

LOCATION: Furniture Village, Unit 6, Friern Bridge Retail Park, Pegasus Way, N11.

REFERENCE: C03069KJ/99.

WARD: Coppetts.

APPLICANT: Furniture Village Ltd.

PROPOSAL: Deed of Variation to Section 106 Agreement in respect of Covenant 3.1(a).

RECOMMENDATION:

That, subject to the completion of all necessary legal & other documentation, a Deed of Variation to the Section 106 agreement attached to planning permission C03069KJ/99 is authorised to secure the following changes:-

- (i). Paragraph 3.1(a) To alter the wording of the covenant to remove the restriction of storage use only to allow the applicant to use the existing mezzanine for retail purposes in conjunction with the existing ground floor retail area.

1. BACKGROUND

Unconditional planning permission (reference C03069KJ/99) was granted in April 2000 for the retention of the first floor at this unit, which is part of the larger Friern Bridge Retail Park. The permission was however the subject of a S106 Agreement which requires that “The development shall be used for storage purposes ancillary to the retail use at the development site only”.

It is this covenant that the applicants are now seeking to have removed by a Deed of Variation.

2. MATERIAL CONSIDERATIONS

National Planning Policy Framework

The determination of planning applications is made mindful of Central Government advice and the Local Plan for the area. It is recognised that the Local Planning Authorities must determine applications in accordance with the statutory Development Plan, unless material considerations indicate otherwise, and that the planning system does not exist to protect the private interests of one person against another.

The ‘National Planning Policy Framework’ (NPPF) was published on 27 March 2012. This is a key part of the Governments reforms to make the planning system less complex and more accessible, and to promote sustainable growth.

The NPPF continues to promote the town centre first approach, however, it recognises that local planning authorities should plan to the full scale of retail needs, and where sufficient town or edge of centre sites cannot be found, accessible out-of-centre sites should be considered.

The Mayor's London Plan July 2011:

The London Development Plan is the overall strategic plan for London, and it sets out a fully integrated economic, environmental, transport and social framework for the development of the capital to 2031. It forms part of the development plan for Greater London and is recognised in the NPPF as part of the development plan.

The London Plan provides a unified framework for strategies that are designed to ensure that all Londoners benefit from sustainable improvements to their quality of life.

Policies 2.7 & 4.7 are particularly relevant in connection with this matter.

Relevant Local Plan (2012) Policies:

Barnet's Local Plan is made up of a suite of documents including the Core Strategy and Development Management Policies Development Plan Documents (DPD). Both DPD's were adopted on 11 September 2012.

Relevant Core Strategy DPD (2012): Policies CS NPPF, CS6.

Relevant Development Management DPD (2012): Policies DM11 and DM17.

Relevant Planning History

C03069KJ/99: Retention of First floor - Unconditional Approval 3/4/99 subject to S106 Agreement requiring, amongst other things, that the mezzanine level storage platform shall be used for storage purposes only.

B/03576/10: Certificate of Lawful Use or Development in respect of the use of units 2, 3, 4, 5, 6, 7, 8, 9, 10 & 11 for unrestricted Class A1 sales. Refused 3/9/10, subsequently Allowed on appeal 20/7/11.

Site Description and Surroundings

Unit 6 is an existing showroom occupying a corner-plot to the north east corner of an existing and well established 'out of town centre' Retail Park. There is a large, shared customer car park in front of this and the remaining units which is accessed from Pegasus Way to the south.

The unit has a gross internal area at ground floor level of some 2,332sqm, of which the net retail trading floor area is some 2058sqm. The remainder comprises 'back of house' administration etc. The lawful use of this area is Use Class A1 Retail.

The existing mezzanine level has a gross internal area of approximately 696sqm. This comprises a net storage area of some 660sqm and 'back of house' circulation space of some 36sqm.

Proposal

The existing storage area of the mezzanine floor is the subject of the application for a Deed of Variation. It would result in an increase of 660sqm of retail floorspace, to create a total of 2718sqm net retail floorspace. However, the total floor area of the existing building would not change. The unit is occupied by Furniture Village, displaying and selling a wide range of furniture and associated items.

The applicants advise:

"The requirement for a mezzanine at Unit E, is fundamental to the business needs of Furniture Village, and without the ability to implement the mezzanine for retail use will

jeopardise the Company's scope to operate successfully from the unit. As the existing store does not have a retail mezzanine, it is deficient and fails to allow Furniture Village to provide its customers with a quality shopping environment which they receive elsewhere in the country. As far as possible, Furniture Village display its full range of products within its retail units. However, in circumstances where there is insufficient space and it is not possible to display all products available to customers, this results in customer dissatisfaction, wasted trips to the store, the need for repeat visits, and a requirement for additional service deliveries. The items will still be available for purchase, but cannot be seen or tested, limiting the retail offer provided to the customer. This ultimately limits customer choice, and could result in shoppers visiting the nearest Furniture Village stores at South Ruislip or Watford instead. This is not an ideal scenario in land use planning terms as the retail expenditure will leak out of Barnet to competing boroughs."

"The additional floorspace will facilitate a more spacious and attractive shopping environment for customers. Furniture Village will facilitate a more spacious and attractive shopping environment for customers. Furniture Village will continue to sell bulky furniture items and does not intend to widen the range of goods sold. As such, along with DIY retailers, it is seen as the 'traditional' warehouse style retailer, trading low volume goods in spacious display areas."

"The Furniture Village Business Model comprises the following fundamental components which are:

- Size of product range;
- A retail model which offers an integrated range of furniture and furnishing products;
- A customer base that makes purchases from various ranges, indeed they are actively marketed to do so;
- Staff that are trained in all product ranges and who are rotated across all ranges to provide cover at busy times and at holidays / sickness.

"Due to the principle of 'integration', there are no separate 'elements' to the business model, Furniture Village does not, for example:

- Physically separate its product ranges;
- Provide separate entrances / exits for the ranges;
- Offer separate tills or services for the ranges.
- Fundamentally the offer is wholly integrated without separate defined elements (which you may find), for example, in a foodstore that offers a distinct non-food range.

"Furniture Village's Business Model does not comprise a 'remote' retail facility of limited floorspace for very good reasons. Customers would be presented with a business model so different from what they would expect that an existing or potential customer base would be compromised."

With regard to storage the applicants advise:

"The requirement is for each store to act as its own distribution depot. Furniture Village does not have its own brands and has no central distribution warehouse policy. Customer's orders therefore remain the responsibility of the store's own local warehouse, checked by the warehouse manager and delivered to the customer by the store staff itself."

“As all furniture goods are bulky items, the warehouse requirement is obviously significantly higher than that of other retail warehouse operators trading in non-bulky goods.”

“It is therefore an unfeasible burden on a store of this size in a prime location to consider a significant proportion of the existing floor area being given over to storage functions.”

It is envisaged that whilst the existing warehouse staff would be relocated to the existing off site warehouse, three new sales jobs would be created as a result of the proposal.

Planning Considerations

This application arises from an unusual set of circumstances whereby whilst the application (C03069KJ/99) sought permission for the retention of the mezzanine for storage purposes ancillary to the retail use of the building, its use for storage purposes was controlled by means of a covenant within a S106 Agreement. It is this particular covenant that the applicants are seeking to have removed.

The removal of the covenant would result in the existing first floor mezzanine being incorporated within the sales area of the rest of the unit. This would address the qualitative deficiencies of the existing unit, improving showroom floorspace, enhancing its retail function and provide efficient and productive retail floorspace in accordance with the NPPF.

The proposal would nevertheless generate additional retail floorspace which is a main town centre use.

The NPPF and the Local Plan policies seek to promote the provision of such uses within town centres and resist the expansion of existing out of town centre sites unless they can meet the sequential approach and tests set out in the NPPF.

A sequential assessment of sites within or on the edge of town centres at North Finchley, Whetstone, Friern Barnet and East Barnet Village has been undertaken. An Impact Assessment has also been carried out which concluded that the additional retail floorspace created via the use of the mezzanine would have a “negligible, even imperceptible impact on the town centre & other retail locations”. It is unlikely that any centre would experience a “significant adverse impact” required by the NPPF to warrant refusal of an application.

The proposal would provide the opportunity for linked trips and would be sustainable. The proposal would be acceptable in highway terms, the Retail Park being well served by available car parking provision.

The proposed removal of the covenant restricting the use of the existing mezzanine floor for storage purposes is considered to be acceptable. Its use for retail purposes as part of the existing Furniture Village unit is acceptable on planning grounds.