

subject to conditions, for both applications. A copy of the Inspector's report (IR) is enclosed. All references to paragraph numbers, unless otherwise stated, are to that report.

Policy and statutory considerations

6. In reaching his decision, the Secretary of State has had regard to section 38(6) of the Planning and Compulsory Purchase Act 2004 which requires that proposals be determined in accordance with the development plan unless material considerations indicate otherwise.
7. In this case the development plan consists of the Richmondshire Local Plan 2012–2028 Core Strategy (CS) adopted in December 2014 and saved policy 23 of the Richmondshire Plan 1999-2006 as modified by CS Policy CP4. The Secretary of State considers that the development plan policies of most relevance to this case are those set out at IR4.2–4.5.
8. Other material considerations which the Secretary of State has taken into account include the National Planning Policy Framework ('the Framework') and associated planning guidance ('the Guidance').

Main issues

9. The Secretary of State agrees with the Inspector that the main issues are those set out at IR11.1. He further agrees with the Inspector's assessment at IR11.2 of the relevance of the site's employment allocation and the extant planning permission for employment uses.

The extent to which the proposed developments are consistent with Government policies on ensuring the vitality of town centres – Framework Section 2

Sequential test

10. For the reasons given by the Inspector at IR11.6, the Secretary of State agrees with the Inspector that the fact that Policy CP9 (3) sets a threshold, i.e. it applies to schemes over 500 sq. m, is not a position inconsistent with the Framework. He agrees that given the largely rural nature of Richmondshire District Council, the CS policy takes a pragmatic approach to determining when the sequential and impact tests bite.
11. The Secretary of State agrees with the Inspector at IR11.7 that there is no evidence to suggest that the applicant has pitched the scale of the scheme so that it would be impossible to identify a town centre site. The Secretary of State notes that the applicant has undertaken a sequential assessment based on the primary catchment area and concentration on this area was agreed with the local planning authority as being appropriate. In addition, five local planning authorities were contacted to identify sequentially preferable sites for potential investigation. He notes that two sites, one in Darlington and one in Northallerton, were identified as sequentially suitable but that following assessment, it was agreed that these sites, by virtue of their size, location and availability, could not accommodate either scheme and are not sequentially preferable sites. Overall, for the reasons set out at IR11.7–11.9, the Secretary of State agrees with the Inspector that the application proposals do not fail the sequential test.

Impact test

12. The Secretary of State agrees with the Inspector that if the retail impact of Scheme 1, the larger of the two schemes, is acceptable, then by definition, the retail impact of Scheme 2 would also be acceptable (IR11.10) and agrees with the Inspector's approach of concentrating on the effect of Scheme 1. For the reasons given at IR11.11–11.15, he agrees with the Inspector's conclusions on the numerical assessments of the impact on town centre turnover put forward by various parties, and further agrees with the Inspector's conclusions in giving little weight to the 'sub-sectoral' approach put forward by Darlington Borough Council (IR11.15).

Existing, committed and planned public and private investment

13. The Secretary of State has assessed the proposals against the first bullet point of paragraph 26 of the Framework (the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal). For the reasons given at IR11.16–11.20, the Secretary of State agrees with the Inspector's conclusion at IR11.20 that the proposals do not conflict with the objectives of this bullet point.

Vitality and viability

14. The Secretary of State has assessed the proposals against the second bullet point of paragraph 26 of the Framework (the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area).
15. For the reasons given in IR11.23–11.30, he agrees with the Inspector's conclusions at IR11.30 that Darlington Town Centre remains in good health with a high level of vitality and viability, and would not be at material risk from competition from the designer outlet centre, particularly given the limited overlap of the type of goods to be sold. He further agrees that even on Darlington Borough Council's estimate of trade diversion (6.9%), the impact on DTC would not be significantly adverse.
16. The Secretary of State notes that the trading impact on Northallerton Town Centre is estimated at 3.5%. For the reasons given at IR11.31, he agrees with the Inspector that Northallerton Town Centre is a healthy, vital and viable town centre and that neither scheme would have a significant adverse impact on its vitality and viability.
17. The Secretary of State notes that the trading impact on Stockton-On-Tees Town Centre is estimated at 2.5%. For the reasons given at IR11.32, he agrees with the Inspector that there is no objective evidence that, given the particular trading nature of a designer outlet centre, there would be a significant adverse impact on the vitality and viability of Stockton-On-Tees Town Centre.
18. The Secretary of State notes that the trading impact on Middlesbrough Town Centre is estimated at 2.4%, and that Middlesbrough do not object to the proposals on the grounds that there would be a materially adverse impact on the town centre. He agrees with the Inspector at IR11.33 that there is no reason to disagree with that conclusion.

Conclusion on retail matters

19. The Secretary of State agrees with the Inspector at IR11.34 that although the proposals would have a trading impact on town centres within the catchment area, the evidence taken as a whole does not sustain a conclusion that either of the applications would be

likely to have a significant adverse impact on their vitality and viability. He agrees that there is no policy objection to the schemes in terms of inconsistency with Framework paragraphs 26 and 27, and further agrees that the schemes are supported by CS Policy CP9(3)(b).

The extent to which the proposed developments are consistent with government policies on promoting sustainable transport – Framework Section 4

20. For the reasons given at IR11.35-11.39, the Secretary of State agrees with the Inspector at IR11.39 that, given that this is an out-of-centre site, it will not minimise the need to travel and make maximum use of sustainable transport modes to the same extent as a town centre or edge of centre site would. He also agrees that, given that there are no sequentially preferable sites, these proposals would not be inconsistent with paragraph 34 of the Framework.
21. For the reasons given at IR11.40, the Secretary of State agrees with the Inspector that the provisions that either proposal would make for access by foot and cycle for potential customers and employees in the local area are as much as can reasonably be achieved. He further agrees that the measures which are proposed, coupled with a comprehensive Travel Plan, would provide a comprehensive suite of measures that pragmatically satisfy the test in the first bullet point of paragraph 32 of the Framework.
22. The Secretary of State has taken into account that the Statement of Common Ground on highway matters notes that there is no issue to be addressed in relation to bullet point 2 of paragraph 32 of the Framework (IR11.41). He has considered the issues raised by Darlington Borough Council relating to the applicability of paragraph 32 to other sustainability issues, i.e. CO₂ emissions and travel distances. However, for the reasons given at IR11.41-11.43, he agrees with the Inspector that when placed in the context of district and regional CO₂ levels, the impact of these developments cannot be considered to be severe in terms of paragraph 32 of the Framework.
23. Overall, the Secretary of State agrees with the Inspector at IR11.44 that these proposals would be consistent with Government policies on promoting sustainable transport as set out in Framework Section 4, and would not conflict with CS Policy CP3.

Benefits

24. The Secretary of State has taken into account that Scheme 1 will generate some 700 jobs and Scheme 2 will generate almost 500. For the reasons given at IR11.45, he agrees with the Inspector that both schemes would be of major benefit to the local economy, and that there would also be spin-off benefits in term of local tourism. He considers that these benefits carry significant weight in favour of both proposals.

Other matters

25. The Secretary of State agrees with the Inspector at IR11.46 that the proposals would result in a change in the appearance and character of the area, and would result in a loss of agricultural land. However, given the allocation of the site for employment purposes in an up-to-date development plan and an extant planning permission for substantial employment uses, the Secretary of State considers that this carries limited weight against both proposals.