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<b>Report of</b>	<b>Head of Commercial Services</b>	<b>Author</b>	<b>Karen Syrett 01206 506477 Laura Chase 01206 282473</b>
<b>Title</b>	<b>Retail and Town Centre Study</b>		
<b>Wards affected</b>	<b>All</b>		

**The Local Plan Committee is asked to note the contents of the Retail and Town Centre Study which will be added to the Council's Local Plan Evidence Base and used to inform the Submission version of the Local Plan in line with the proposed changes set out in this paper.**

## 1. Decision(s) Required

- 1.1 To note the Retail and Town Centre Study for publication on the Council's website and addition to the Local Plan Evidence Base.
- 1.2 To agree the approach to retail and town centre policies in the Submission version of the Local Plan (including the changes proposed to the Preferred Options version).

## 2. Reasons for Decision(s)

- 2.1 An up-to-date assessment of retail and town centre issues is required to underpin the development of a new Local Plan by providing a robust and credible evidence base. As noted at the meeting in December, the Centres and Employment policies will require revision in light of the new evidence base, which replaces the Retail Update 2013 prepared by NLP, and consultation responses received.

## 3. Alternative Options

- 3.1 The Council could choose not to include the Retail and Town Centre Study in its evidence base, but as the report is considered to be sound this is not an acceptable option since the Council needs to demonstrate that its Local Plan retail and town centre policies are founded on a solid evidence base.

## 4. Supporting Information

- 4.1 Paragraph 23 of the National Planning Policy Framework (NPPF) promotes competitive town centres and requires local planning authorities to positively plan for growth over the plan period. To provide the evidence base for new Local Plan policies and allocations in this area, Colchester Borough Council commissioned

Cushman & Wakefield (CW) to prepare a new and up-to-date Retail and Town Centre Study (the Study). This work now replaces the Retail Update 2013 prepared by NLP. The Study will also guide planning policies and decisions on planning applications.

- 4.2 The Study considers the qualitative and quantitative needs for town centre development over the period to 2033; how such needs should be accommodated; and a realistic strategy for growth and improvement. Given the dynamic nature of retailing, the Study (and the retail capacity forecasts in particular) should be periodically revised, as necessary.
- 4.3 The Study was prepared in the context of a number of events and forecasting issues, including;
- Current economic conditions
  - The impact of consumer habits and expectations on the retail landscape; and
  - Increasing competition from shopping destinations outside Colchester Town Centre.
- 4.4 The Study made a number of key policy and allocation recommendations which will inform the Submission Version of the Local Plan which are summarised below.

#### 4.5 **Retail Hierarchy**

Town Centre. In response to paragraph 23 of the NPPF which requires local authorities to define a network and hierarchy of centres, it is recommended that the Council adopt a three-tier hierarchy of centres. This also reflects consultation responses received. Colchester Town Centre is at the top of the hierarchy given that it is the principal shopping destination in the Borough supported by an extensive range of related town centre uses. It is considered relatively healthy at present, although the Study research and analysis identified some weaknesses and areas for improvement to ensure its vitality and viability over the plan period. A robust 'town centre first' approach should be followed to ensure that larger scale retail development is focused on Colchester Town Centre. Restricting larger scale development in the Borough's lower order centres will maximize the prospects for achieving new development in Colchester Town Centre, thereby enabling the Town Centre to claw back comparison goods expenditure from competing shopping destinations and ensure its pre-eminence at the top of the Borough's retail hierarchy.

- 4.6 District Centres. The Urban District Centre category was removed in the Preferred Options version of the plan, but the Study recommends that Tollgate, Turner Rise, Peartree Road and Highwoods should all be considered for reclassification as district centres in the new Local Plan. The Rural District Centres will also be retained as district centres. This is to ensure that the Borough has a network and hierarchy of centres, as required by the NPPF, capable of serving their respective areas of the Borough. It will further help to ensure that the Council, as local planning authority, can effectively plan for these centres and formulate an appropriate policy response through the new Local Plan. The Study

recommends further consideration as to whether Greenstead serves as a District or Local Centre. The assessment does not identify a qualitative need for substantial new retail floorspace in District Centres in order to ensure their vitality and viability. Instead, it recommends enhancement through non-retail uses, such as services and community facilities, is more appropriate to ensure that they better serve the day-to-day needs of their local communities. This approach will also ensure the District Centres retain their position in the retail hierarchy and do not undermine Colchester Town Centre's vitality and viability.

The Preferred Options version of the plan identifies two Proposed District Centres as part of New Garden Communities in East Colchester and West Colchester respectively. These will be retained in the Submission version of the plan.

4.7 **Local Centres** – The Study has not undertaken a full review of the Borough's local centres but considers that they perform an important role in terms of providing small scale retail and service uses to meet the basic needs of local communities. The Council will need to carry out further work to refine its list of Local Centres, given that those designated in the current Local Plan might in some instances be considered to be 'small parades of shops of purely neighbourhood significance' which are excluded from the NPPF's definition of 'centres'. It may however still be appropriate to retain them as they provide valuable community facilities.

4.8 **Capacity Forecasts** - The Study provides retail capacity forecasts for new convenience and comparison goods floorspace as well as considering future leisure requirements. For convenience goods (ie supermarkets) it is concluded that there could potentially be capacity for one new medium-sized foodstore in the Borough by 2028 if forecast trends occur. The preferable location for this would be in or on the edge of Colchester Town Centre in accordance with the sequential approach, and where a lack of main foodstore provision has been identified. For comparison goods (i.e. clothing, furniture etc) the Study considered two scenarios, one a continuation of existing shopping patterns (i.e. market shares) and the other assuming Colchester Town Centre increases its market share as a result of committed development (i.e. new Primark) and planned development (i.e. site allocations including Vineyard Gate) at 2023 to ensure the primacy of the Town Centre. Under this scenario, there would be capacity for up to 18,650 sqm net of comparison good floorspace by 2033 to support the redevelopment of Vineyard Gate and, to a lesser degree, Priory Walk.

4.9 **Future Town Centre Development Needs** – Cushman and Wakefield have identified and assessed four sites in and on the edge of Colchester Town Centre suitable for and capable of accommodating the full extent of future town centre floorspace needs to 2033:

Vineyard Gate – Vineyard Gate is classed as the prime opportunity to accommodate forecast capacity and need for new comparison good retail floorspace. It represents the most significant opportunity in Cushman and Wakefield's view to offer larger format shop units, which would be suitable for modern, high quality retailers seeking to locate or relocate within the town centre. In turn, this would help with the objective of enhancing the town centre's attractiveness to consumers and clawing back expenditure from competing

shopping destinations. The Council's proactive approach to land assembly following Caddick Group's removal as developer partner is considered to improve the prospects of achieving the Council's long-standing objective for this key town centre site. The Council are, to this end, seeking to work alongside CBREGi, as owners of Lion Walk shopping centre, on a scheme which will extend the shopping area south of Lion Walk, across Vineyard Gate. Additionally, the Council is in a position to ensure the complex design, heritage and archaeological issues affecting the site are addressed early, given the relationship with Historic England it has on schemes elsewhere in the Town Centre and previously regarding the Vineyard Gate site.

Priory Walk – Cushman and Wakefield consider that there is substantial potential to improve the existing shopping centre's public realm and retail offer, either through extensive reconfiguration and refurbishment, or by redevelopment. The redevelopment of the centre could potentially accommodate some of the forecast capacity for comparison goods retail floorspace in the Town Centre (up to an additional 5,000 sqm net), most likely following the successful delivery of Vineyard Gate and St Botolph's.

St Botolph's – Mixed use redevelopment of the St Botolph's site, with a focus on leisure uses is considered to significantly and positively transform this important part of the town centre. The qualitative assessment of Colchester Town Centre has identified a need for a focused critical mass of food and drink uses, and in the consultant's view, the St Botolph's site represents the most suitable opportunity for such development. It is sufficiently well-connected with the main shopping area to complement the town's retail offer.

Town Centre West – A site extended over approximately 7.7 hectares on the northwest edge of Colchester Town Centre, to the north of Colchester Retail Park (Middleborough/North station road.) The area is considered to be an appropriate location for further office development supported by residential. Based on the assumption that amenity/infrastructure enhancements would be required and that the developable area will not exceed 40% in order to allow for access, car parking and amenity, the site is considered to have the physical capacity to accommodate two-thirds commercial uses with the remainder dedicated to residential uses and other ancillary provision.

If any proposals come forward for new retail development in or on the edge of district centres, they should be proportionate to the role and function of that centre in the Borough's retail hierarchy. Larger scale retail development should be focused on Colchester Town Centre, in accordance with the retail hierarchy.

#### **4.10 Primary Shopping Area and Primary and Secondary Retail Frontages**

The NPPF (para 23) requires local planning authorities to define the extent of 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. Appendix G of the Study maps these areas and provide the Council with clear direction on the approach to safeguarding retail uses in key areas. Within the primary areas, which includes the key areas of Lion Walk, Culver Square and Fenwicks, it is recommended that the Council should

take a restrictive approach to non-retail uses, with a policy seeking to maintain up to 70% A1 retail uses. Within the secondary frontages the Council is recommended to afford greater flexibility for changes of use within Classes A1-A15 in order to maximise the number of occupied units and sustain a more diverse composition of uses. A 50% A1 retail use policy is supported for those frontages.

## **5. Proposals**

5.1 It is proposed that the Committee note the findings of the Retail and Town Centre Study and use them to inform policies and allocations in the emerging Local Plan.

5.2 Committee will recall at the December meeting that Officers made the following recommendations following the Preferred Options consultation;

- some rewording of the policies recommended to mention in particular role of evening economy;
- to clarify that the 500 sqm threshold applies to District Centres in Tiptree, West Mersea and Wivenhoe;
- a retail hierarchy will be reinstated based predominantly on the existing urban and rural district centres;
- Tollgate, Peartree Road, Highwoods and Turner Rise to be reinstated as Urban District Centres;
- Revisions to the Primary and Shopping area frontages to reflect the recommendations of the Retail Study update.

5.3 The following sections provide a proposed approach to the retail and centres chapter to be included in the Plan.

### **5.3.1 Identify a Retail Hierarchy**

A three-tier hierarchy of centres is considered appropriate for Colchester Borough as follows:

1. Town Centre
2. District Centres
3. Local Centres

Colchester Town Centre is the principal shopping destination in the Borough supported by an extensive range of non-retail facilities such as day-to-day services and leisure, cultural and community uses.

Hierarchy	
Town Centre	Colchester's historic Town Centre
District Centres	Highwoods Peartree Road Tiptree Tollgate Turner Rise West Mersea Wivenhoe
Local Centres	Specific sites to be identified in Adopted Proposal Maps

Policies will set out the role and function of each centre in the hierarchy.

Policies on such centres will include the development management tests set out in paragraphs 24 (sequential test) and 26 (impact tests) of the NPPF.

#### 5.3.2 District Centres

Policies will make it clear that within District Centres new retail and leisure proposals will only be supported where:

- i) The proposal is of a type and scale appropriate to the role and function of the particular centre and would not threaten the primacy of Colchester Town Centre at the apex of the retail hierarchy
- ii) Proposals to vary/remove conditions, including change the types of goods sold and the size of units, would not alter the centre's role as a district centre
- iii) The proposal would not have a significant adverse impact on the vitality and viability of Colchester Town Centre and/or any other centre
- iv) The proposal would not have a significant adverse impact on public or private investment in Colchester Town Centre and/or any other centre
- v) Proposals will need to meet accessibility and design criteria.

Although the Council will seek the enhancement of district centres through non-retail uses (including services and community facilities): support for such uses will only be forthcoming where the concentration of such uses would not prejudice the viability of the centre's main retail function.

Development, including extensions to existing facilities, for main town centre uses outside of the district centres will only be permitted if, following a sequential assessment, it can be demonstrated that the development could not be accommodated more centrally having demonstrated flexibility in the format and scale of the proposal.

### 5.3.3 Definition of Primary Shopping Area.

Paragraph 23 of the NPPF requires local planning authorities to define the extent of Primary Shopping Areas (PSA), '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.'

The Primary Shopping Area for Colchester Town Centre is shown in Appendix G to the Retail study attached.

A Primary Shopping Area for the district centres will also be identified in the Local Plan.

### 5.3.4 Define Primary Shopping Frontage and applicable policy.

In defining primary and secondary frontages and thus a PSA, it is prudent to take into account the following principles:

- composition of uses;
- key anchors/ attractors;
- vacancies;
- pedestrian footfall; and
- levels of accessibility/ connectivity.

The Primary Shopping Frontage for Colchester Town Centre is shown on the Plan attached as Appendix G to the Retail study attached.

Within the primary frontages the Council will take a more restrictive approach to further changes of use to non-retail / service uses. The policy will seek to maintain up to 70% A1 retail use. However, it is considered that A3 (food and drink) uses would be preferable to long term vacancies, if after extended marketing A1 retail use cannot be secured.

### 5.3.5 Define Secondary Shopping Frontages and applicable policy.

The Secondary Shopping Frontage for Colchester Town Centre is shown on the Plan attached as Appendix G to the retail study attached.

Within the secondary frontages the Council will afford greater flexibility for changes of use within Classes A1-A5, in order to maximise the number of occupied units and sustain a more diverse composition of uses. The Policy will seek to maintain 50% A1 retail use within the secondary frontages.

### 5.3.6 Identify sites to accommodate future development needs.

The following sites will be identified in the Local Plan as potential development opportunities to accommodate future comparison retail space and other town centre uses:

- Vineyard Gate;
- Priory Walk;
- St Botolph's (principally leisure and mixed use); and
- Town Centre North West (predominantly office and residential based mixed use scheme).

Policies will set out the detail for each site.

#### 5.3.7 Impact Test Thresholds.

In accordance with the NPPF, when assessing applications for retail, leisure and office development outside of town centres, which are not in accordance with an up-to-date Local Plan, local planning authorities should require an impact assessment if the development is over a proportionate, locally set floorspace threshold (if there is no locally set threshold, the default threshold is 2,500 sq m).

Further work will be undertaken to determine what local thresholds should be set for impact testing, when planning applications for retail development are submitted to make sure they are appropriate for Colchester.

### **6. Strategic Plan References**

- 6.1 Effective strategic planning supports the Strategic Plan Action Plan which includes a commitment to make Colchester a vibrant, prosperous, thriving and welcoming place.

### **7. Consultation**

- 7.1 The Retail and Town Centre Study will form part of the evidence base supporting the Council's Local Plan which is published on the Council's website. The Local Plan is covered by a comprehensive consultation programme as set forth in the Council's Statement of Community Involvement (SCI).

### **8. Publicity Considerations**

- 8.1 The information on retail and town centre trends could warrant press attention.

### **9. Financial Implications**

- 9.1 There are no direct financial implications.

### **10. Equality, Diversity and Human Rights Implications**

- 10.1 An Equality Impact Assessment has been prepared for the Local Development Framework and is available to view by clicking on this link:-

<http://www.colchester.gov.uk/article/4962/Strategic-Policy-and-Regeneration> or go to the Colchester Borough Council website [www.colchester.gov.uk](http://www.colchester.gov.uk) and follow the pathway from the homepage: Council and Democracy > Policies, Strategies and Performance > Equality and Diversity > Equality Impact Assessments > Strategic Policy and Regeneration and select Local Development Framework from the Strategic Planning and Research section.

- 10.2 There are no particular Human Rights implications.

### **11. Community Safety Implications**

- 11.1 None

### **12. Health and Safety Implications**



12.1 None

### **13. Risk Management Implications**

13.1 Provision of a robust evidence base to inform planning policies is intended to reduce the risk of inappropriate development. It will provide consistent advice to landowners, developers, officers, Councillors and members of the public. Timely production of a Local Plan will avoid the potential risk of Government intervention to take over plan production.

### **14. Disclaimer**

14.1 The information in this report was, as far as is known, correct at the date of publication. Colchester Borough Council cannot accept responsibility for any error or omission.

### **Background Papers**

Full Report – Retail and Town Centre Study