CRAWLEY BOROUGH LOCAL PLAN EXAMINATION

Crawley Borough Council Response to Inspector's Matters, Issues and Questions

Matter 4: Economy, Employment and Retail Issue 4: Retail Development and the Town Centre

February 2015



CBC/010 Matter 4: Economy, Employment and Retail; Issue 4: Retail Development and the Town Centre Contents:

Issue 4: Whether the approach to retail development and the town centre is clear, robust and effective.

- 4.16 Is there sufficient in policies EC5-7 between the approach to the Primary Shopping Area (PSA) (predominantly EC5, though not headed as such) and the town centre outside the PSA? Could the distinction between the town centre for retail policy (effectively the PSA) and the wider town centre for a range of uses (including retail) be better expressed?
- 4.17 The Submitted CBLP fails to address retail capacity, though a proposed modification refers to a capacity for 26,650 sq m of comparison floorspace. Is the CBLP seeking to promote new retail development of this scale in the town centre and, if so, why is it not a positive provision of the retail policies?
- 4.18 Are the proposed modifications to policy EC7 and the associated text appropriate and necessary to ensure consistency with the NPPF in respect of the sequential and impact tests?

Appendices

Appendix A: Proposed Policy EC5 Modifications Appendix B: Proposed Policy EC6 Modifications Appendix C: DCLG Planning Update Newsletter Appendix D: Proposed Policy EC7 Modifications

- 4.16 Is there sufficient clarity in policies EC5-7 between the approach to the Primary Shopping Area (PSA) (predominantly EC5, though not headed as such) and the town centre outside the PSA? Could the distinction between the town centre for retail policy (effectively the PSA) and the wider town centre for a range of uses (including retail) be better expressed?
- 4.16.1 Policy EC5 specifically covers the Primary Shopping Area, which is the retail core of the town centre and, therefore, needs more robust policy requirements to support its retail offer and ensure that any changes of use or new developments support the vitality and viability of the town centre as a sub-regional shopping centre. However, the Policy covers a wider remit than just retail policy as it still encourages other main town centre uses which support the vitality and viability of the town centre, particularly in the secondary frontages and upper floors. The council considers that the Policy could be retitled "Primary Shopping Area" to enhance clarity without changing its intent. The sub-section heading for these three policies, above paragraph 5.47, could be renamed "Crawley Town Centre". Similarly, to enhance clarity, the 5th para of Policy EC5 could be amended from "Proposals for other Main Town Centre Uses in the Primary and Secondary Frontages" to "in the Primary Shopping Area." These proposed modifications¹ are set out in Appendix A.
- 4.16.2 Policy EC6 specifically allocates sites within the Town Centre to help deliver much needed economic and housing growth, and to promote the regeneration of the town centre. Some of the sites identified in Policy EC6 are within the Primary Shopping Area, and the remainder are within the Town Centre Boundary. The "edge of centre" policy designation is specifically an issue for retail and leisure policy, covered in Policy EC7, where sites that are outside the Primary Shopping Area but within the town centre boundary are defined as edge of centre sites, as explained in para 5.60 of the Local Plan² and NPPF³. For clarity, a number of minor amendments, including renaming of the section and sub-section, some additional wording in the policy and rearranging the paragraphs, are proposed by the council as modifications⁴, as set out in Appendix B.
- 4.16.3 The Policy includes four sites which are allocated for residential development and/or main town centre uses, reflecting the importance of flexibility in site allocations to help meet market demands as they emerge. Four Key Opportunity Sites are also allocated, which require a minimum cumulative delivery of housing. This reflects the position of the town centre as a highly sustainable location for the provision of new housing, and recognises that residential development can support the vitality of the town centre. Flexibility is again provided within the Policy wording for a range of

¹ LP001d: Schedule of Further Proposed Modifications to the Submission Local Plan (September 2014), MM080 (February 2015) CBC

² LP001a: Crawley Submission Local Plan proposed pre-submission amendments

³ National Planning Policy Framework, Glossary. Edge-of-centre Page 52 (2012) DCLG

⁴ LP001d: Schedule of Further Proposed Modifications to the Submission Local Plan (September 2014), MM081-MM083 (February 2015) CBC

⁵ National Planning Policy Framework, Para 23, Bullet 9 (2012) DCLG

- mixed town centre uses to be considered for these sites, provided that the overall housing figure is met.
- 4.16.4 Policy EC7 relates specifically to retail and leisure development proposals which do not fall within the Primary Shopping Area. The Policy is in line with the Town Centre First approach of the NPPF⁶, recently reiterated in the DCLG's Planning Update Newsletter January 2015 Annex A (attached as Appendix C). For clarity, the title of the sub-section is proposed to be amended, along with some minor additional wording in the Policy and an additional line incorporated into the reasoned justification supporting text. These proposed amendments⁷ are set out in Appendix D.

⁶ National Planning Policy Framework, Para 24 (2012) DCLG

⁷ LP001d: Schedule of Further Proposed Modifications to the Submission Local Plan (September 2014), MM084–MM086 (February 2015) CBC

- 4.17 The Submitted CBLP fails to address retail capacity, though a proposed modification refers to a capacity for 26,650 sq m of comparison floorspace. Is the CBLP seeking to promote new retail development of this scale in the town centre and, if so, why is it not a positive provision of the retail policies?
- 4.17.1 The Crawley Retail Capacity and Impact Study⁸ states that there is a capacity for up to 26,650sq m comparison retail floorspace to be provided within Crawley over the Plan period without impacting on neighbouring towns. The Core Strategy (2008) had allocated a town centre site for a step-change, large scale retail-led mixed use redevelopment. However, as Topic Paper 4⁹, paras 5.57 5.62 explains, despite working proactively with two separate development partners, scaling back proposals for the site and being flexible with phasing and delivery requirements, it has not been possible in the current economic climate to secure a step change retail development.
- 4.17.2 There are a number of vacant retail properties within the town centre, including prominent units in the primary shopping frontages in Queens Square which could accommodate retailers wishing to locate in Crawley town centre. The CBLP, therefore, encourages retail development within the town's existing retail core, the Primary Shopping Area, (Policy EC5). Much of this is likely to involve the reuse or redevelopment of existing retail floorspace and, given the difficulty in demonstrating a reasonable prospect of delivery for new retail development, it is not considered necessary or appropriate to allocate specific sites solely for retail development, although retail may form part of a mix of uses on the sites identified in Policy EC6. It is increasingly recognised that a wide variety of uses including residential, leisure, and offices can help regenerate and add vitality to town centres, including the beneficial use of upper floors. This is supported in the NPPF¹⁰, and was reflected in the response to the early consultations, 11 many of which supported a wide range of uses and more flexible policies in the town centre, particularly to support the evening economy.
- 4.17.3 Therefore, the CBLP takes a pragmatic, flexible approach in its town centre site allocations in order to help facilitate development and encourage a range of uses, including retail. Four key opportunity sites, and four smaller sites are identified in Policy EC6 for mixed use residential and /or town centre uses which could include retail. There are planning applications and /or pre-application discussions with developers on six of these eight sites, for a variety of uses including residential and retail.

⁸ LP067: Crawley Retail Capacity and Impact Study Update (2013) DTZ

⁹ LP013: Topic Paper 4: Economic Growth (November 2014) CBC

¹⁰ National Planning Policy Framework, Para 23 (2012) DCLG

 $^{^{11}}$ LP004: Crawley Local Plan Consultation Statement, Appendix 2 page 99 - 116, Appendix 3, pages 18 - 29 and 114 - 137 (2014) CBC

4.18 Are the proposed modifications to policy EC7 and the associated text appropriate and necessary to ensure consistency with the NPPF in respect of the sequential and impact tests?

- 4.18.1 The proposed modifications to Policy EC7 and the Reasoned Justification now better reflect the NPPF¹² by removing the requirement for need to be demonstrated, and the NPPG¹³ which clearly states that the default threshold for impact testing of out-of-centre proposals is 2,500sqm gross. The NPPF does not clarify whether this threshold is net or gross, and the CBLP¹⁴ had stated the threshold was net, so this modification is required to ensure consistency with the NPPG.
- 4.18.2 A locally specific threshold for out of centre retail development was included in a previous internal draft version of the Local Plan, as this was justified by evidence supporting the allocation for Town Centre North. However, with the removal of the Town Centre North allocation, this threshold was removed as it could no longer be justified. The final sentence of para 5.61 of the Local Plan was retained in the document in error, and, therefore, its deletion is proposed¹⁵.

¹² National Planning Policy Framework paras 24 – 27 (2012) DCLG

¹³ National Planning Practice Guidance Ensuring Vitality of Town Centres para 016 (2014) DCLG

¹⁴ LP001: Crawley Submission Local Plan (September 2014) CBC

 $^{^{\}rm 15}$ LP001a: Crawley Submission Local Plan Modifications Draft proposed pre-submission amendments (November 2014) CBC

APPENDIX A: PROPOSED POLICY EC5 MAIN MODIFICATION

LOCAL PLAN MARKED-UP MODIFICATIONS EXTRACT:

Crawley Town Centre Uses

Primary Shopping Area

- 5.47 Much of Crawley town centre is healthy, vibrant and competitive, offering a good mix of shops, services and facilities and providing a pleasant environment for residents and visitors. The primary shopping frontages, particularly including Queens Square, County Mall and The Martletts, provide a good retail-led mix of uses with few vacant units, attracting a significant footfall of customers. The secondary frontages, including The Broadway, The Boulevard, Broad Walk and High Street, offer a more diverse range of main town centre uses, including restaurants, drinking establishments, takeaways and offices.
- 5.48 However, the recent recession and trend towards internet shopping has presented economic challenges and resulted in an increase in vacant units in the town, particularly in Queens Square and the more peripheral parts of the town centre where there is less footfall. Likewise, while many areas of the town centre are busy, thriving, people-friendly environments during the day, the same areas can experience less activity during the evening. Through positive planning for a range of main town centre uses that promote the day-time and evening economy, the Local Plan will ensure that Crawley is able to build upon its established role as a competitive sub-regional town centre destination.

Policy EC5: Town Centre Uses Primary Shopping Area

Crawley Town Centre is a main employment area, and a key retail destination that is of sub-regional significance. Development that promotes Crawley's vitality and viability as a sub-regional retail centre will be encouraged in town centre locations.

<u>Located within the Town Centre Boundary.</u> <u>Ithe Primary Shopping Area comprises the Primary and Secondary retail frontages as identified on the Local Plan Map.</u>

Within Primary Retail Frontages, ground floor proposals for A1 (retail), A2 (financial and professional services) or A3 (restaurant) will normally be permitted.

Within Secondary Retail Frontages, ground floor proposals for A1 (retail), A2 (financial and professional services), A3 (restaurant), A4 (vertical drinking establishment) and A5 (hot food take-away) will normally be permitted.

Proposals for other Main Town Centre Uses in the Primary Shopping Area and Secondary Frontages will be permitted, provided it can be demonstrated that the proposed use would support the vitality and viability of the town centre.

In all cases, consideration will be given to the impact of proposed non-retail uses in terms of prominence and dominance within any given frontage, with account taken of individual unit frontage, overall frontage length, and number of existing/extant non-retail uses. Issues of amenity and disturbance will be a material consideration in determining applications for change of use.

The effective and efficient use of upper floors within the Primary Shopping Area for appropriate Main Town Centre Uses, particularly retail and residential, is encouraged.

APPENDIX B: PROPOSED POLICY EC6 MAIN MODIFICATION LOCAL PLAN MARKED-UP MODIFICATIONS EXTRACT:

Town Centre and Edge-of-Centre Development Sites within the Town Centre Boundary

- 5.52 Crawley performs an important role as a sub-regional town centre destination and main employment area, and the Local Plan seeks to build on its established function to promote regeneration and deliver a vibrant and competitive town centre. The Plan also recognises the role of the town centre as a location for main town centre uses, and as a sustainable location for living. There are a number of town centre and edge of centre sites which are currently under-utilised and which present significant development opportunities to accommodate identified needs in sustainable and accessible locations.
- 5.53 There are a number of sites within the Town Centre Boundary which are currently under-utilised and which present significant development opportunities to accommodate identified needs in sustainable and accessible locations. The Local Plan, therefore, seeks to secure the regeneration and improvement of identified brownfield sites through mixed-use development proposals that will support and diversify Crawley's role as a sub-regional centre, enhance the vitality of the town centre, provide facilities for new and existing residents, improve links between different areas of the town centre, and create a good living and working environment. Recognising identified need for both economic development and housing land, development proposals should seek to deliver mixed-use development that comprises main town centre uses and maximises opportunities to deliver residential development.

Policy EC6: Town Centre and Edge-of-Centre Development Sites within the Town Centre Boundary

Sites within the Town Centre Boundary provide an important opportunity to promote town centre vitality and viability in a sustainable location through mixed-use development that meets the economic and housing needs of the borough.

Mixed-use schemes which include a proportion of residential development and/or main town centre uses will be encouraged within the Town Centre Boundary.

The following sites are currently identified for mixed-use schemes comprising main town centre uses and/or residential development:

- Parkside Car Park
- Traders Market, High Street
- Central Sussex College (East of Tower)
- Brittingham House, Orchard Street

The following Key Opportunity Sites within the Town Centre Boundary are identified in Policy H2 for a minimum cumulative delivery of 499 net residential units:

- County Buildings
- Telford Place
- Crawley Station and Car Parks
- Land North of The Boulevard

Given that they are located within the Town Centre boundary and that their scale and scope provides significant development opportunity, it is recognised that development for main town centre uses and/or residential at these locations is appropriate, subject to demonstrating that they:

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- i) positively contribute to the competitiveness of Crawley Town Centre and sustainable economic growth in the borough; and
- ii) support the delivery of a minimum of <u>5,000</u>4,895 net residential dwellings in the borough; and
- iii) support the delivery of a minimum of 499 net dwellings cumulatively across the sites.

Where retail or leisure uses are proposed <u>outside the Primary Shopping Area</u>, a sequential and impact assessment will be required to demonstrate how proposals will promote and enhance the vitality and viability of Crawley Town Centre.

<u>Sites within the Town Centre Boundary or Edge-of-Centre sites</u> allocated solely for housing are listed in Policy H2.

Reasoned Justification

5.56 Developments within the town centre boundary and at edge-of-centre locations could accommodate a mix of town centre uses, but given the town centre location, the opportunity to provide sustainable residential development in line with Policy SD1 whilst ensuring a balance between economic and housing need for the borough must be satisfied. As well as residential and mixed town centre uses, B1 office uses would also meet an identified need, and leisure uses would also support the regeneration of the town centre.

APPENDIX C: DCLG PLANNING UPDATE NEWSLETTER (JANUARY 2015)

January 2015 By email only PLANNING UPDATE NEWSLETTER INTRODUCTION

Welcome to the winter edition of the Planning Directorate newsletter. A lot has happened since my last update to you in March 2014: the launch of our technical consultation paper last summer, along with the proposals in the Autumn Statement, to further improve the planning system; and the extension of grant funding and the support programme for neighbourhood planning, to highlight only some of the many topics covered here that you should be aware of. This newsletter will also give you an indication of key actions happening over the coming months which I hope you will find useful.

Steve Quartermain CBE Chief Planner

ANNEX A

Town Centre First policy

Town Centre First policy, as set out in the National Planning Policy Framework, makes clear that local authorities should apply a sequential test to planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan. It requires applications for main town centre uses to be located in town centres, then in edge of centre locations and only if suitable sites are not available should out of centre sites be considered.

The Framework also sets out that when assessing large applications (if there is no locally set threshold, the default threshold is 2,500 sq m) for retail, leisure and office development outside of town centres, which are not in accordance with an up-to-date Local Plan, local authorities should require an impact assessment.

Ministers wish to restate policy which makes clear that where an application fails to satisfy the sequential test or is likely to have significant adverse impact on the town centre as set out in the Framework, it should be refused. It is for local authorities to ensure that the sequential test and impact test have been properly applied, and that the "town centre first" approach has been followed. This does not mean that out-of-centre development is necessarily inappropriate.

Ministers would highlight the planning guidance Ensuring the Vitality of Town Centres and specifically draw authorities' attention to the section: "How should the sequential test be used in decision-taking?". This sets out the considerations that local authorities should take into account when determining whether a proposal complies with the

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sequential test, including that due regard should be given to the requirement to demonstrate flexibility. This includes whether the suitability of more central sites to accommodate the proposal has been considered and the scope for flexibility in the format and/or scale of the proposal.

Guidance on applying the impact test can also be found under the above section and makes clear that the design year for impact testing should be selected to represent the year when the proposal has achieved a 'mature' trading pattern. This is conventionally taken as the second full calendar year of trading after opening of each phase of a new retail development, but it may take longer for some developments to become established.

APPENDIX D: PROPOSED POLICY EC7 MAIN MODIFICATION LOCAL PLAN MARKED-UP MODIFICATIONS EXTRACT:

Non-Central Retail and Leisure Development

5.5759 The Local Plan vision recognises the vital role of Crawley town centre in providing a social, cultural, entertainment and retail focus for people and communities within Crawley and the wider area and supports its evolution as a healthy and competitive centre. The Local Plan responds to national objectives by setting out requirements for the NPPF sequential and impact tests within a local context.

Policy EC7: Retail and Leisure Development outside the Primary Shopping Area

Retail and leisure proposals in Crawley will follow the NPPF 'Town Centre first' principle with development directed to the most sequentially preferable and sustainable locations, firstly within the Primary Shopping Area.

Proposals for edge-of-centre or out-of-centre development, will be permitted where it can be demonstrated that:

- a) the need for the proposed development cannot be met on more central sites, having applied the sequential test; and
- b) the impact of the development will not undermine the vitality and viability of the town centre, as existing and planned, or neighbourhood centres.

In assessing the impact of out-of-centre retail development proposals under part b), a retail impact assessment will be required to support proposals for 2,500sqm net gross floorspace or greater.

The existing out of town centre retail locations at County Oak and London Road Retail Parks have an established retail warehouse function and should remain the focus for any out of centre town retail proposals subject to satisfying the sequential assessment and impact testing as outlined above.

Reasoned Justification

5.5860 For the purposes of policy interpretation, town centre sites are defined as those locations falling within the Primary Shopping Area as identified on the Local Plan Map. Sites falling outside of the Primary Shopping Area, though within the Town Centre Boundary, are defined as edge-of-centre sites and these would be the next most sequentially preferable sites. All locations beyond the Town Centre Boundary are, in retail terms, considered to represent out-of-centre locations.