LOCAL PLAN SUB COMMITTEE - 20 JUNE 2019

PART I – NOT DELEGATED

6. LOCAL PLAN – RETAIL AND LEISURE TOPIC PAPER (DCES)

1.1 Summary

1.2 This topic paper will summarise the findings of the South West Hertfordshire Retail & Leisure Study (2018), identifies key issues which the new Local Plan needs to address and proposes policy wording and site allocations to be contained within the draft Local Plan.

2 Details

2.1 The South West Hertfordshire Authorities (Three Rivers, Dacorum, Hertsmere, St Albans and Watford councils) commissioned a joint Retail and Leisure[1] Study. This evidence base study provides the Councils with an objective assessment of retail and leisure development needs and a clear understanding of retail and leisure provision.

3 Key Issues/Findings

3.1 Market Share Analysis

3.2 The South West Hertfordshire Retail & Leisure Study (2018) (the Study) shows that Three Rivers has a relatively low market share across the South West Herts area. This reflects the findings of the previous studies undertaken in 2009 and 2012.

3.3 The Study refers to the following:

- Convenience goods - Food, alcoholic drink, tobacco products, newspapers and periodicals, non-durable household goods.
- Comparison goods - Comparison goods - Clothing and footwear; household textiles and soft furnishings; Furniture and floor coverings; household appliances; audio visual equipment; hardware, DIY goods, decorating supplies, tools and garden products; chemist and medical goods, cosmetics and beauty products; books, jewellery, watches, china, glassware and kitchen utensils, recreational, personal and luxury goods.

3.4 Three Rivers has a 5.7% market share of convenience[2] goods and a 1.3% share of comparison[3] goods. This is in contrast to Hemel Hempstead, Watford and St Albans which have more dominant market shares, reflective of centres in these areas being higher in the retail hierarchy. There is a high amount of leakage out of the District for convenience and comparison goods shopping, with leakage predominantly being

[1] Leisure = commercial leisure sector e.g. indoor health and fitness facilities, cinemas, restaurants, pubs/bars/nightclubs, bowling, bingo and cultural facilities (theatres, museums, etc.).
[2] Convenience goods - Food, alcoholic drink, tobacco products, newspapers and periodicals, non-durable household goods.
[3] Comparison goods - Clothing and footwear; household textiles and soft furnishings; Furniture and floor coverings; household appliances; audio visual equipment; hardware, DIY goods, decorating supplies, tools and garden products; chemist and medical goods, cosmetics and beauty products; books, jewellery, watches, china, glassware and kitchen utensils, recreational, personal and luxury goods.

directed to Watford (see Table 1). The study considers that the position is unlikely to change significantly and that existing market shares are likely to prevail.

Convenience Goods		Comparison Goods	
Retention	**Leakage**	**Retention**	**Leakage**
50%	50%	11%	89%

Table 1: Expenditure retention and leakage in Three Rivers

3.5 Future Retail Provision

3.6 The Study provides recommendations on the provision for new retail floorspace over the Local Plan period to 2036, based on the growth population scenario[4] of an additional 630 dwellings per year. The study identifies that there is likely to be a relatively small undersupply of convenience and comparison goods floorspace as set out below:

Year	Convenience Goods	Comparison Goods
2026	1,000 – 1,300sqm	300 – 400sqm
2031	1,700 – 2,100sqm	1,100 – 1,400sqm
2036	2,400 – 3,100sqm	1,900 – 2,600sqm

Table 2: Net Additional Floorspace

3.7 Future Leisure Provision

3.8 The Study assesses the potential capacity for additional leisure floorspace across the key centres of the authority area. The popularity and scale of existing leisure provision was measured against population 'benchmarks' to ascertain whether there are gaps in the market where demand is not being met.

3.9 The main leisure activities which the study assessed are set out below, alongside any specific recommendations relating to future capacity:

3.10 Health and fitness clubs

- Towards the end of the plan period, the highest population growth scenario shows some limited capacity for health and fitness clubs across South West Herts. The study recorded a strong provision of large leisure centre facilities and suggests that any demand for health and fitness clubs could be further satisfied through the introduction of additional low cost gyms.

[4] Forecasts are based on a scenario of an additional 630 dwellings in the District per year (referred to as 'Scenario 4' in the study). Forecasts from this scenario have been selected for the topic paper as the scenario is based on the closest figure to Council's housing need of 620 dwellings per year (calculated using the standard methodology).

- The study does not recommend for the Council to plan for any further facilities at this time, although the principle of new health and fitness developments coming forward should be considered on their own merits.

3.11 Restaurants, bars and cafés

- The study forecasts an additional capacity of 728sqm of restaurants, bars and cafés in the District up until 2036 (see Table 3).
- The study does not recommend that any centre requires specific intervention in the form of large-scale allocations to meet the identified capacity. However, restaurants, cafés and bars should be recognised as an essential function of healthy town centres and such facilities should be promoted, providing that such uses would not adversely impact existing retail provision and the vitality and viability of the town centres.
- The study anticipates that smaller units that come forward as planning applications over the period would meet this capacity.

Destination	Floorspace
Rickmansworth	327sqm
District Centres	402sqm
Total (Three Rivers)	728sqm

Table 3: Net additional floorspace for restaurants, bars and cafés to 2036.

3.12 Cinemas

- Under the highest population growth scenario, limited additional demand is projected up until 2036 across the whole of the SW Herts area.
- Watersmeet and the popularity of cinemas within close proximity are considered to be sufficient in meeting the demand for cinema trips over the plan period in Three Rivers. New cinema development in Watford and Hemel Hempstead is expected to contribute to meeting this demand.

3.13 Ten pin bowling

- General demand for ten pin bowling is consistently falling and there are a number of nearby alternatives. The potential demand for a new bowling facility is anticipated to be absorbed into surrounding centres.
- The study does not recommend to plan for any further facilities at this time through allocations.

3.14 Theatres, museums and galleries

- The Study observed that there is a strong representation of theatres, museums and art galleries across the SW Herts area

- The survey undertaken as part of the Study showed that Central London is the most popular destination for these cultural facilities (71%)

- o The Study concludes that there is no demand for additional cultural facilities during the Plan period.

3.15 Assessment of Key Centres / Vitality and Viability of Retail Centres

3.16 The existing viability and vitality of the Town and District Centres was assessed by conducting ‘health-checks’ for each of these centres. The ‘health-checks’ consider the composition of centres (i.e. the types of uses), vacancies, pedestrian flows, accessibility, environmental quality, perception of safety, customer views and stakeholder feedback.

3.17 Composition of Centres

3.18 The study observes a variety of functions across the centres as set out in Table 4 below.

Centre	Convenience	Comparison	Retail Services	Leisure Services	Financial & Business Services	Vacant
Rickmansworth	9.8	23.8	18.9	23.0	21.3	3.3
South Oxhey	17.5	19.3	24.6	21.1	3.5	14.0
Abbots Langley	17.1	26.8	17.1	24.4	12.2	2.4
Chorleywood	16.1	33.9	17.9	17.9	5.4	8.9

3.19 Centre-specific observations are listed below:

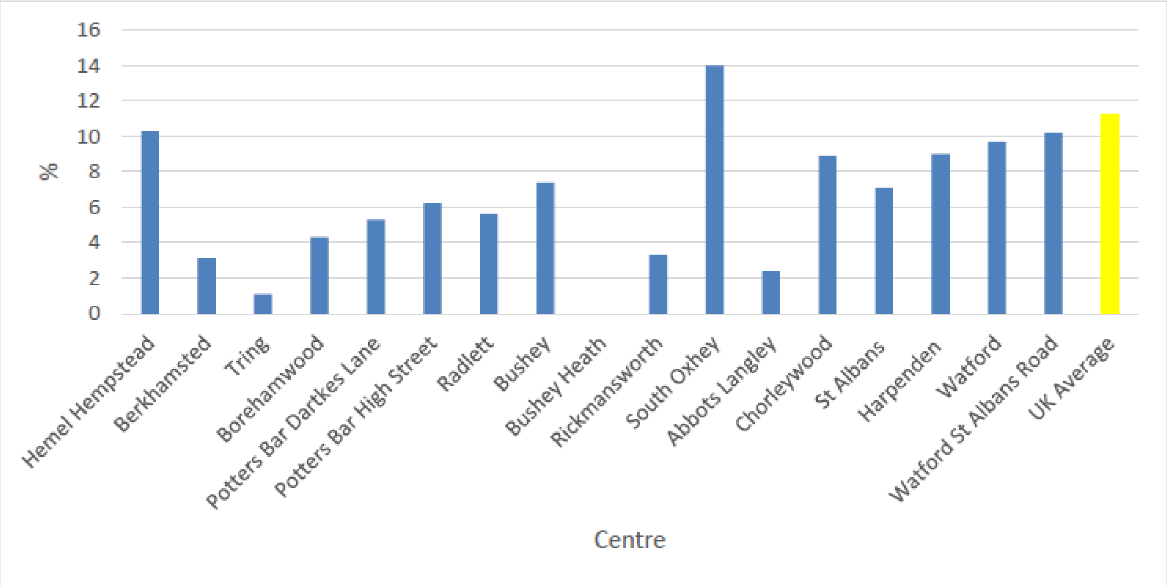
- o Rickmansworth functions independently as a main centre, providing a combination of convenience and comparison goods, as well as services. It was observed that Rickmansworth has a high prominence of financial and business services (double the UK average).
- o South Oxhey is a centre based around local convenience, with a number of smaller-scale ‘top-up’ convenience retail units. The study considers that South Oxhey will benefit significantly from its redevelopment, which was underway at the time of the study.
- o Abbots Langley plays an important role in the local area as a smaller, more accessible centre and features a multitude of convenience shops, a library, arts centre and a strong provision of services.
- o Chorleywood functions as a particularly localised centre, with a high proportion of independent shops and a focus on convenience and leisure rather than administration and business.

3.20 Vacancies

- o In terms of current vacancy rates, the UK average proportion of vacant units as at January 2018, was identified as 11.2%

- It was found that all centres, excluding South Oxhey[5] , have vacancy rates below the UK average.

3.21 The graph below shows the vacancy rates by unit (%) across the SW Herts Area.



3.22 <u>Evening Economy</u>

- A limited evening economy[6] was noted as a local issue for Rickmansworth. As the District's Town Centre, the Study recommends that the Council should consider favourably any sustainable applications for evening economy uses in the centre.

4 Town Centre Hierarchy

The hierarchy set out in the Core Strategy includes Town Centres, District Centres, Local Centres and Local Shops. The national planning policy that informed these definitions was Planning Policy Statement 6: *Planning for Town Centres* (2005) which has been superseded by the National Planning Policy Framework (NPPF).

4.1 Based on the NPPF definition of Town Centre, 'Local Shops' has been replaced by 'Neighbourhood Centres' and a new category of 'Individual Shops' has been added.

4.2 The Retail and Leisure Study reviews the *current* hierarchy of retail centres and considers whether existing designations should be re-evaluated in the new Local Plan. Any new housing allocations that include new retail provision will also be included in the Retail Hierarchy in the new Local Plan.

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[5] The high vacancy rate recorded in South Oxhey at the time of the study was due to the Centre's redevelopment, which is ongoing.

[6] Evening Economy – evening based activities ensure centres remain active outside of daytime hours. Units within the evening economy category include restaurants, takeaways, bars, pubs and nightclubs.

4.3 The text below sets out the various designations in the hierarchy and highlights any changes that are recommended. Appendix 1 shows the recommended Retail Hierarchy for the new Local Plan.

4.4 <u>Town Centre</u>

4.5 A Town Centre is defined as a commercial hub serving the local area with an offer of convenience and comparison floorspace and a comprehensive provision of services and leisure floorspace.

4.6 The current designation of Rickmansworth as the *Town Centre* is confirmed in the assessment.

4.7 <u>District Centres</u>

4.8 A District Centre serves the local catchment through provision of important convenience and comparison floorspace and local services, acting as an important local hub for the surrounding residential community.

4.9 The current designations of Abbots Langley, Chorleywood and South Oxhey as District Centres are confirmed in the assessment.

4.10 <u>Local Centres</u>

4.11 Local Centres include a range of shops and services, limited community services (e.g. health centre, community centre) and some leisure services such as restaurants, cafes and takeaways. These centres normally serve a smaller area than a District Centre and are typically comprised of 15 to 40 units, but may contain less than 15 units where they still provide an important local function.

4.12 Current designations for the existing Local Centres in Croxley Green and Mill End are confirmed in the assessment.

4.13 <u>Neighbourhood Centres</u>

4.14 A Neighbourhood Centre generally provides a range of small shops and services of a particularly localised nature that meet residents' day-to-day needs. These centres normally serve a smaller area than a local centre and are typically comprised of 3 to 14 units.

4.15 Neighbourhood Centres are not necessarily protected in planning terms, however specific identification for the safeguarding of a neighbourhood centre may be given within the retail hierarchy.

4.16 The majority of centres which are currently designated as *Local Shops* were recommended for designation as *Neighbourhood Centres*.

4.17 <u>Individual Shops</u>

4.18 Centres which do not comprise of a consistent adjoining strip of 3 or more shops, or are only comprised of 1 or 2 units, were recommended for designation in an individual shops category.

4.19 Sarratt Post Office, currently designated as a 'Local Shop', is recommended for designation in the Individual Shops category.

4.20 In addition, 57-63 High Street, Bedmond and 5-7a and Sherwood News, College Road, Abbots Langley are also recommended for designation as Individual Shops.

5 Town Centre Boundaries

5.1 The NPPF (2019) requires that policies define the extent of Town Centres[7] and Primary Shopping Areas[8] and removes the requirement to designate Primary and Secondary Frontages.

5.2 The Site Allocations LDD Policy SA4: Retail Allocations, provides greater protection against the loss of Class A1 retail use in Primary Frontages than in Secondary Frontages. The benefit of designating a Primary Shopping Area (instead of only Primary and Secondary Frontages) is that all frontages will have the same policy considerations.

5.3 The study recommends that the new Local Plan should establish Town Centre Boundaries and Primary Shopping Areas for the Town (Rickmansworth) and District Centres (South Oxhey, Abbots Langley and Chorleywood).

5.4 The recommended Primary Shopping Area for South Oxhey was based on the retail square prior to the commencement of the redevelopment. The boundary of the Primary Shopping Area has now been amended to more accurately reflect retail uses upon completion of the regeneration project.

5.5 The Local Centres (Croxley Green and Mill End) will be depicted on maps similar to those in the Site Allocations LDD and the Neighbourhood Centres and Individual Shops will be listed, in the new Local Plan. Appendix 2 details the Retail Allocations for the new Local Plan. For comparison purposes, Appendix 3 is the Retail section of the Site Allocations LDD.

6 POLICY RECOMMENDATIONS

6.1 The Study recommends that the Retail and Leisure Policy for the new Local Plan should:

- establish a Retail Hierarchy (Paragraph 4.3 – 4.19,Appendix 1)
- establish Town Centre Boundaries and Primary Shopping Areas for the Town and District Centres. (Paragraph 5.1 – 5.5, Appendix 2)
- include the floorspace capacities identified in the assessment
- allow any development proposals for indoor health and fitness facilities (indoor gyms) to be considered on their own merits. (Paragraph 3.9)
- allow any development proposals for any additional leisure facilities (indoor health and fitness facilities, cinemas, restaurants, pubs/bars /nightclubs, bowling, bingo, theatres, museums, etc.) in sustainable locations to be considered on their own merits

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[7] For the purposes of Town Centre Boundaries, references to Town Centres also apply to District Centres and Local Centres (as per the definition in the Glossary).
[8] Primary Shopping Areas are defined areas where retail development is concentrated.

- consider carefully any proposals which would result in the loss of existing leisure facilities.

- recognise restaurants, cafes and bars as an essential function of healthy town centres and promote these uses where such uses would not adversely impact existing retail provision and the vitality and viability of town centres. (Paragraph 3.10)

6.2 The proposed Draft Retail and Leisure Policy is set out in Appendix 4 to this report. Appendix 5 lists the relevant National Planning Policy and Guidance in relation to retail and leisure provision.

7 Options and Reasons for Recommendations

7.1 The Council has a legal requirement to produce a Local Plan.

8 Policy/Budget Reference and Implications

8.1 The recommendations in this report are within the Council's agreed policy and budgets.

Financial, Legal, Equal Opportunities, Staffing, Environmental, Community Safety, Public Health, Customer Services Centre, Communications & Website, Risk Management and Health & Safety Implications

8.2 None specific.

9 Recommendation

9.1 That the Local Plan Sub Committee note the contents of this report and recommend to the Policy & Resources Committee the Draft Retail and Leisure Policy as set out in Appendix 4.

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Background Papers

National Planning Policy Framework (2019)

Planning Practice Guidance

Core Strategy (2011)

Site Allocations Local Development Document (2014)

SW Herts Retail and Leisure Study (2018)

APPENDICES / ATTACHMENTS

APPENDIX 1 Retail Hierarchy

APPENDIX 2 Retail Allocations for New Local Plan

APPENDIX 3 Retail Section of Site Allocations LDD (2014)

APPENDIX 4 Proposed Policy

APPENDIX 5 National Planning Policy and Guidance