



Document Reference
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East Cambridgeshire
District Council

**Policy LP14 –
Retail and Other Main Town Centre Uses**

November 2017

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1. Introduction and Policy Context

Introduction

- 1.1 East Cambridgeshire District Council is reviewing its Local Plan, which was last adopted in April 2015. The new Local Plan, which is hoped to be adopted in 2018, will provide a framework for development in the district until 2036 and beyond.
- 1.2 This Evidence Report (which is one of a collection) provides background information and justification for policy LP14 (of the Proposed Submission Local Plan, November 2017), which relates to the location of retail and town centre uses.

National policy

- 1.3 The National Planning Policy Framework (NPPF) was published in March 2012 and the National Planning Practice Guidance (NPPG) was introduced in 2014 which offers 'live' government guidance.
- 1.4 Section 2 of the NPPF concerns "ensuring the vitality of town centres", section 3 provides advice for "supporting a prosperous rural economy" and there is a separate section on "Plan-making". The following points are particularly relevant:
 - Paragraph 23 of section 2 states that in drawing up Local Plans, planning authorities should: "*define a network and hierarchy of centres that is resilient to anticipated future economic changes;*" and "*define the extent of town centres and primary shopping areas, based on a clear definition of primary and secondary frontages in designated centres, and set policies that make clear which uses will be permitted in such locations;*" and requires suitable sites to be allocated in town centres and edge of centre sites.
 - Paragraph 24 - 27 of section 2 concerns the application of the sequential test to town centre uses which should be applied to a proportionate, locally set floorspace threshold (or default threshold where one is not set locally).
 - Paragraph 28 of section 3 states that Local Plans should support rural tourism and leisure development and "*promote the retention and development of local services and community facilities in villages, such as local shops, meeting places, sports venues, cultural buildings, public houses and places of worship.*"
 - Paragraph 156 - 157 of the section on plan-making states that the Local Plan should include strategic policies to deliver "*the provision of retail, leisure and other commercial development*" and "*the provision of health, security, community and cultural infrastructure and other local facilities*" and to indicate "*land use designations on a proposals map*"
- 1.5 The NPPG contains a large volume of guidance under the title "ensuring the vitality of town centres" (reference 2b-001 to 2b019). Of this, the following are particularly relevant:
 - *A positive vision or strategy for town centres, articulated through the Local Plan, is key to ensuring successful town centres which enable sustainable economic growth and provide a wide range of social and environmental benefits.* Reference ID: 2b-002-20140306
 - *Strategies should answer the following questions:*

- *what is the appropriate and realistic role, function and hierarchy of town centres in the area over the plan period? This will involve auditing existing centres to assess their role, vitality, viability and potential to accommodate new development and different types of development. This assessment should cover a three-five year period, but should also take the lifetime of the Local Plan into account and be regularly reviewed*
- *what is the vision for the future of each town centre? This should consider what the most appropriate mix of uses would be to enhance overall vitality and viability*
- *can the town centre accommodate the scale of assessed need for main town centre uses? This should include considering expanding centres, or development opportunities to enable new development or redevelop existing under-utilised space. It should involve evaluating different policy options (for example expanding the market share of a particular centre) or the implications of wider policy such as infrastructure delivery and demographic or economic change*
- *in what timeframe should new retail floorspace be provided?*
- *what complementary strategies are necessary or appropriate to enhance the town centre and help deliver the vision for its future, and how can these be planned and delivered?*
- *how can parking provision be enhanced and both parking charges and enforcement be made proportionate, in order to encourage town centre vitality?*

Strategies should identify changes in the hierarchy of town centres, including where a town centre is in decline. In these cases, strategies should seek to manage decline positively to encourage economic activity and achieve an appropriate mix of uses commensurate with a realistic future for that town centre.

Ref ID: 2b-003-20140306

- *Local Plans should contain policies to apply the sequential test to proposals for main town centre uses that may come forward outside the sites or locations allocated in the Local Plan. Reference ID: 2b-009-20140306*
- *The impact test only applies to proposals exceeding 2,500 square metres gross of floorspace unless a different locally appropriate threshold is set by the local planning authority. In setting a locally appropriate threshold it will be important to consider the:*
 - *scale of proposals relative to town centres*
 - *the existing viability and vitality of town centres*
 - *cumulative effects of recent developments*
 - *whether local town centres are vulnerable*
 - *likely effects of development on any town centre strategy*
 - *impact on any other planned investment*

As a guiding principle impact should be assessed on a like-for-like basis in respect of that particular sector (e.g. it may not be appropriate to compare the impact of an out of centre DIY store with small scale town-centre stores as they would normally not compete directly). Retail uses tend to compete with their most comparable competitive facilities. Conditions may be attached to appropriately control the impact of a particular use.

Where wider town centre developments or investments are in progress, it will also be appropriate to assess the impact of relevant applications on that investment. Key considerations will include:

- the policy status of the investment (i.e. whether it is outlined in the Development Plan)*
- the progress made towards securing the investment (for example if contracts are established)*
- the extent to which an application is likely to undermine planned developments or investments based on the effects on current/ forecast turnovers, operator demand and investor confidence*

Reference ID: 2b-016-20140306

- 1.6 The above NPPF and NPPG policy has been taken into account in preparing the Local Plan as a whole, and policy LP14 in particular.

2 East Cambridgeshire Context in Relation to Policy LP14

- 2.1 Town and village centres are at the heart of our community, and provide a focus for retail and other town centre uses, including, leisure, commercial, office, tourism, cultural and community facilities. The Government is committed to sustaining and enhancing the vitality and viability of these centres, and making town centres a particular focus for development.

- 2.2 A district wide retail study update was produced in 2012, for the subsequently adopted 2015 Local Plan. We have no evidence to suggest the broad conclusions of that study do not remain valid, and therefore in the interests of preparing the Local Plan as quickly as possible, and within the resources available, no further update of the study was deemed necessary. Its broad conclusions are:

- The focus for comparison goods retailing should continue to be within Ely.
- It will be important to restrict the spread of high street retailing to out of centre locations.
- Consideration could be given to locating floorspace in just one or two of the market towns.
- Although below the national average for vacancy rates there is underlying vulnerability within Soham and Littleport town centres and a need for ongoing monitoring and careful management of future retail development for Ely.
- Robust retail impact assessments for any future edge of town/out to town developments will continue to be essential.
- The town centre boundary, and primary shopping frontage within Ely should remain unchanged.
- The town centre boundary, and primary and secondary shopping frontage within Soham should remain unchanged.
- The local plan should consider proposals within the Littleport Masterplan to amend the town centre boundary.

- 2.3 However, for Ely in particular, updated evidence of need and related issues has been prepared, as part of the evidence for the planning application (ref 17/00428/FUM) on 'Octagon Park', the retail allocation in the 2015 Local Plan, to the south-west of, and on the edge of, Ely. The applicant in this case sets out a 'planning and retail assessment' (April 2017) in support of proposals for the site. The application is for around half of the allocated site, and comprises a proposal to deliver 7,491 sqm of retail and 4,645 sqm B1(a) (office) uses. The remaining allocated land will potentially deliver a similar mix and scale.

- 2.4 Generally speaking, for the Further Draft Local Plan, the policy approach sought to focus main town centre uses within the identified town centres in the district, wherever possible, in line with national policy.
- 2.5 Broadly speaking, and as suggested by the 2012 study and the evidence provided with the aforementioned planning application, the focus for retail demand and expansion is Ely, whereas elsewhere, including the market towns, the focus is primarily one around retaining retail floorspace and town centre viability and vitality within the same footprint as at present. The challenge across East Cambridgeshire, with the exception of Ely, is not one of how to accommodate more retail or other town centre use floorspace, but rather how can we retain existing floorspace.

3 Local Plan Policy: Preliminary Draft

- 3.1 The Preliminary Draft Local Plan (February 2016) contained a policy entitled 'Location of Retail and Town Centre Uses' (title subsequently amended at Proposed Submission stage). A limited number of representations were made on the policy, and in summary the key issues raised for the policy were:
- The policy seeks to set a floorspace threshold of 280 sqm net for retail impact assessments to be undertaken for retail developments outside the town centres of Ely, Soham and Littleport. This threshold is not proportionate and places an unnecessary burden on an applicant, contrary to the provisions of paragraph 21 of the NPPF. If the Council want to introduce a threshold below 2,500 sqm we suggest it should be 1,000 sqm.
 - Policy should be revised to encourage appropriate scale retail outlets in villages and at tourist attractions to reduce vehicle trips to town centres. Suggested rewording of last paragraph to:
"Support will also be given to:
 - *The provision of small-scale localised facilities in villages and neighbourhoods outside town centres (such as corner shops, food and drink outlets and small-scale leisure facilities), where it can be demonstrated that:*
 - 1, *The development would meet a clear localised neighbourhood need (especially if it is part of a community- led development scheme).*
 - 2, *The development is not of a scale and type which should be located within identified town centres.*
 - *Farm shops and gift shops, associated with historic parks and gardens, where these are of an appropriate scale and would not detract from the character and appearance of the area, and it can be demonstrated they would make an on-going contribution to sustaining the agricultural enterprise, the historic park and or garden as a whole."*
- 3.2 The suggestion to increase the floorspace threshold for retail impact assessments from 280sqm to 1,000sqm is not taken forward, for the following reasons.
- 3.3 The planning system has a crucial role to play in protecting and enhancing the high street. Developments in edge and out-of-town locations, which are not in accordance with national and local policy and/or disproportionate in scale to their respective centres have the potential to have severe negative impacts upon the vitality and viability of those centres.
- 3.4 The NPPF (paragraph 26) advises that local planning authorities can put in place local impact thresholds, where it is considered expedient to do so. It is also supported in the NPPG.
- 3.5 There is a general acceptance that current retail trends and emerging store formats show that there is increasing growth in smaller format stores; particularly in the convenience retail

sector. In many cases, the floorspace of retail and proposals at edge or out-of-centre locations are well below the NPPF's 'default threshold' of 2,500m² gross.

- 3.6 In light of potential demand from developers and retail for development at out-of-centre sites, and without a local threshold in place, smaller centres (such as those in East Cambridgeshire) are vulnerable to impact. Maintaining a 'default threshold' of 2,500m² gross could have a significant adverse impact on the Council's strategy and plans to maintain, and attract new investment if possible, its town and local centres.
- 3.7 As a result a lower floorspace threshold is entirely justifiable This will enable the Council to fully assess and determine the impact of new edge and out-of-centre floorspace on the vitality and viability of its centres, including the impact on existing, committed and planned public and private investment in accordance with the NPPF (para 26).
- 3.8 In terms of arriving at a precise figure, it is worth noting that a typical size for a national retailer is 200-300sqm net sales area (i.e. a Tesco Metro or Sainsbury's Local). Even these stores, if located outside a town centre, have the potential for some impact on a small town centre's viability and vitality (with Ely, Littleport and Soham all clearly of a 'small' nature, from a national town centre perspective). However, anything greater would certainly have an impact.
- 3.9 The proposed 280sqm figure is the same as contained with the existing Local Plan (2015), and there is no evidence to suggest that such a requirement, as already applying, is proving onerous or inappropriate.
- 3.10 It should be remembered that the vast majority of retail units across East Cambridgeshire are small-scale, and well under 1,000sqm. Total floorspace in any one centre is also modest, even in Ely. Therefore, a proposal for a scheme of 999sqm (which would then fall below the respondents suggested threshold) has the potential for a significant impact on existing town centres. As such, a threshold of 280sq m is more appropriate.
- 3.11 The precise figure of 280sq m is derived from the Sunday Trading laws, whereby a 'large shop' is one which is over 280sq m. This demonstrates what government believes to be a 'large shop' which generates a reasonable amount of trade (and, therefore, the potential to result in an impact on shopping trends).
- 3.12 Finally, it is accepted that the scope and detail of any Retail Impact Assessment (RIA) required in support of a planning application is discussed and agreed between the applicants and the Council at an early stage in the pre-application process. The scope and level of detail included within a RIA should be proportionate with the scale of the proposal, and should be agreed with the Council on a case-by-case basis. The Policy was, for the Further Draft, amended to make this point clear.
- 3.13 In terms of the representor seeking revised wording to the last paragraph of the Policy, this has not been taken forward. The policy is sufficiently flexible to deal with proposals on a case by case basis, and any further relaxation of the policy could lead to pressure for retail or other town centre use development being located in inappropriate (eg countryside) locations.

4 Local Plan Policy: Further Draft

- 4.1 The Further Draft was published for consultation in January – February 2017.
- 4.2 A limited number of representations were made on the policy, and in summary the key issues raised were:

- Various suggestions that policy needs additional wording to cover: conservation and design; safeguarding town centre car parking; and air quality.
 - Various suggestions that policy needs rewording in relation to small scale facilities at strategic employment sites, thus enabling complimentary facilities.
- 4.3 To meet a representor request, the third bullet point has been strengthened to refer to greater protection of neighbouring properties. However, the suggestion that all car parking should be safeguarded and/or reprovided has not been included, as this might not always be the appropriate solution for a site. Some loss of parking might be acceptable, for instance, if improved public transport and cycling provision is provided instead.
- 4.4 In terms of the representors seeking revised wording to the final section of the policy, this has not been taken forward because the matter is suitably covered in policy LP8, where ancillary uses on strategic employment sites is suitable addressed.
- 4.5 Other changes to the policy are as follows.
- 4.6 First, the title of the section and policy have been amended to Retail and Other Main Town Centre Uses, to better reflect policy content.
- 4.7 Second, a new paragraph at the start of the policy has been introduced, to give a more overarching strategy for the policy area. This confirms Ely as the focus for main town centre uses growth, in line with the 2012 retail study conclusions.
- 4.8 Third, a new bullet point has been added making reference to proposals for shopfronts. This partially is in response to the comments regarding conservation and design. However, in addition, the policies within the Local Plan should not be read in isolation, and Policy LP27 is explicit in its purpose to 'protect, conserve and enhance the historic environment'.
- 4.9 Fourth, the last bullet in relation to farm shops has been slightly amended, to give clarity that the farm shop must relate to the farm upon which the shop sites. This will prevent potential abuse of the policy, through so called 'farm shops' opening on land with no (or limited) connection to the nearby farm enterprise.
- 4.10 Other more minor changes to the policy have been made, to aid clarity and remove any unnecessary text.

5 Alternative Reasonable Options

- 5.1 The following alternative options have been considered for this policy. (Option 1 is the preferred policy approach which has been included in the Proposed Submission Local Plan.)
- 5.2 **Option 2:** No policy, and rely on national policy for this subject area. This alternative option would provide some framework for dealing with proposals (and, for example, afford some protection to town centres as outlined in the NPPF). However, there are clear benefits (and expectations in the NPPF) in having a locally specific retail and town centre uses policy in the Local Plan, in order to set the local framework to consider such proposals (on matters such as hierarchy, retail impact assessment requirements, and local exceptions to policy).

6 Conclusion

- 6.1 This Evidence Report demonstrates the rationale for the policy as contained in the Proposed Submission Draft Local Plan (November 2017). It is hoped this helps demonstrate how we have responded to comments received during the consultation

stages, as well as how the latest evidence and national guidance has been taken into account.