

**At an extraordinary meeting of the PLANNING AND HIGHWAYS COMMITTEE held in the CIVIC CENTRE COUNCIL CHAMBER on THURSDAY, 28<sup>TH</sup> NOVEMBER, 2013 at 5.00 p.m.**

**Present:-**

Councillor Tye in the Chair

Councillors Ball, Curran, Davison, Essl, E. Gibson, Howe, Lauchlan, T. Martin, Padgett, Price, D. Richardson, Scaplehorn, Thompson, Turton, Walker. D. Wilson and Wood

**Declarations of Interest**

Councillor Essl made an open declaration that he is a shareholder in Tesco (one of the proposed foodstore operators) and therefore took no further part in the meeting.

In addition all other Members of the Committee recorded that they had received a significant amount of correspondence from the various interested parties in relation to both of the planning applications on the agenda. However no Members had responded substantively to any of the correspondence and no Members felt that they had a closed mind on either application as a result of this correspondence.

**Apologies for Absence**

Apologies for absence were submitted on behalf of Councillors Blackburn, Copeland, Dixon, Ellis, Francis, Scott and P. Watson.

The Chairman firstly checked that all Members had received a copy of the officer's supplementary report in respect of the two applications which had been provided in the Members' room earlier that day. The Chairman also stated that if any Members had not had the opportunity to read the supplementary report, he would provide five minutes reading time before moving into the main agenda items.

All Members of the Committee confirmed that they had already read the supplementary report and did not require any additional reading time.

Jonathan Rowson, Assistant Head of Law and Governance then advised the Committee that as the two planning applications on the agenda are competing out of centre foodstore proposals with common considerations and the proposed officer recommendations are interlinked, it was proposed that both applications and reports and should be considered together.

The Members of the Committee confirmed their agreement to this approach.

**Reference from Development Control (Hetton, Houghton and Washington) Sub Committee – 12/00100/FUL**

**Erection of a food store (Use Class A1) and a six island petrol filling station with sales kiosk including cash point (A.T.M) and staff welfare facilities, to include the construction of a new roundabout entrance from Cragside Road and associated landscaping and infrastructure (Reduced floorspace – Amended plans received 14.03.13, updated information received 14.06.13) – Land North of Armstrong Road, Armstrong Industrial Estate, Washington, NE37 1QW**

Danielle Pearson, Senior Planner firstly outlined the Morrisons application proposal for the Armstrong Road site and explained the non-retail planning considerations in respect of the application as described in the reports to the Committee

**Reference from Development Control (Hetton, Houghton and Washington) Sub Committee – 12/03137/OUT**

**Outline Planning Application for the erection of a food Superstore with car parking, petrol filling station and associated works (Amended Scheme 31/05/13) – Phase 1, The Peel Centre, Spire Road, Glover, Washington**

Anthony Jukes, Principal Development Control Planner, then outlined the Peel application proposal and explained the non-retail planning considerations in respect of the application as described in the reports to the Committee.

The Chairman then introduced Mike Holliss, Partner in Hollissvincent who had undertaken an independent audit report and retail appraisal for the Council in respect of both application proposals.

Mr Holliss firstly outlined the assessment of each application against the saved retail policies in the Council's Development Plan and the area specific proposals.

Mr Holliss then referred to the key development management tests for out of centre retail development set out in Paragraphs 24, 26 and 27 of the National Planning Policy Framework (NPPF).

Mr Holliss advised that it was considered both applications passed the sequential test as there was no sequentially preferable site in Washington or Concord centres that was suitable and viable for either development proposal. The allocated Western Car Parks site proposed by M&G in their objection was not considered to be suitable and viable for a third town centre foodstore scheme.

Further, there was no clear evidence that either application would have a significant adverse impact on existing, committed and planned investment in either of the centres. The applications were unlikely to cause a significant adverse impact on the proposed cinema / restaurant scheme and very limited weight was given to M&G's potential foodstore opportunity on the Western Car Park given the conclusions on this site under the sequential test.

The starting point with regard to the assessment of the impact of the applications on the vitality and viability of Washington Town Centre had been to assess the current health of Washington, with the conclusion that it continues to enjoy the reasonably good level of health as originally reported in the SRNA in 2009

With this backdrop in mind, Mr Holliss explained that when each application proposal is assessed separately with the existing planning commitments the impact on the vitality and viability of either Washington town centre or Concord local centre is not considered to cause a significant adverse.

However the combined cumulative impact of both proposals which is termed the "Two Store Scenario" together with the existing commitments is considered to cause a significant adverse impact on the vitality and viability of Washington town centre given the levels of trade diversion that would arise.

Therefore, Mr Holliss explained that in light of these impact assessments and the retail policies of the NPPF a choice has to be made between the two applications and one should be refused. In deciding which application should be refused, account must then be taken of the respective fall-back positions for each application site which have both been assessed in the committee reports as being real.

It is the cumulative impact of the Morrisons application with the commitments and the Peel Convenience Goods Led fall-back which is likely to cause a significant adverse impact on the vitality and viability of Washington town centre given the levels of trade diversion that would arise. Whereas, the cumulative impact of the Peel application with the commitments and the Armstrong Road fall-back is not considered to cause a significant adverse impact on the vitality and viability of the town centre.

Mr Jukes then outlined for Members the officer's overall recommendations in respect of both applications.

Councillor Walker enquired as to the fall back position for the Peel site and queried if a leading operator such as Tesco would trade alongside a smaller budget retailer such as Aldi or Lidl.

Mr Holliss advised that this was possible and was quite common within the UK.

The Chairman then introduced Pauline Willis, spokesperson for the Traders of Armstrong Industrial Estate who wished to speak in support of the Morrisons application. Ms Willis commented that the Morrisons application had the full support of the traders in the local area.

Ms Willis advised that there was a great public demand for Morrisons and whilst she did not have a great insight into politics, she did know the area and the local people in her area did not want a Tesco.

Ms Willis argued that the Peel site was unsuitable for any food based development and the road access to the site was unacceptable in her view. She stated that there were already issues with the surrounding roads, which would be exacerbated if more shoppers had to utilise them.

Without the proposed Morrisons development, Ms Willis felt that the traders on the Armstrong industrial estate would not be able to survive as they have had to live with a rundown site for many years and they badly needed the additional footfall in the area.

Ms Willis commented that the threats from M & G to pull out of the Cinema proposal if one of the applications is approved should be ignored as she believed M&G wanted to dictate every move in Washington. There was a need for greater freedom of shopping choice in Washington.

The Chairman then introduced Sandra Noble, who also wished to speak in support of the Morrisons application. Ms Noble advised that she lived in Concord, which needed a new Morrisons store as it would bring people into the area. She stated that M & G's complaints should be rejected as they were only scared of the additional shopping competition. There were 250 jobs at stake here and the local residents did not want a Tesco Store as many could not afford to shop there.

At that point the Chairman advised those members of the public who were speaking that the Members of the Committee were required to consider both applications based on their planning merits only and not political reasons so it was unfair to accuse Members of not listening to their constituents.

The Chairman then introduced David McNee, M&G's Centre Manager for the Galleries who wished to speak in opposition to both applications. Mr McNee commented that both of the applications would have a substantial impact on the Galleries and the town centre. He argued that the Hollissvincent report refers to no progress being made in respect of a foodstore scheme on the Western car parks site, but this was due to M&G concentrating on their other substantial town centre investment projects such as the Retail Park and Bus Centre.

Mr McNee advised that the Western car Parks site is available and could accommodate either application proposal. M&G were pleased to see that officers had recommended refusal of the Morrisons application as this would severely damage the Centre. However the Peel application should also be refused on the same grounds.

Mr McNee also commented that the benefits of new jobs claimed from both Morrisons and Tesco were overestimated due to the expected job losses that would occur at the Galleries due to shop closures if either of the proposals were approved.

The Chairman introduced Graham Connell of Colliers (agent for M&G) who also wished to speak in opposition to both applications. Mr Connell commented that he felt the consideration of the Peel application was flawed as the report does not address whether the proposals constitute sustainable development. He also felt that officers were giving insufficient weight to the retail policies in the UDP.

Mr Connell argued that key elements of M&G's evidence in objection to both applications had not been understood by officers and the Council's retail consultant. The Western Car Park site had not come forward for a foodstore development as M&G have been expanding other parts of the town centre.

Mr Connell stated that the Cinema proposals would have to be reviewed if either of the applications were approved. He also questioned the likelihood of the fall back position occurring on the Peel site.

The Chairman then introduced Steve Buckley of Peacock and Smith (agents for Morrisons) who stated that Morrisons were disappointed to see the officer recommendation to refuse their application as the retail case was very finely balanced. He argued that the Tesco proposal does not have the support of the local community.

Mr Buckley submitted that the Morrisons proposal was the better option and had unprecedented local support with 400 letters and a 626 signature petition in favour whilst Tesco had only limited public support and a petition with over one thousand signatures opposing the development.

Mr Buckley stated that Morrisons had sought to address the officer's concerns and as the decision was finely balanced on both applications, the public support in favour of Morrisons should sway the decision to approve the Morrisons application.

Mr Buckley also commented that the Morrisons development would create 250 jobs for local people and Morrisons would very much like to be part of Washington and would regenerate a currently run down site.

Mr Buckley also suggested that a Section 106 agreement could be used to mitigate the adverse impact of the Morrisons application on Washington town centre.

The Chairman then introduced Roger Wheeldon of Peel who welcomed the officer's recommendation and felt that the committee reports set out a fair and balanced review of the two applications. The overriding public comment was that Washington residents wanted increased shopping competition to the Galleries. Mr Wheeldon argued that M&G's tactics merely highlighted how they were trying to monopolise the area by blocking other retail development which would improve consumer choice. The Galleries had major issues with car parking and there was a real desire from the residents of Washington to see another superstore in the area.

Mr Wheeldon stated that M&G's suggestion that the Western Car Park site is suitable and viable for a third foodstore scheme were simply not credible and the history has confirmed this.

Mr Wheeldon also commented that Morrisons were already building a new store in nearby Birtley. Therefore the people of Washington will have a Morrisons store this time next year and if the Peel application were to be approved Washington residents would then have access to all four food operators.

Members of the Committee then asked questions of the speakers.

Councillor Walker asked if M&G's own impact assessment had come to the same conclusion as the officer's reports and whether any scenario was acceptable to M&G.

Mr Connell advised that the trade diversion that would be created by either application would significantly affect the smaller stores in the Galleries that were already suffering and this amount of trade loss would result in losing occupiers in the centre. Therefore either scenario would cause significant damage to Washington town centre.

In response to Councillor Scaplehorn's question to explain the reference by Morrisons to a potential section 106 agreement, Mr Buckley advised that this would have to be discussed with Local Planning Officers but Morrisons were willing to enter discussions.

Mr Rowson, Assistant Head of Law and Governance then asked Mr Buckley to explain how his proposal for a Section 106 agreement would work in this case and how it could be used to mitigate the impacts of trade diversion on the privately owned Washington town centre.

Mr Buckley suggested that it was for the Council to identify a proposed route under Section 106 although he accepted that any planning obligation would have to comply with the relevant tests to be a material consideration.

The Chairman commented that Morrisons have had 22 months to enter into discussions on this matter so he considered Mr Buckley's comment on a potential Section 106 Agreement to be misleading.

The Chairman also commented that he was concerned that the representatives from the Galleries were potentially being underhand with their comments in relation to the possible withdrawal of the Cinema proposals should either of these applications be approved.

Mr Connell responded and stated that he wished to clarify that M&G would, just like any normal investor, keep under review its confidence in investment proposals, but this statement was in no way intended to be an ultimatum and he apologised if this had been seen that way.

Councillor Padgett commented that Members were required to consider the proposed developments on the two sites, not the relevant supermarket brands themselves and individual preferences by residents for one brand over another. He also commented that the Peel site was located between two deprived areas of Washington and the Peel proposal would provide an important accessible shopping facility for local residents in these wards and would improve consumer choice. Councillor Padgett commented that he wanted to maximise local shopping choice for residents as some people did not drive and whilst he would ideally have liked to approve both applications, he accepted the clear advice from officers and the independent consultant on this point.

Councillor Scaplehorn commented that as a ward member for Washington West only three people had approached him expressing an objection to Morrisons, with hundreds in support. Therefore he felt that he needed to support the wishes of the people he represents and therefore he was in favour of the Morrisons application.

Councillor Lauchlan commented that he was concerned regarding the level of impact on the Galleries Shopping Centre and the risk of shop closures and potential job losses if either application was approved.

Councillor Howe commented that he was a great supporter of believing in the views of the local people and therefore felt he should support the Morrisons application.

Councillor Wood commented that it seemed there were strong arguments for improving consumer choice for shoppers in Washington with a third foodstore and new competition was to be welcomed. He noted that the Hollissvincent audit report had clearly concluded that it was not appropriate to approve both applications and there was a clear recommendation from officers to approve the Peel application. He reminded other Members of the Committee that if they do not wish to support the officer's recommendations in respect of both applications then they should move an alternative recommendation with reasons in support of the proposed motion. ,

Councillor Thompson referred to the issues raised by the objectors regarding the potential safety of the road network in the vicinity of the Peel site and the A1231 and enquired if the Highways department were satisfied with the proposed highway arrangements for the development.

James Newell, Assistant Head of StreetScene (Network Management) advised that the figures used in the transport assessment in respect of the Peel application were particularly robust in overestimating the potential traffic generation under worst case scenarios and there would be modest queue lengths on the slip road as identified in the report which is what he expected to see. Mr Newell advised that he had visited the site and the proposed highways works (which would be secured through a Section 278 Agreement under the Highways Act 1980) were appropriate and would ensure that the proposed development is acceptable in terms of highway safety.

With no further comments from Members, the Chairman then put to the vote in turn the officer's recommendations in respect of each application.

In relation to the officer's recommendation in respect of the Peel application, with 12 Members voting in favour of the officer's recommendation and 5 Members voting against it was:-

3. RESOLVED that Members be minded to approve the Peel application subject to the draft conditions outlined in the main committee report and that the application be referred to the Secretary of State in accordance with the provisions of the Town and Country Planning (Consultation) (England) (Direction 2009 (Circular 2/09) for the following reasons:-
  - The application proposal passes the sequential test under Paragraph 24 of the NPPF;
  - The application proposal (together with the existing planning commitments and the Armstrong Road fall-back position) would not have a significant adverse impact in relation to either of the impact tests under Paragraph 26 of the NPPF in respect of Washington Town Centre and Concord Local Centre;
  - Therefore there are no significant adverse impacts to outweigh the positive benefits of the application in terms of physical regeneration, employment and the qualitative shopping benefits



of introducing a new leading foodstore operator within the Washington area; and because

- The conflict with Shopping Policies S1 and S2, and with Area Proposals WA7 and WA33 of the UDP are more than offset by other material considerations, including the positive economic and social benefits arising from the net job creation and the meeting of a known operator demand, the social benefits of improving shopping facilities and consumer choice, the comprehensive redevelopment of the dated and run-down application site with a development of good quality and efficient, modern design and through the improvements to vehicular, pedestrian and public transport access.

In relation to the officer's recommendation in respect of the Morrisons application, with 12 Members voting in favour of the officer's recommendation and 5 Members voting against it was:-

4. RESOLVED that the Morrisons application be refused for the following reason:-

The application would have a significant adverse cumulative impact on the vitality and viability of Washington Town Centre, when combined with the existing commitments, and either the Peel application or the Convenience Goods-Led Fall-back at the Peel Centre Phase 1 site, contrary to Paragraphs 26 and 27 of the NPPF, and because this level of cumulative impact (in either case) would cause significant conflict with the objectives of the UDP's saved Shopping Policies and it's Area Proposals for Washington and Concord.

The Chairman thanked everyone for their attendance and closed the meeting.

(Signed) P. TYE  
(Chairman)