

Local Plan Draft Policies ECN4: Retail and Town centre development, ECN5: Signage and Shopfronts

Summary: This report considers the representations made at Regulation 18 stage of plan preparation and seeks to agree the final versions of Policy ECN4: Retail and Town centre development & ECN5: Signage and Shopfronts.

Recommendations: **1. It is recommended that Members endorse revised Policies, ECN4, ECN5, recommending to Cabinet and delegating responsibility for drafting such an approach, including that of finalising the associated policies and policies mapping to the Planning Manager.**

Cabinet Member(s)	Ward(s) affected
All Members	All Wards
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1. Introduction

1.1 The emerging North Norfolk Local Plan has been subject to public consultation at regulation 18 stage during May and June 2019. This report is one of a number of reports that seeks to finalise the draft Local Plan policy approach in relation to consideration of the consultation responses and the finalisation of the supporting evidence. At the end of the process a revised Draft Local Plan incorporating justified modifications will be produced for the authority in order to consult at Regulation 19 Draft Plan publication stage ahead of subsequent submission for examination. At such a stage the Plan will be subject to consideration by an independent inspector against a number of legal tests and soundness tests to determine if it is legally compliant, justified, effective, and has been positively prepared. A binding report will be produced, which will determine if the Draft Plan is sound, with or without further modifications, following which the Plan can be formally adopted by the Council.

1.1 This report focuses on the approach to retail and town development principles, and discusses the feedback from the regulation 18 consultation along with and national policy changes and the supporting evidence contained in the North Norfolk Retail and Main Town Centres Uses Study 2017.

- 1.2 **The purpose** of this report is following a review of the regulation 18 consultation feedback to seek Members endorsement of the final suit of policies that address retail and town centre development matters for future Plan making ahead of the Regulation 19 consultation and then submission of the Plan.

2. Background and Update

- 2.1 The new Local Plan includes a number of policies relating to retail and town centre uses. Such policies are intended to promote Town Centres and aid the vitality and viability of our towns. Any policy requirements should be in line with the national policy approach detailed in the National Planning Policy Framework and the associated Planning Practice Guidance, should be based on local evidence, and should be deliverable (viable) during the plan period.
- 2.2 The purpose of Policy ECN4 is to set out the policy framework in order to guide retail development in a sustainable manor across the District and sequentially within the selected towns, specifically to maintain and enhance the viability and sustainability of the District's town centres. It does this by establishing a retail hierarchy, seeks the provision and retention of local services at appropriate scales and locations, seeking to improve public realm and connectivity, and sets locally derived impact thresholds for the assessment of proposals that cannot be accommodated in the primary shopping area for retail and town centre for other uses.
- 2.3 Policy ECN5 is a new policy setting out the principles that proposals for new signage and shopfronts (new and or replacement) should follow. The purpose is to is provide a policy base in order to seek to avoid the proliferation of advertisements in sensitive locations, such as in Conservation Areas and rural locations or locations which have high visual amenity, where it is considered that the amenity of the locality will be impaired, and to ensure new and replacement shopfronts are well designed to reflect the character of the surrounding area and enhance the visual amenity of the local area.

3. Feedback from Regulation 18 consultation

- 3.1 All of the Regulation 18 consultation feedback has been published in the Schedule of Responses, previously reported to Members. For information, the summary feedback for the three draft policies is contained within Appendix 1 to this report. The key comments and issues raised are summarised below for each draft policy:

Policy ECN4. Retail and Town centre development

- 3.2 Individuals: Six responses were received from the general public on this policy. Although three objected, no substantial land use issues were raised. Comments acknowledged that the high street is changing, and suggested that digital technologies should be embedded in town centres, alongside places where people can work and live, potentially above shops. One comment asked why only 10 year expenditure projections were published while another sought no more supermarkets due to the heavy carbon cost of food wastage. There was a preference for town centre and brown field development first.

- 3.3 Parish and Town Councils: Two general comments were received from Cromer and Sheringham town Councils. Sheringham Town Council were keen for the policy to limit the development of floorspace for food and beverage, while Cromer TC sought further encouragement for securing public works of art in order to improve the public realm. North Walsham TC objected to the policy and sought greater protection in the policy to restrict retail losses and residential development. All town councils considered that the PSA should be extended mainly to include all existing shops and in order to seek greater protection from change.
- 3.4 Statutory Bodies and Organisations: Responses included those from Norfolk County Council (NCC), The Broads Authority, Kelling Estate and Trinity College Cambridge. The approach was largely endorsed by those that responded. NCC commented that the policy was broadly in line with national policy town centre first and complemented the aspiration of transport and public realm improvements in town centres. Kelling Estate sought greater flexibility towards retail development in the countryside. Trinity College as landowners of the existing allocation to the north of the Fakenham sought an uplift in the impact threshold for the town in order to lower the tests for further out of town provision.

Policy ECN 5: Signage and Shopfronts

- 3.5 Limited feedback was received in relation to this policy, no comments were received from Parish and Town Councils and only one from a statutory/organisation Consultee – Norfolk Coast Partnership. The policy approach was supported as it was felt that *Signage has been neglected over the years and...was an important element in the appeal of our towns...* As such feedback asked for further consideration to the strengthening of the policy wording in terms of compliance with the council's design guide and to consider further the impact of lighting on visual amenity.

4. National Policy

- 4.1 The focus of national policy remains firmly towards maintaining town centres as the location where defined town centre uses¹ should be directed, with a defined Primary Shopping Area(PSA) being the area where retail development is concentrated. This PSA is the area where new retail development should first be directed and the boundary is the determining factor in establishing, centre, edge of centre, and out of centre locations in relation to retail policies. National policy gives priority to central locations for new town centre developments but allows for the consideration of further appropriate edge of centre sites that are well connected and then out of centre sites as long as they are not outside the urban area, (the sequential approach). The national requirement to apply the sequential test discourages out of centre development if there are suitable and available sites at the edge of a centre or in a town centre itself. Applicants and the Council should show flexibility on issues such as format and scale, so that opportunities to utilise town centre, or edge of centre sites are fully considered before contemplating

¹ Main Town Centre Uses: Retail development (including warehouse clubs and factory outlet centres); leisure, entertainment and more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities). NPPF, 2019

out of centre locations. The PSA is not an area of protection, significant permitted development (PD) rights now exist for change of uses and policies that seek to control retail frontages in terms of their use class are no longer supported nationally.

4.2 The general aim of the NPPF is outlined in paras 85 – 90 where emphasis is placed on defining policies that support the role of town centres and taking an active and positive approach to their management and adaptation: This can be summarised:

- Define a network & hierarchy of town centres and the relationship between them in order to promote long term vitality and govern decisions on the scale of development that would be appropriate to each town centre;
- Define the extent of the town centres and primary shopping areas, making clear the range of uses permitted in such locations;
- Look at least ten years ahead in seeking to meet anticipated needs for retail, leisure, office and other main town centre uses;
- Apply the sequential test to proposals that are for main town centre uses as defined in the NPPF and not in an existing centre;
- Set out any locally derived and proportionate impact thresholds and requirements for assessment of the impacts on the town centre in association with development proposals outside town centres. i.e the impact of a proposal on existing, committed and planned investment in centres and wider catchment , customer choice and wider vitality and viability;
- Recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.

Paragraph 90 states that: *Where an application fails to satisfy the sequential test or is likely to have significant adverse impact on one or more of the considerations in paragraph 89², it should be refused*

4.3 The national Planning Practice Guidance, PPG, indicates that development Plans should develop town centre strategies, based around flexibility and the scale of need for main town centre uses, but also ones that remain appropriate and realistic to the role of centres in the hierarchy.

4.4 A broad range of national permitted development rights now also exist in relation to town centre development and the national PPG has recently been updated to reflect national policy changes to the General Permitted Development Order, GDPO. Some permitted development rights allow the change of use without any application process while other permitted development rights now allow for a change of use subject to prior approval but on specific planning matters only. This includes the following table as detailed in the Planning Practice Guidance.

² NPPF para 89 outlines considerations of an impact test including but not limited to an assessment of: a) the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and b) the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and the wider retail catchment (as applicable to the scale and nature of the scheme).

Permitted change of Use without any application process	Permitted change of use subject to prior approval
From shops to financial and professional services uses, such as a bank	From shops and financial and professional services, a betting shop or pay day loan shop to a restaurant or café
From financial and professional services, a betting shop or pay day loan shop to a shop;	From shops and financial and professional services, a betting shop or pay day loan shop to an assembly and leisure use;
From a betting shop or pay day loan shop to financial and professional services,	From shops, financial and professional services, a betting shop, pay day loan shop, launderette, and hot food takeaway premises to office use;
From a restaurant or café, or a hot food takeaway to a shop or financial or professional services;	From shops, financial and professional services, a betting shop, pay day loan shop, launderette, and hot food takeaway premises to residential use;
From a hot food takeaway to a restaurant or café;	From amusement arcades / centres or casinos to residential use;
From a shop, financial and professional services, betting shop or pay day loan shop with two flats above.	From offices to residential use.

Source: Paragraph: 007 Reference ID: 2b-007-20190722 revision date 18.9.2020 . Further detail on these rights are set out in the [Town and Country Planning \(General Permitted Development\) \(England\) Order 2015, as amended](#).

- 4.5 To support new ventures and pop-ups and to encourage the take up of empty units a separate permitted development right has also been introduced. This allows the temporary conversion of offices, shops, restaurants and cafes, hot food takeaways, assembly and leisure uses and professional and financial services to convert to another use for a continuous period of up to three years. i.e. existing empty premises can therefore be used for shops, offices, restaurants etc.
- 4.6 This approach not only sees the take up of empty units but allows for start up to test the market and ensures a greeter mix in the high street and provides development rights designed to allow adaptation to market conditions such as hard surfacing for restaurants to support outdoor use and alterations to allow click and collect facilities in shops.
- 4.7 Collectively these measures have the potential to bring a greater variety of town centre uses ensuring the greater footfall and longer term vitality of town centres. They also however have the potential to limit the ability of local authorities and of local communities, through neighbourhood planning, to plan for town centres and there are limits to the policy controls the Council can seek to implement.
- 4.8 Across the District's market towns these changes may result in the erosion of the traditional retail concentration found in many of the identified primary shopping areas. On the other hand, it may lead to increased variety and reinforce the role of the market towns as service centre and boost the night-time economy and retail / tourist mix.

5. **Conclusions**

ECN4 Retail and Town Centre Development

- 5.1 The District has a well-established shopping hierarchy with large town centres in Cromer, Fakenham and North Walsham providing for a significant proportion of shopping and these remain the main focus for retail and leisure development and offer the best prospects for attracting investment and multiple operators. These towns are geographically spread across the District, are the main centres of population, have better quality public transport, the critical mass to encourage joint shopping trips, and opportunities for development.
- 5.2 Smaller town centres should complement the larger town centres, by providing for convenience food shopping and lower order day to day comparison shopping facilities and other services. In line with the development strategy, and distribution of growth in the wider Local Plan, local/village centres should cater for top-up and local day to day needs. The smaller town centres of Holt, Sheringham, Hoveton, Stalham and Wells-next-the-Sea in the District serve smaller catchments and to varying degrees have developed a particular niche market role, are dependent upon the seasonal influx of tourists, and retain their locally distinctive small shop character. Disproportionately large scale development in these smaller towns may have an adverse impact on their character and thus diminish their attractiveness as tourist destinations. Furthermore, such developments may encourage unnecessary car journeys from the larger towns. Consequently, it is considered that developments here should be smaller in scale and should be designed to meet identified needs in the town and its immediate surroundings. Functionally, the central location of Holt, Sheringham and Cromer in the District means that they often complement each other. The 2017 Retail and Town centre study demonstrates that the primary catchment areas of these towns overlap with residents utilising the retail opportunities for both comparison and convenience in all three centres. As a consequence it is recommended that any out of centre proposals should therefore look at impacts on all three centres.
- 5.3 The 2017 Town Centre and Retail study reviewed retail expenditure growth across the District, including tourist spend and population growth in order to establish the expenditure capacity to support future retail floorspace growth. In line with the NPPF requirements it did so over a 10 yr period and the study itself included further projections up to 2036. The 10 year figures were published as part of the Regulation 18 consultation and remains the most up to date and robust evidence document. In doing so the quantitative and qualitative assessment identified a high level of “expenditure leakage” to higher order centres with the key driver being limited choice in the District’s centres. In terms of convenience shopping and the provision of food and beverage outlets there is good provision with a strong offer across the District. North Walsham remains the only higher order town that could accommodate investment at a modern scale of supermarket operation, while there is projected additional expenditure to support comparison goods growth in Cromer and Fakenham and a lesser extent North Walsham by 2026, although to a limited extent. The evidence supports the approach consulted on, one that is focused on the accommodation of growth through the uptake of vacant units and through the development/redevelopment of existing town centre sites. The approach also seeks to restrict residential growth to that of upper floors, thus ensuring premises remain available for appropriate retail and office development. As such the policy approach remains one of a sequential and criteria approach designed to ensure development best meets the needs and aspirations of North Norfolk and does not warrant identification of specific retail allocations. The possible exception is North Walsham where

the proposed allocation of a western sustainable extension is being informed by a development brief to guide suitable land use proposals.

- 5.4 The default position in national policy with regards the requirement for an impact assessment for applications for retail, office and leisure remains 2,500sqm gross. This is significantly over the identified expenditure capacity to support floorspace projections in our towns over the entire Plan period and it remains that the impacts of much smaller development proposals would need to be understood. Given this and the fragility of some of the town centres it is considered essential that the smaller thresholds are continued to be proposed in the Local Plan policy in line with the supporting evidence in the Retail Study. Any impact assessment will also need to review the impacts on the functional links between centres and not just on the town centre closest to the proposal.
- 5.5 The importance of maintaining and enhancing village service and facilities in rural communities is also recognised. It is also important not only to protect existing facilities, because in a large rural area, such as North Norfolk, but the loss of the last remaining convenience store, public house or important facility in a village, or even a small town, can have a significant impact upon the ability of local residents to access services and the wider sustainability of the rural villages. As well as increasing the need to travel, the loss of services can threaten the viability and vitality of rural communities and could affect in the future matters such as the identification of growth villages in any revised Plan hierarchy.
- 5.6 The provision and retention of local facilities and services is covered in a separate policy SD6. Its purpose is to allow for new community facilities and services in sustainable locations and to prevent the premature loss of important local facilities where their continued use is considered to remain a viable prospect. The approach complements SD2: Community-Led Development which Members will recall makes clear the Council's support for various types of development proposals which are led by, and have the support of the local community, and which may not comply with some aspects of the Plan, provided it is demonstrated that the development proposes is needed and makes a lasting and meaningful contribution to the vitality of the community. Schemes could include affordable housing but also Shops, pubs and small business. Both SD2 and SD6 were previously endorsed by Members at the March working party.
- 5.7 Outside identified town centres the approach is to respond positively to appropriate small scale growth opportunities through conversion and extension
- 5.8 The policy approach is considered to reflect local circumstances, align to national policy and be supported by appropriate evidence. Much of the feedback sought the policy to provide additional controls and or increased presumptions which national policy outlined above does not allow and it is concluded that no major alterations to the draft policy are required. Some minor amendments to reflect comments and ensure clarity are however incorporated and set out in Appendix 2.
- 5.9 The PSA's have been revised in order to better align with the definition and where appropriate in relation to the feedback and previous Members comments. Minor amendments are proposed to the PSA in Cromer and Stalham which reflect the higher concentrations of retail units in those locations which are contiguous to the current PSA.

ECN5 Signage and Shopfronts

- 5.10 The policy is a new and specific policy to help ensure greater consideration is given to street scene, amenity value and the historic nature of many of the Districts high streets in relation to shop frontage and signage. The feedback from the Regulation 18 consultation sought to give increased weight to the Council's design guidance and, as such, the policy is amended (as set out in Appendix 2) to be in line with Policy ENV9 High Quality Design, which seeks applicants to demonstrate conformity to the design principles set out in the Council's Supplementary Planning Guidance and other design guidance endorsed by the Council in this regard. The review of the design policy is yet to come before Members of this working party and any changes to this aspect of the approach will be followed through into ECN5 if endorsed.

6. **Recommendations**

- 6.1 **It is recommended that Members endorse revised Policies, ECN4, ECN5, recommending to Cabinet and delegating responsibility for drafting such an approach, including that of finalising the associated policies and policies mapping to the Planning Manager.**

7. **Legal Implications and Risks**

- 7.1 The Council must produce a Local Plan which complies with various regulatory and legal requirements and in determining its policy approaches must be justified and underpinned by up to date and proportionate evidence, the application of a consistent methodology and take account of public feedback and national policy and guidance.
- 7.2 The statutory process requires records of consultation feedback and a demonstration of how this has informed plan making with further commentary demonstrating how the representation at regulation 18 have been taken into account in line with Regulation 22.

8. **Financial Implications and Risks**

- 8.1 Failure to undertake plan preparation in accordance with the regulations and NPPF is likely to render the plan 'unsound' at examination and result in the need to return to earlier stages. Substantial additional costs would be incurred.

Appendices

Appendix 1 – Schedule of Representations with comments
Appendix 2 – Revised Policies