

Unit 5
Cyfarthfa Retail Park, Merthyr Tydfil

Proposed Subdivision into 2 units and Associated External Alterations

Planning Statement

September 2023



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1. The Proposal

- 1.1 This Planning Statement is submitted in support of a planning application made on behalf of Corona Vulcan Merthyr Limited, the owner of Cyfarthfa Retail Park, for the proposed subdivision of Unit 5 into two units (Unit 5A and Unit 5B) and associated external alterations.
- 1.2 Unit 5 is vacant. The previous occupier Wilko has gone into administration and the store closed on 22 September 2023. The application has been submitted with a view to avoiding a potential long term vacancy by seeking permission for subdivision of the premises. This will significantly enhance the prospects of securing new occupiers and maintaining active use of the premises, with the associated economic benefits that this will achieve in terms of job creation and retaining spending in the town. As explained in Section 4, the prospects of re-letting the unit in its current form are very limited.
- 1.3 The Applicant is in discussions with national multiple non food retailers who may wish to occupy the subdivided premises and the application has been submitted to facilitate these potential new lettings. The prospective tenants are not currently represented in Merthyr Tydfil Town Centre.
- 1.4 The Unit has a ground floor gross internal area of 964.6sqm and has a mezzanine floor of 879.5sqm.
- 1.5 It is proposed to subdivide the premises into two units comprising Unit 5A – 471.6sqm ground floor with 422.9sqm mezzanine; and Unit 5B – 482.8sqm ground floor with 411.3sqm mezzanine.
- 1.6 It is not confirmed at this stage whether the prospective new tenants will require the mezzanine floorspace. Therefore, the Applicant cannot accept a planning condition that requires that the mezzanine floorspace is installed in the subdivided units. It is proposed that a minimum unit size restriction reflects the smallest proposed ground floor area, i.e. that the premises shall not be subdivided into units of less than 471sqm metres gross internal area.

- 1.7 The proposed external alterations are minor and consist of reconfiguring the shopfront glazing to form a new spandrel panel in front of the new internal subdivision wall. The tenant signage zone will be retained but will accommodate two separate tenant signs subject to separate advertisement consent applications as necessary.

2. Relevant Planning History

- 2.1 The first phase of the Cyfarthfa Retail Park development was granted under Planning Permission P/02/0514, dated 10 June 2003, which permitted;

“Erection of retail park including A1 and A3 units, health and fitness (D2), covered builders yard and garden centre, associated car parking, servicing and access roads.”

- 2.2 A reconfigured layout was approved under planning permission P/03/0524, dated 28 November 2003.

- 2.3 In April 2005 planning permission P/04/0633 was granted for an amendment to Condition 5 on planning permission P/03/0524 to allow the sale of non-food goods (bulky and non bulky) from Units 8, 9A, 9B and 9C and the installation of mezzanine floorspace in Units 8 and 9A.

- 2.4 It is understood that Planning Permission P/04/0633 is the operative permission that controls the use of Unit 5.

- 2.5 Under Condition 2 of planning permission P/04/0633 Unit 5 can be used for the sale of non-food goods only; and under Condition 5, the mezzanine floor in Unit 5 can be used for retail sales purposes.

- 2.6 Condition 6 in planning permission P/04/0633 states;

“Unless otherwise permitted by virtue of the current planning application, none of the retail units hereby approved shall be subdivided so that the gross retail floorspace of a single user/unit is less than 1,858sq. m (20,000sq. ft.)”

- 2.7 The layout plan (SP1066(05)202D) approved under planning permission P/04/0633 showed a range of retail unit sizes including five units of 929sqm gross ground floor area, a 464sqm unit (Unit 2) and a 278sqm unit (“video hire unit”).

- 2.8 In April 2013 planning permission P/12/0219 was granted for the Phase 2 development involving the demolition of the original B&Q unit (Unit 9) and the erection of 6 retail units (nos. 12 – 17) and the erection of 3 retail units on the former Thorn Electrical site (which B&Q relocated to).

2.9 The originally approved unit sizes for Unit 12 to 17 are shown in Figure 1 below.

Figure 1 – Units 12 – 17 Original Approved Sizes

Unit	Ground Floor GIA SqM	Mezzanine SqM	Total GIA
12	941	706	1,647
13	930	698	1,628
14	802	602	1,404
15	802	602	1,404
16	607	455	1,062
17	2,370	2,248	4,618

2.10 A number of planning permissions have been granted to amend the configuration and/or design of units 12 – 17, i.e. P/13/0156; P/14/0147; P/15/0001; P/16/0009 and most recently P/18/0008 granted in March 2018. Figure 2 shows the currently approved unit sizes in the now renumbered units 12A – 12F

Figure 2 – Units 12A – 12F

Unit	Ground Floor GIA SqM	Mezzanine SqM	Total GIA
12A 12B	1,887	1,681	3,568
12C	929	830	1,759
12D	649	-	649
12E	613	483	1,096
12F	2,225	2,225	4,450

2.11 Under planning permission P/18/0008, Unit 12D was permitted to be occupied as a ground floor unit only (649sqm gross) with the omission of the approved mezzanine.

2.12 In July 2019 planning permission was refused (P/19/0138) for the subdivision of Unit 9 which comprises 930sqm ground floor area and 866sqm mezzanine (1,796sqm total). The proposed subdivision would have created two units – Unit 9A (460sqm ground with optional full cover mezzanine) and Unit 9B (468sqm with optional full cover mezzanine).

2.13 In February 2022, planning permission P/21/0428 was granted allowing the subdivision of Unit 11 (1,415.5sqm ground floor gross internal area) into two units of 699.5 gross internal ground floor area (Units 11A and 11B) with associated external alterations. Units 11A is now occupied by Mountain Warehouse and 11B is now occupied by Superdrug.

3. Planning Policy Overview

The Development Plan

- 3.1 Merthyr Tydfil Replacement Local Development Plan 2016 – 2031 (the LDP) paragraph 6.7.26 states that Cyfarthfa Retail Park provides “*an established out-of-centre retail park in close proximity to the Town Centre.*”
- 3.2 Policy EcW3 identifies that Merthyr Tydfil Town Centre is the favoured location for retail, leisure, and other complementary development, being situated at the head of a retail hierarchy and being followed by the local centres of Dowlais, Gurnos, Cefn Coed and Brecon Road/Morgantown, Troedyrhiw, Aberfan, Treharris and a new local centre forming part of the ‘Hoover Strategic Regeneration Area’.
- 3.3 The Policy states that outside the identified centres in the retail hierarchy, proposals will be subject to an assessment of need and a strict application of the sequential test.
- 3.4 Policy ECW6 identifies Cyfarthfa Retail Park as an “*out-of-town retailing area*”. This Policy states that proposals for retail development on new sites or existing retail areas in out-of-town locations, including changes of use, extensions, the merger or subdivision of existing units or amendments to existing planning conditions relating to the sale of goods will only be permitted where:
- It can be demonstrated that there is an additional need for the proposal which cannot be provided within an existing town or local retail centre, and
 - The proposal would not either individually or cumulatively with other existing or consented developments have an unacceptable impact on the trade, turnover, vitality and viability of the town or local centres
- 3.5 LDP paragraph 6.7.54 states that retail impact assessment will be required where the proposal is for at least 2,500sqm gross floorspace and that retail impact assessments that are proportionate to the potential impacts may also be required for smaller retailing proposals.
- 3.6 LDP paragraph 6.7.56 acknowledges that some types of retail store, “*such as*” those selling bulky goods and requiring large showrooms, may not be able to find suitable

sites or buildings within the County Borough's existing retail centres. Where this is the case the Local Plan states that in the first instance such stores should be located on existing out-of-centre sites close to existing centres such as Cyfarthfa Retail Park.

- 3.7 The LDP highlights the important role that Cyfarthfa Retail Park performs in improving economic wellbeing through retaining and attracting expenditure in Merthyr which provides potential spin off benefits that the town centre can capitalise upon. Paragraph 4.40 states;

“The Town Centre, particularly, is seen as a key asset and will continue to form the lynchpin for regeneration. The strategy reflects the need to continue town centre regeneration and will aim to capitalise on the extra spending power attracted to Merthyr Tydfil through out-of-centre developments such as the Cyfarthfa Retail Park and Trago. Fundamental to the success of this approach is ensuring that the retail offer in each of these locations is kept sufficiently distinct so as not to undermine the vitality and viability of the town centre. Furthermore, it provides support for the tourism sector and for the retailing role of the town and local centres.”

Planning Policy Wales

- 3.8 Planning Policy Wales (PPW)¹ (paragraph 4.3.15) identifies that need may be quantitative or qualitative, with the former taking precedence particularly as a basis for development plan allocations.
- 3.9 PPW (paragraph 4.3.16) states that qualitative assessment should cover both positive and negative aspects. It identifies factors where qualitative assessment may become an important consideration. Notably, having regard to the important role attributed to Cyfarthfa Retail Park in the LDP (paragraph 4.40), PPW identifies that an important qualitative consideration in the assessment of an application is where it;
- “supports the objectives and retail strategy of an adopted development plan”*
- 3.10 PPW (paragraph 4.3.17) states that it will be for the planning authority to determine and justify the weight to be given to any qualitative assessment. Regeneration and additional employment benefits are not considered in PPW to be qualitative need

¹ Edition 11, February 2021

factors in retail policy terms, but PPW acknowledges that they may be material considerations if the regeneration and job creating benefits can be evidenced.

- 3.11 PPW paragraph 4.3.18 states that under the 'town centres first' policy planning authorities should adopt a sequential approach to the selection of new sites in their development plan and when determining planning applications for retail and other complementary uses.
- 3.12 If a suitable site or building to meet identified need is not available within a retail and commercial centre or centres, then consideration should be given to edge of centre sites and if no such sites are suitable or available, only then should out-of-centre sites in locations that are accessible by a choice of travel modes, including active travel and public transport, be considered (PPW paragraph 4.3.19).
- 3.13 PPW paragraph 4.3.20 advises that the extent of a sequential test should be agreed by pre-application discussion between the planning authority and the developer.²
- 3.14 PPW paragraph 4.3.26 states that all retail planning applications or retail site allocations of 2,500sqm or more gross floorspace that are proposed on the edge of or outside designated retail and commercial centres should, once a need has been established, be supported by a retail impact assessment.
- 3.15 For smaller retail planning applications or site allocations, planning authorities will need to determine whether an assessment is necessary, for example when a smaller proposal may have a significant impact on a centre. Requests for retail impact assessments by planning authorities on smaller developments should be proportionate to potential impacts (PPW paragraph 4.3.27).
- 3.16 PPW paragraph 4.3.25 states that retail developments outside designated retail and commercial centres, and which are not located on an allocated site, can impact on the viability and vibrancy of a centre. Impacts resulting from such development, whether individual or cumulative, may include changes in turnover and trading ability, consumer choice, traffic and travel patterns, footfall, as well as affect centre regeneration strategies and existing or proposed retail sites allocated in the development plan. The purpose of the retail impact assessment is to consider these

² See paragraph 4.7 below.

issues and determine if these developments are likely to have detrimental consequences.

4. Assessment

Need

- 4.1 Unit 5 already exists, and the proposal does not involve the creation of any additional floorspace or any change of use.
- 4.2 In the assessment of application P/21/0428 at Unit 11, the Delegated Report stated;
- “In this instance, given that the retail use of the building has already been established and that the proposal does not seek to increase the amount of retail floor space, it is apparent that the quantitative retail need is not a significant determining issue.”*
- 4.3 In terms of qualitative need, and having regard to LDF paragraph 4.40 and PPW paragraph 4.3.17, the Delegated Report on application P/21/0428 noted that the proposed subdivision of Unit 11 would facilitate the re-letting of the premises to two national multiple non food retailers which would help to maintain and enhance the quality of the shopping offer at Cyfarthfa Retail Park and support its identified role in the LDP in attracting extra spending power to Merthyr Tydfil that the town centre may potentially capitalise upon. These factors also material considerations in favour of the proposed subdivision of Unit 5 being approved.
- 4.4 It was also acknowledged in the assessment of application P/21/0428 that the options available to re-let Unit 11 on reasonable terms as a single unit or in subdivided form were extremely limited. These constraints also apply to the potential re-letting of Unit 5.
- 4.5 To illustrate the constraints on occupier demand for Unit 5, Figure 3 identifies the occupiers that have been most active in opening stores at retail parks over the first half of 2023 and summarises the unsuitability of Unit 5 for these occupiers.

Figure 3 – Retail Park Openings H1 2023 (top 20 operators)

Retailer	No. Units	Average Unit Size SqM Gross	Unit 5 Suitability
Pure Gym	29	1,040	Would require change of use. Already a gym on the scheme. Pure Gym opening at Pentrebach Retail Park soon
Lidl	22	1,978	Unit 5 ground floor too small. Food sales not permitted. Already represented locally.
Greggs	20	176	Unit 5 too big. Food sales not permitted. Already represented on scheme
Home Bargains	19	2,183	Unit 5 too small. Food sales not permitted. Already represented locally.
Starbucks	19	204	Unit 5 too big. Food sales not permitted
Aldi	15	1,811	Unit 5 ground floor too small. Food sales not permitted. Already represented locally.
B&M	15	3,065	Unit 5 too small. Food sales not permitted. Already represented locally.
Costa Coffee	12	222	Unit 5 too big. Food sales not permitted. Already represented locally.
JD Gyms	11	1,151	Would require change of use. Already a gym on the scheme.
Poundland	11	1,792	Unit 5 ground floor too small. Food sales not permitted. Already represented locally
Burger King	7	260	Unit 5 too big. No drive thru. Would require change of use.
McDonald's	7	390	Unit 5 too big. No drive thru. Would require change of use. Already represented at the Park
Hobbycraft	6	743	Unit 5 too big. Would require subdivision leaving a circa 221sqm unit to be let
KFC	6	204	Unit 5 too big. No drive thru. Would require change of use. Already represented at the Park
Taco Bell	6	213	Unit 5 too big. Would require change of use.
Tim Hortons	6	250	Unit 5 too big. No drive thru. Would require change of use
Farmfoods	5	1,653	Unit 5 ground floor too small. Food sales not permitted. Already represented locally.
M&S	5	2,740	Unit 5 too small. Already represented at the Park
Iceland Food warehouse	4	1,170	Food sales not permitted. Already represented locally
Jollyes Pet Centres	4	594	Unit 5 too big. Would require subdivision
Source: Savills			

- 4.6 As was the case with Unit 11, permission to subdivide Unit 5 into two units will significantly improve the potential to secure new occupiers for this existing unit thereby ensuring that this floorspace remains in active use, and contributes to meeting the qualitative needs referred to above.

Sequential Test

- 4.7 The extent of the sequential test undertaken is consistent with the approach adopted and accepted in the assessment of application P/21/0428. Merthyr Tydfil Town Centre is the relevant centre to be assessed and the local centres identified under LDP Policy EcW3 have not been included. This reflects the local shopping function of the Local Centres and that the LDP identifies Cyfarthfa Retail Park as a preferred

location for meeting needs that cannot be accommodated in the Town Centre for the reasons referred to in LDP paragraph 4.40.

- 4.8 Merthyr Tydfil Town Centre is generally characterised by having small unit sizes. Based on Goad data, as shown in Figure 4 below, there are only 10 units in the Town Centre that are over the proposed subdivided unit size at Unit 5 of 471sqm gross. Only two of these units, the former Wilko store and former Carpet Splendour store in St Tydfil Shopping Centre, are currently vacant and being marketed.

Figure 4 – Merthyr Tydfil Town Centre Larger Units

Occupier	Location	Floorspace SqM
Tesco Extra	Tramroadside N	5,862
Vacant (former Wilko)	St Tydfil Shopping Centre	3,437
Market	St Tydfil Shopping Centre	1,542
The Red House Arts Centre	High Street	1,272
Vacant (former Carpet Splendour)	St Tydfil Shopping Centre	1,003
Poundland	St Tydfil Shopping Centre	947
Farmfoods	Court Street	761
Shaws the Drapers	St Tydfil Shopping Centre	742
Poundworld	High Street	613
Peacocks	High Street	594
Source: Experian Goad		

- 4.9 An assessment of the suitability of premises that are currently being marketed in the Town Centre, including the former Wilko and Carpet Splendour units, is set out at Appendix 1.
- 4.10 In terms of suitability, the assessment in Appendix 1 adopts reasonable flexibility having regard to the need that the application proposal will meet, which is to accommodate national multiple non food retailers in units of broadly (but not exactly) the size proposed.
- 4.11 The flexible approach that has been adopted is evidenced, for example, by the fact that while adjacent surface level car parking is an important characteristic of the suitability of the application site to accommodate national multiple retailers, the assessment does not include adjacent surface level car parking as a criterion that determines the suitability of potential town centre units.

- 4.12 The assessment at Appendix 1 demonstrates that there are no available opportunities in the Town Centre that are suitable to accommodate the application proposal adopting reasonable flexibility.
- 4.13 No suitable, more accessible, opportunities have been identified on the edge of the Town Centre that are available to accommodate the application proposal adopting reasonable flexibility.
- 4.14 It is therefore concluded that the application proposal passes the sequential test.

Impact Assessment

- 4.15 The application does not involve creating additional retail floorspace nor does it involve a change of use. As such, it does not trigger the automatic requirement for retail impact assessment under LDP Policy ECW6 and PPW paragraph 4.3.26 which relates to retail development proposals of 2,500sqm or more gross floorspace.
- 4.16 In terms of a proportionate assessment of the application proposal the LPA accepted in the assessment of application P/21/0428 that the consideration of impact essentially relates to the matter raised in LDP paragraph 4.40 which is whether the proposal will change the retail offer at Cyfarthfa Retail Park such that it would not be kept sufficiently distinct and could undermine the vitality and viability of the town centre.
- 4.17 Cyfarthfa Retail Park has unrestricted non food consent and also accommodates a foodstore use (M&S), leisure uses (Everlast Fitness gym), and food and drink outlets (McDonald's, Greggs, Subway, KFC, Pizza Hut, Costa Coffee). The Park accommodates national multiple retailers in a range of unit sizes. These established characteristics are important to the benefits that the LDP recognises the Park delivers in terms of "*extra spending power attracted to Merthyr Tydfil*". The proposed subdivision of Unit 5 to create two units that are marginally smaller than any existing units at the Park will not change the retail offer or established characteristics of the Park as a whole.
- 4.18 The retail offer at the Retail Park in providing access to national multiple non food retailers that would not otherwise be able to locate in Merthyr Tydfil will remain

distinct from the Town Centre offer which is characterised by a more diverse range of uses including smaller independent operators and discount operators, limited national multiple retailer presentation, and non retail uses.

- 4.19 The Town Centre's offer is clearly distinct from the Retail Park's offer in terms of national multiple representation.

Figure 5 - Merthyr Tydfil Town Centre National Multiples

Type of National Multiple Outlet	Number of Outlets	%
Comparison	29	10.4
Convenience	7	2.5
Retail Service	5	1.8
Leisure Services	14	5.0
Financial Services	12	4.3
Total Multiple Outlets	67	24.0
Total Non Multiple Outlets	212	76.0
Total Outlets	279	100.0
Source: Experian Goad		

- 4.20 As Figure 5 shows, the Town Centre's offer is much more diverse than the Retail Park's offer, and its vitality and viability is supported by a much wider range of uses, with national multiple comparison goods outlets making up only a minor proportion (10.4%) of the overall number of outlets, and all types of national multiple outlets comprising only 24% of total outlets in the Centre.
- 4.21 Given these longstanding and clear distinctions between the characteristics of the Retail Park and the Town Centre it is inconceivable that the proposed subdivision of Unit 5 would have any perceptible impact on the vitality and viability of the town centre compared to the existing situation with Unit 5 in its current format.

5. Conclusions

- 5.1 The LDP identifies that Cyfarthfa Retail Park is important to the strategy for the continued regeneration of Merthyr Tydfil Town Centre which aims to capitalise on the extra spending power that the Retail Park attracts to the town.
- 5.2 The extra spending power that Cyfarthfa Retail Park brings to the town is dependent on the quality and choice of the Park's retail offer. Proposals that seek to facilitate the continued occupation of units at the Retail Park are supportive of the LDP strategy provided that, as the LDP states, the retail offer in the Retail Park is kept sufficiently distinct so as not to undermine the vitality and viability of the Town Centre.
- 5.3 Unit 5 is vacant. The previous occupier, Wilko, has entered administration and closed the store on 22 September 2023. The application proposal to subdivide Unit 5 into two units of 471sqm gross and 482sqm gross will facilitate the reletting of this vacant floorspace to two national multiple non food retailers that are not currently represented in the town. The proposal will assist in attracting extra spending power to the town and will also generate employment opportunities for local people as the two retailers will recruit locally.
- 5.4 The proposal does not involve the provision of any additional floorspace, and does not involve any change to the permitted use of the existing premises for non food sales. The reletting to two new national multiple non food retailers, in units that will be marginally smaller than any existing units at the Park, will maintain the existing distinction between the Retail Park and the Town Centre in terms of their respective retail offers.
- 5.5 The sequential test assessment has demonstrated that there are no suitable opportunities available within or on the edge of the Town Centre to meet the need that the application proposal will meet adopting reasonable flexibility.
- 5.6 The proposal is consistent with the LDP and PPW and should be granted planning permission.

APPENDIX 1

Merthyr Tydfil Town Centre – Vacant/Marketed units September 2023

Address	Size	Assessment
Unit 5, Graham Way, St Tydfil Shopping Centre	Ground – 135sqm Total – 135sqm	Too small to accommodate the application proposal adopting reasonable flexibility. Conclusion: not suitable
Unit 9a, Graham Way, St Tydfil Shopping Centre (under offer)	Ground – 273sqm Total – 273sqm	Too small to accommodate the application proposal adopting reasonable flexibility. Conclusion: not suitable
Unit 10, Graham Way, St Tydfil Shopping Centre	Ground – 112sqm Total – 112sqm	Too small to accommodate the application proposal adopting reasonable flexibility. Conclusion: not suitable
Unit 10a, Graham Way, St Tydfil Shopping Centre	Ground – 475sqm Basement – 300sqm Total – 784sqm	Too small to accommodate the application proposal adopting reasonable flexibility. Floorspace split over two levels would not provide suitable configuration for two units. Conclusion: not suitable
Unit 10b, Graham Way, St Tydfil Shopping Centre	Ground – 990sqm Basement – 460sqm Total – 1,450sqm	Does not provide required adjacency to national multiple retailers. Insufficient footfall. Shopfront lacks prominence. Unit would not easily subdivide. Servicing arrangements not comparable to efficient ground floor servicing available at application site. Conclusion: not suitable
8 River Walk, St Tydfil Shopping Centre	Upper Floor Level – 1,021sqm Total – 1,021sqm	Does not provide required adjacency to national multiple retailers. Insufficient footfall. Shopfront lacks prominence and is obscured from the main walkway. Unit is narrow which restricts subdivision potential. Walkway in front of unit is narrow and unlikely to be capable of accommodating two entrances. Servicing arrangements not comparable to efficient ground floor servicing available at application site. Conclusion: not suitable
56 – 57 Glebeland Street	Ground – 82sqm Total – 82sqm	Too small to accommodate the application proposal adopting reasonable flexibility. Conclusion: not suitable
30 – 31 Lower High Street	Ground – 71sqm Basement – 37sqm Total – 108sqm	Too small to accommodate the application proposal adopting reasonable flexibility. Conclusion: not suitable
47 High Street	Ground – 208sqm First – 140sqm Basement – 70sqm	Too small to accommodate the application proposal adopting reasonable flexibility. Conclusion: not suitable

