

EXECUTIVE BOARD

30th November 2015

Retail and Town Centre Planning Policy

Recommendations / key decisions required:

- To note the proposed changes to Planning Policy Wales (Chapter 10) and Technical Advice Note 4: Retail Centre Development and the consultation response.
- To note the content of the retail Study Update 2015 as evidence in future policy formulation and in the determination of planning applications across Carmarthenshire.
- To note that Officers will further explore, and where appropriate, prepare a Local Development Order including undertaking informal consultations as appropriate and to further report on its proposed scope, content and geographical extent.

Reasons:

- To outline the proposed changes in National Planning Policy on Retail and Town Centres
- To provide an update on evidence in relation to retail activity within Carmarthenshire and Llanelli Town Centre
- To set out the scope of Local Development Orders and their potential use in relation to town centres

PEB :

Relevant scrutiny committee to be consulted – N/A

Exec Board Decision Required	YES
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Council Decision Required	No
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EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr M Gravell

Directorate

Environment

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EXECUTIVE SUMMARY EXECUTIVE BOARD

Retail and Town Centre Planning Policy

1. BRIEF SUMMARY OF PURPOSE OF REPORT

1.1 This Report provides an update on retail planning considerations presenting an outline of the key changes emerging through the consultation on Planning Policy Wales and Technical Advice Note 4. It also outlines the evidence of retail provision and capacity in a Carmarthenshire context reflecting latest evidence as contained within the Carmarthenshire Retail Study – Update 2015.

1.2 In considering the above, and notably the changes proposed in relation to national policy the role and scope of Local Development Orders (LDO) will be outlined within a retail and town centre context. The report seeks to consider the potential role an LDO may play as part of broader regeneration proposals within a town centre context particularly in relation to Llanelli and supporting the vibrant places initiative.

2. Proposed Changes to Planning Policy Wales Chapter 10 and Technical Advice Note 4: Retail Centre Development

2.1 Attention is drawn to the consultation by the Welsh Government (WG) on changes to national retail planning policy and guidance. The changes specifically relate to the provisions of Chapter 10 of Planning Policy Wales (PPW) and Technical Advice Note 4 (TAN4): Retail Centre Development which set out the WG's current national planning policies for retail development and retail centres. The revised policy provisions reflect evidence gathered by the WG and have been influenced by contributions provided through a Technical Advisory Group consisting of representatives from local planning authorities, industry bodies and representative groups.

2.2 The WG's aim is to ensure that it reflects their objective that the vitality, attractiveness and viability of established town centres should be enhanced.

2.3 The principal areas of change in PPW relate to the following:

- revised objectives for retail planning policy including the need for flexibility in responding to market changes;
- stronger emphasis on the need for retail policies to be framed by a retail strategy in Local Development Plans (LDPs) which is complemented by masterplans and place plans to assist in the delivery of the strategy;
- the requirement for LDPs to set-out a locally-derived hierarchy of centres;
- clearer guidance on uses subject to the sequential test; and,
- revised policies for dealing with new uses and centres undergoing change and a consistent approach to terminology.

2.4 TAN4 has been comprehensively revised reflecting the publication of the original guidance back in 1996. The draft is consequently updated and reflects and supports the guidance set out in the updated draft of PPW Chapter 10. TAN4 provides further technical advice on the following topic areas:

- retailing objectives;
- centre hierarchies;
- retail strategies, masterplans and place plans;
- retail needs tests;
- the sequential test;
- retail frontages;
- changes of use and development management; and,
- monitoring indicators.

2.5 Both the revised TAN and PPW introduce and provide greater clarity on the use of LDO's in retail and town centre context. The potential benefit of LDO's and the opportunities for their use is considered in subsequent sections of this report.

2.6 The consultation in relation to both the draft Chapter 10 of PPW and TAN4 closes on the 26th November 2015. Attached for information is the Council's response submitted in relation to the consultation.

3. Carmarthenshire Retail Study Update 2015

3.1 The Carmarthenshire Retail Study has formed a key piece of retail evidence supporting both Policy formulation and the determination of planning applications over many years. The current update builds on the previous 2009 Study and reflects the latest data and information on retail across the County in terms of both convenience (food retail) and comparison (non food retail).

3.2 The study updates the assessment of quantitative need for retail floor space throughout the remainder of the LDP period through to 2021. The key conclusions outlined within the Study are summarised below and take into account changes that have affected the retail floorspace capacity projections, lower expenditure growth during the recession, lower forecast future growth in expenditure and proportionally higher expenditure via special forms of trading.

3.3 **Convenience Goods** - Shopping habits in Carmarthenshire appear to have altered with consumers switching from the large format stores of the 'big four' nation retailers, to the smaller stores of the discounters such as Aldi and Lidl.

3.4 In quantitative terms there is adequate provision across the county for convenience goods floorspace, however given the significant trade currently attracted to the discount retailers, there may be scope for these existing stores to be extended or new discount stores in areas where there is limited existing provision. There is some identified capacity in Carmarthen, however, since there is good qualitative provision already in the town, this capacity might be better served by being directing pack to its point of origin.

3.5 Existing commitments in Cross Hands and Newcastle Emlyn are likely to meet the quantitative need in these areas.

3.6 **Comparison Goods** - Expenditure projections for comparison goods have reduced since the 2009 study. There will be floorspace requirements for comparison goods in all of the Principal and smaller centres.

3.7 If the existing status quo is maintained, Carmarthen will have the greatest capacity for further retail development. Much of Llanelli's growth can be accommodated through the reoccupation of vacant floorspace and existing commitments. Cross Hands and Ammanford are lower down the retail hierarchy than the other Principal Centres of Carmarthen and Llanelli, and it would be acceptable to direct some of the capacity in Carmarthen to either of these centres.

3.8 A précis of the Study update is set out within an Appended report.

4. Evidential Background

4.1 The following considers key areas of evidence with a focus on town centre vitality and viability. In this respect whilst retail centres within Carmarthenshire are generally healthy it is however clear from evidence that Llanelli town centre faces specific challenges. Whilst this may not impact wholly across the town centre there are areas where implications of changing retail patterns may be most prevalent often manifesting in the form of long term vacancies. The following outlines some of the key evidence in relation to Llanelli Town Centre:

4.2 The **Genecon Study on Town Centres and Retail Dynamics in Wales** undertaken for WG identified Llanelli as a case study to show the impacts of out of centre retail development. Published in April 2014 the study indicated a 27.9% town centre vacancy rate (2012), highlighting one of the main effects of town centre decline being an increased pressure to change A1 uses in the town centre to A2 and A3 uses. It emphasises that from a planning perspective, Llanelli demonstrates the challenge when a centre has declined to a point where the viability of retaining an A1 retail core could be brought into question. It notes that the geographical shift in Llanelli's retail sector to a major new out of town retail park has placed pressure for changes of use from retail within the town centre.

4.4 In order to further understand the shopper and visitor activity on **Street Shopper Surveys** were carried out during weekdays and a Saturday in June 2015 both within Llanelli Town Centre and Parc Trostre. In summary the survey indicated that the majority of respondents (28%) visiting Llanelli town centre did so primarily to use services such as the post office, bank, hairdressers etc. Whilst other key reasons listed were a combination of food and non food shopping (16%) and just food shopping (15%), it should be noted that 10% of respondents were visiting for work/business purposes and 9% for social/leisure reasons.

4.5 In relation to visitors to the town centre, the emerging trend is to a diverse and mixed offer where a range of uses are utilised by visitors. This is in contrast to Parc Trostre where the survey indicates that the majority of visits are focused on food and non food shopping and just food shopping.

4.6 This can be seen as an indication of a shifting role for the Town Centre, where the potential to accommodate a versatile mix of day and night uses can compliment both its existing retail function and, rather than compete against, that which is available at Parc Trostre.

4.7 In transport and sustainability terms, it should be noted that 44% arrived by a car and 14% by a bus at Llanelli Town Centre which contrasts with the 87% arriving by car in Parc Trostre.

4.8 In addition a **Town Centre Retail Survey** conducted as part of ongoing LDP policy monitoring indicates a robust Retail Core with some 75% of units in occupied as A1 retail (based on retail frontage). However, whilst this is a healthy indication of retail occupancy, it is accompanied by a 17% vacancy rate with a further 8% in non retail use (A2 and A3). It should be noted that this includes the St Elli Centre which exhibits a high level of retail use with low vacancy levels.

4.9 Taking that area of the Retail Core outside the St Elli Centre focused around Stepney Street and Vaughan Street the levels of A1 occupancy drops to 57% with vacancy levels at 30%. This represents a marked change with areas of long term vacancy clustered within the eastern end of Stepney Street.

4.10 The Retail Frontage, which represents the second tier categorisation of retail streets. reflects the greater flexibility attached to the scale of non retail units within this area. This demonstrates a greater mix of use types with some 51% occupied by A1 retail with 13% vacancy with 26% in non retail (A2 and A3) and 10% in other uses.

4.11 The remainder of the wider town centre designation within the LDP contains a lower proportion of A1 retail (42%) with non retail spread across A2, A3 and other uses with a 13% vacancy rate.

5. Local Development Orders

What is an LDO?

5.1 A Local Development Order (LDO) is made by Local Planning Authority (LPA) and grants planning permission for the type of development specified within the LDO, and within a defined spatial area. It offers an LPA the opportunity in particular circumstances to streamline the planning process by removing the need for developers/applicants to make a planning application to the LPA. This can allow an LPA to act proactively in response to locally specific circumstances within their area. As stated above it should relate to a geographical area, and should reflect the focused purpose of the LDO and the nature of its intended outcomes. An LDO may also be permanent or time limited depending on their objective, in this respect a time limited LDO provides for increased flexibility in fast changing and developing areas allowing for easy revision and updating, or to deliver a set objective over a fixed timescale.

5.2 Certain types of development as set out within the Town and Country Planning (General Permitted Development) Order 1995 (PDO) are already permitted without the need for planning permission. The PDO grants a general permission for various types of relatively

small scale and normally non contentious development without the need to make a planning application. LDOs can therefore be seen as an extension of permitted development, but decided upon locally in response to specific local circumstances.

5.3 For information an LPA can revoke an LDO at any time. Where it is proposed to modify a Local Development Order, re-consultation may be required.

5.4 The appended report provides further information in respect of the Legislative and Policy Framework and outlines some of the core considerations and limitations in respect of an LDO.

LDO in a Carmarthenshire Retail Context

5.5 Where a retail centre is demonstrating signs of decline National Planning Policy makes provision for that decline to be managed and/or for action to be taken to regenerate a centre. In such circumstances an LDO may as part of a collective approach contribute to local economic development and regeneration, helping make places more attractive and more competitive, helping in incentivising development and reducing vacancy rates.

5.6 National Planning Policy reflects that in some circumstances where there has been an over emphasis on A1 uses these may undermine a centre's prospects, with potential consequences such as higher vacancy rates. In such circumstances the role of uses other than A1 (retail) in increasing diversity and reducing vacancy may be considered. This may be achieved through a rationalising of boundaries, allowing appropriate changes of use whilst focusing A1 (retail) uses in a more concentrated area. In this context an LDO can facilitate changes of use, alterations, extensions etc, replacing many minor planning applications which are routinely approved. LDOs can be particularly effective when combined with other regeneration proposals to bring about more comprehensive improvements to centres, including as part of environmental and infrastructure enhancements.

Developing an LDO - Llanelli Town Centre

5.7 Whilst the LDP sets a strong policy direction for retail within Carmarthenshire, the challenges facing Llanelli require specific consideration. The opportunities exist to co-ordinate with and develop upon the successful grant award under the Vibrant and Viable Places initiative and the 'Opportunity Street' scheme for properties at the eastern end of Stepney Street. In addition the establishment of a 'Task Force' tasked with addressing matters surrounding the decline of the town centre and its environs, presents an opportune time evaluate options. There is potential to review and develop an effective strategy to promote uses to complement the town centre and out of town retail offer. In this respect it should not be predicated on an abandonment of the town centres overall retail focus, but the consideration of a flexible approach to complement activities which support the centres vitality and viability.

6. Next Steps

6.1 To scope and subsequently, if appropriate, draft an LDO. In scoping and drafting an LDO it will be necessary to clearly establish its purpose, scope and extent linking into the regeneration and other objectives. Discussions, including input from local members and interested groups will be required. In this respect it will also be essential at an early stage to consult informally with communities, statutory consultees and other stakeholders, with the

emphasis on the future of the area rather than the specific details of the LDO. This would allow an opportunity to build on the partnership work to date in bringing together community groups/organisations and individuals through initiatives such as 'Ymlaen' and the Llanelli Community Partnership: 'The Town Centre We Want' and 'The Llanelli We Want'.

6.2 Through such liaison and a clear understanding of evidence and legislative requirements it is proposed to define a geographical area along with a draft schedule of uses where an LDO could apply. This draft framework will include and be informed by the legislative requirements underpinning its identification, and will be reported back for democratic approval prior to any formal public consultation being undertaken. In undertaking its preparation in this way would allow for appropriate engagement and co-ordination with the appropriate associated and related strategies to maximise its potential success whilst according with statutory procedures and requirements.

DETAILED REPORT ATTACHED ?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: L Quelch

Head of Planning

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	NONE	NONE	NONE	NONE

1. Policy, Crime & Disorder and Equalities

The provisions of National Planning Policy and the evidential updates set out within the report support and will where appropriate be utilised in the implementation and review of the Local Development Plan. The LDP where appropriate expresses in land use terms the objectives of the **Integrated Community Strategy for Carmarthenshire 2012-17**. Retail considerations, as part of the LDP, play an important role in delivering of the outcomes, particularly **Supporting Opportunities for the Building of Economically Viable and Sustainable Communities**. National and local planning policies seek to promote the principles of sustainability and sustainable development by facilitating the creation of communities and local economies which are more sustainable.

2. Legal

A Local Planning Authority may issue an LDO under section 61 (A, B, C and D) of the Town and Country Planning Act 1990, as inserted by section 40(1) of the Planning and Compulsory Purchase Act 2004 and amended by sections 188 and 238 and Schedule 13 of the Planning Act 2008. This power became effective in Wales on 30 April 2012.

3. Finance

Financial costs (including preparation of the LDO) will be covered through the financial provisions in place - including reserves. Established provisions are in place in relation to the gathering and apportionment of financial contributions from developer contributions. The impact on such contributions is unknown and can only be established once the extent of any LDO is understood.

The preparation of the Retail Study – Update 2015 is funded through current financial provisions.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: L Quelch

Head of Planning

(Please specify the outcomes of consultations undertaken where they arise against the following headings)

1. Local Member(s)

Requirement for consultation as part of any LDO preparation.

2. Community / Town Council

Requirement for consultation as part of any LDO preparation.

3. Relevant Partners

Requirement for consultation as part of any LDO preparation.

4. Staff Side Representatives and other Organisations

Requirement for consultation as part of any LDO preparation.

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Carmarthenshire Local Development Plan		http://www.carmarthenshire.gov.wales/home/residents/planning/policies-development-plans/local-development-plan/
PPW (Chapter 10) and TAN 4		http://gov.wales/consultations/planning/proposed-changes-to-ppw-and-tan-4/?lang=en