had since been superseded by national policy which does not define appropriate uses for retail warehouse areas. The Inspector felt that retail warehouse areas should be for uses not commonly sold in town centres due to their bulk and size.
- 3.6 The Inspector also felt that the general design considerations (Policy Sh2 of the Borough Local Plan) were emphasised more than the uses permitted. The Council feel that this policy is too generic to all retail development and could benefit from specificity. Retail warehouse units are typically single storey due

⁶ Planning application reference: 11/00358/CU

to their operational requirements and require larger store formats and different layouts to town and local centre units.

Land at Cambridge Retail Park, Park Road, Haverhill, Suffolk

- 3.7 Planning permission⁷ was refused in March 2013 and the subsequent appeal dismissed for the development of a retail warehouse unit (789sqm retail area) adjacent to an existing retail park. The Inspector felt that there were a number of sequentially preferable sites which would provide greater economic benefit to the town centre.

Salisbury Retail Park, London Road, Salisbury, Wiltshire

- 3.8 Planning permission⁸ was refused in March 2008 for the development of a retail warehouse (12,542sqm retail area) but subsequently granted at appeal. The application was for 8 retail units, each with ground floor and mezzanine levels.
- 3.9 The site had the benefit of planning permission for a non-food retail warehouse park comprising 4 units (of 8,361sqm) and a garden centre (of 1,394sqm) which was approved in 1995. Condition 15 of the permission restricted the range of goods that may be sold to a specified list⁹ generally comprising what are commonly understood as bulky goods.
- 3.10 The main issues at the appeal were the appropriate type of goods to be sold and whether the proposal would be harmful to Salisbury city centre. The Retail Needs Assessment identified a large need for 23,000 to 26,000sqm of comparison floorspace within Salisbury and a retail scheme deemed to be developable within 5-7 years was proposed to address this need.
- 3.11 There was doubt over the appropriate type of uses proposed – saved policy S7 allocated the site for comparison and employment provision whilst the extant permission restricted use to the sale of bulky goods. It was felt that whilst policy S7 had been saved it was outdated and that the application should be judged against the more recent PPG6 criteria (namely need, scale, sequential approach to site selection, impact on existing centres and accessibility).

⁷ 13/0379/F

⁸ 07/1460

⁹ The condition states, “the range and type of goods to be sold from the non-food retail units, hereby permitted, shall be restricted to the following: DIY and/ or garden goods; furniture; carpets and floor coverings; camping, boating and caravanning goods; motor vehicle and cycle goods; and bulky electrical goods. Goods falling outside this range may be sold only where they form a minor and ancillary part of the operation of the proposed stores.”

- 3.12 On balance the Inspector felt that the proposed mix of bulky and non-bulky comparison goods retailing proposed by the appellant (58% of the total gross floorspace would be devoted to bulky goods) would be unacceptably harmful to Salisbury city centre but that the development should be allowed subject to a bulky goods condition and one controlling the minimum size of the units.
- 3.13 The proposed minimum size of a unit was 929sqm and the proposed bulky goods definition restricted the sale of goods to the following: DIY and/ or garden goods; furniture, carpets and floor coverings; camping, boating and caravanning goods; motor vehicle and cycle goods; and bulky electrical goods.

Key issues for policy

- 3.14 Based on a review of the existing policy, and wider national and local policy context, it is considered important that a policy for retail warehouse areas addresses the following issues:

Appropriate uses

- 3.15 If not appropriately restricted, retail warehousing areas have the potential to act as general shopping destinations in their own right; thus drawing trade away from town centres. It is important that any local policy provides a clear definition of the uses which are appropriate within these areas.
- 3.16 Based on an analysis of local appeals, and evidence in the Retail Needs Assessment, the policy should reflect the principle that retail warehouse areas should be restricted to uses/goods which are complementary to, and not normally found – or capable of being reasonably accommodated – within, town centres. The two defining factors are therefore:
- Bulk, size, weight, quantity of goods and the need to customers to be car-borne as a result
 - Whether, due to the nature of the product, it requires a specific form of display/sale that cannot reasonably be accommodated in a town centre retail environment
- 3.17 Acceptable uses should therefore typically occupy a single floor, cater for car-borne customers and sell bulky and household goods (such as DIY, home and garden improvement products, hardware, self-assembly and pre-assembled furniture, floor coverings, electrical goods, motor accessories and parts, office supplies, bicycles and motor vehicles, pets and pet-related products).

Retail impact

- 3.18 As edge of centre/out-of-centre locations, and due to the size of units, it is important that proposals within retail warehouse areas are subject to an impact assessment where appropriate. This is particularly the case where new/additional retail space is proposed (i.e. through extensions, mezzanines or new units) and/or where a change is sought to the restriction on, or type/nature of, goods to be sold.

Access and parking

- 3.19 Given retail outlets of this nature generally attract car-borne customers, it is important that – in considering any proposals for new or expanded provision – consideration is given to the availability of adequate parking (to avoid potential overspill onto adjoining sites/roads) and the impact of potential vehicle movements on traffic and highway safety in the surrounding area.


4. Recommendations

Designation of retail warehouse areas



- 4.1 It is proposed that the two existing retail warehouse areas within the 2005 Borough Local Plan are carried forward to the Development Management Plan.

Policy approach to retail warehouse areas

- 4.2 Retail warehouse areas and/or sites allocated specifically for bulky goods retail provision should be the focus for large format, out-of-centre retail proposals.
- 4.3 Proposals for retail warehousing within designated areas will be expected to submit a retail impact assessment to ensure development does not detract from or have a negative impact on the vitality and viability of existing town centres. Outside of these areas, proposals for retail warehousing will be expected to demonstrate compliance with the sequential test and be supported by an impact assessment.
- 4.4 Any policy for managing development and uses in retail warehouse areas should provide a clear restriction on the types of retail goods which are appropriate. Such goods should not normally be found in town centres (or capable of locating in town centres): namely uses which usually occupy a single floor, cater for car-borne customers, and which sell bulky durable and household goods (such as DIY, home and garden improvement products, hardware, self-assembly and pre-assembled furniture, floor coverings, electrical goods, motor accessories and parts, office supplies, bicycles and motor vehicles, pets and pet-related products).
- 4.5 Given the nature of retail warehousing development, and the location of the retail warehouse areas, the policy should also ensure the consideration is given to:
- Impact on the vitality and viability of nearby centres, and planned investment in those centres – in accordance with national policy and the Council's own proposed local retail impact threshold
 - Impact on traffic and parking in the surrounding area given the car-borne nature of customers.

Brighton Road, Redhill					
Ward: Redhill East					
A1	A2	A5	SG	Vacancies	TOTAL
2 Units				1 Unit	3 units
1,808sqm (59%)				1,232sqm (41%)	3,040sqm
Description	<p>Three standalone purpose built retail units. Minimum unit size 880sqm Occupiers include Halfords, Pets at Home. One vacant unit – planning permission for change of use from a former motor showroom (SG) to non-food A1 retail. Uses complementary to the town centre, not competitive – pet shop and cycling/ car maintenance.</p>				
Assessment of Environment	<p>Well laid out – purpose built. Clean and tidy, well maintained. Pedestrian prioritisation - speed bumps slow down traffic. Good parking provision – Approx. 105 parking spaces (Approx. 1 parking space per 29sqm retail floorspace).</p>				
					
Location	<p>Situated just off the main A23 Brighton Road. Less than a mile south of Redhill town centre. Bus stop opposite the units. Relatively good connectivity to town centre – pavements.</p>				
					

Potential for Expansion/Improvement:	Potential expansion on area to north (currently Reading Arch Road industrial estate). Potential intensification of existing units – additional floors
Conclusion	Three purpose built retail warehouses within a well designed retail warehouse area. The uses are complementary and not competitive to the town centre. Plentiful parking and good design. Potential for intensification and potential expansion onto the Reading Arch Road Industrial Estate.
Carry Forward Designation	Yes

Rushworth Road, Reigate					
Ward: Reigate Central					
A1	A2	A5	SG	Vacancies	TOTAL
1 Unit					1 Unit
2,391sqm					2,391sqm
Description	<p>Standalone retail warehouse unit. Occupied by Homebase. Argos operates a click and collect service in the unit. Uses complementary to the town centre, not competitive. Whilst Reigate has a number of shops offering homeware goods, these tend to be more specialist and offer more high end goods than Homebase / Argos.</p>				
Assessment of Environment	<p>Purpose built unit. Good parking provision – approx. 125 spaces (Approx. 1 parking space per 19sqm of retail floorspace). Clean, tidy and well maintained. Speed bumps on Rushworth Road slow traffic down.</p>				
					
Location	<p>Situated on Rushworth Road, adjacent to residential accommodation and within close proximity to Reigate Town Centre Business Area. Bus stop outside store. Further away from town centre than Brighton Road, Redhill but relatively good connectivity to the town centre. Within walking distance of town centre – footpaths and zebra crossings.</p>				
					

Potential for Expansion/Improvement:	Limited opportunities.
Conclusion	Purpose built retail warehouse, purpose designed with plentiful parking. Uses are complementary to the town centre. Limited intensification opportunities.
Carry Forward Designation	Yes