

## Matter 9 Retail Provision and Town Centres

***Issue 9 – Does the Plan set out a positively prepared strategy for the provision and delivery of retail development to meet identified needs within the Borough that is justified and effective. Are the policies for retail development and designated centres sound?***

The Retail/Town Centre Planning Policy Advice (2021) (EB34) provides a 'targeted update' to three previous retail and town centre studies prepared for the Council in 2010, 2013 and 2017.

### Retail needs

1. EB34 provides updates to the quantitative and qualitative assessments for convenience and comparison goods floorspace forecasts. Overall, it identifies there 'would not be an overriding need to plan for new retail floorspace across the five main settlements, as the focus should be on supporting existing provision in defined town centres.' It does, however, recommend provision of local retail and service facilities within the larger urban extensions and/or new settlements.
  - a. Based on this approach, have retail needs been suitably assessed by robust and up to date evidence?

9.1.1 Prior to the April 2021 Retail / Town Centre Planning Policy Advice report ('the 2021 Study') (EB34) the previous Council-sponsored retail study was undertaken in 2013 ('the 2013 Study') which was prepared to support the current adopted Stroud Local Plan.

9.1.2 The 2021 Study took the opportunity to update the quantitative and qualitative assessments of retail floorspace need in the following ways:

- Our updated quantitative assessments of need for retail floorspace in the 2021 Study incorporates the following up-to-date data:
  - Updating the timeframe for the assessment, with a start date of 2021 (the year of publication of the 2021 Retail Study) and an end date of 2040 (to correspond with the end date for the Local Plan Review).
  - New population data from Experian for each of the study area zones.
  - We obtained new and up-to-date per capita retail expenditure data from Experian. This latest data is based upon 2019 spending levels and provides an update on the base 2011 expenditure data used in the 2013 Study.
  - The new base (2019) per expenditure data was projected forward using the latest available economic forecasts at the time, contained within Experian's Retail Planner Briefing Note 18<sup>1</sup>.

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<sup>1</sup> October 2020

- The benchmark turnover levels for named national multiple grocery retailers was updated to 2021 levels, based upon data from Mintel and Verdict<sup>2</sup>.
- Finally, the updated quantitative assessment incorporates three commitments / recent openings: the Tesco extension in Cam, plus the new Lidl and ALDI foodstores in Stroud.
- Qualitative assessments of need:
  - Taking the findings of the 2013 Study, the 2021 Study updated the qualitative assessment for convenience goods floorspace across each of the settlements. It noted the 2013 Study findings, which concluded that there was a good range of provision for the scale of each of the main towns and, as a consequence, there remains no case for site allocations. Associated with this conclusion, the 2021 Study acknowledged the grant of planning permission for new ALDI and Lidl foodstores in Stroud which will add to further choice and competition.
  - In relation to qualitative aspects of comparison goods retail floorspace provision, the 2021 Study provided an up-to-date assessment by taking into account recent and on-going trends in comparison goods sector (including the pressured faced by retailers due to the continued rise of shopping via the internet, plus the decision by a number of national multiple retailers to leave small to med sized market towns in favour of a smaller number of larger towns and cities). The 2021 Study also incorporated the latest available trends in relation to the shorter and medium term updates associated with the COVID-19 pandemic.

9.1.3 In relation to data on shopping patterns, it will be noted that the 2021 Study (EB34) continued to utilise the results of the survey of household shopping patterns originally utilised for the 2013 Study. The reasons for the continued use of the 2013 Study household survey are set out at paragraph 4.3 of that document. These mainly relate to the impact of the COVID-19 pandemic on shopping patterns at that time and, thus, the potential for any new (2021) survey to give rise to mis-leading results.

- b. Does the Plan suitably provide for local retail needs within the larger strategic site allocation policies, including the proposed new settlements?

9.1.4 The main strategic allocations which include provision for a local centre are Whaddon, Sharpness, Wisloe and Hardwicke. All of these are substantial residential-led mixed use proposed allocations which will provide new communities which will require easy and convenience access to day to day retail and service facilities. Due to the size/scale of these proposed allocations, they are either planned new settlements or urban extensions which are generally

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<sup>2</sup> Now known as GlobalData

separated from existing facilities which, without new provision, could lead to unsustainable travel patterns. In any event, the scale of these planned new communities is such that they are likely to be able to generate sufficient expenditure in themselves to support new local day to day retail and service facilities.

### Retail hierarchy

2. The Plan, at paragraph 5.8 summarises how the retail hierarchy has been established. Core Policy CP12 identifies that town centre uses will be located according to the retail hierarchy and lists the Principal Town Centre, Other Town Centres, District Centres, Local Centres and Neighbourhood Shopping (Lower-order Local Centres).

a. Is the retail hierarchy and sequential approach clearly set out within the policy? Is it justified by the evidence, effective and consistent with national policy?

9.2.1 In relation to the defined retail / town centre hierarchy in Policy CP12, the five separate levels of 'town centres' have been defined based upon a basket of factors, including: (A) the scale of the centre (in terms of floorspace and number of retail / service / commercial units); (B) the role and function of the centre; and (C) the market share / penetration of each centre in terms of shopping patterns. The evidence base for the above factors can be found in the 2013 and 2021 retail studies.

9.2.2 With regards to the sequential approach, part (D) of Policy CP12 sets out the sequence of preferred locations for main town centre land use proposals. The preferred sequence of locations (i.e. primary shopping areas / 'town centre' boundaries, then edge of centre, then out of centre) is entirely consistent with current (and long-established) national planning policy in the NPPF and will apply to all main town centre land use proposals outside of primary shopping areas / town centres and not in accordance with the development plan.

b. Is it generally consistent with the overall settlement hierarchy categorisation and the planned growth for the plan period?

9.2.3 The retail hierarchy set out in CP12 Town centres and retailing includes planned Local Centres at Great Oldbury, Hardwicke, Hunts Grove, Sharpness new settlement, Whaddon and Wisloe new settlement to serve localised need for the modest provision of additional convenience floorspace in association with planned growth for the plan period.

9.2.4 The need for these new centres is also discussed in the answer to Question No.1 and they have been placed in the formal hierarchy according to their intended role and function.

## Primary shopping areas

3. Core Policy CP12 under criterion A only refers to one primary shopping area within Stroud, yet the supporting text uses the plural term. How many primary shopping areas are proposed? Are the designations justified by robust evidence and are they clearly defined in policy and on the policies map?

9.3.1 Five primary shopping areas (PSA) are proposed and shown on the policies map; located within the principal town centre of Stroud and within each of the identified larger Other Town Centres of Dursley, Nailsworth, Stonehouse and Wotton-Under-Edge as set out in CP12 in the Retail Hierarchy and listed in Criterion A. Delivery Policy E17 Primary Shopping Areas identifies the role of PSAs as the heart of the town centre and the focus for shopping within the larger town centres identified in the retail hierarchy and justified in The Future of Town Centres 2017 (EB33) and Retail and Planning Policy Advice 2021 (EB34).

9.3.2 Part (A) of CP12 makes specific reference to the PSA in Stroud town centre on the basis that it is the 'Principal town centre in the District. However, Part (A) is not designed to exclude defined 'Other town centres' which also require separate PSA boundaries.

4. Is the wording of Delivery Policy E17 on primary shopping areas, justified, effective and consistent with national policy?

9.4.1 The proposed wording of Policy E17 is consistent with current (NPPF) national planning policy. It focuses upon Primary Shopping Areas, which are a requirement of National Planning Policy.

9.4.2 The policy takes full account of the recent changes in national policy and legislation, including the following:

- Legislation. Since the adoption of the current development plan, there has been a change in the Use Classes Order. These changes affect retail, leisure and town centre planning policy issues and have, as a consequence, influenced the content of draft Policy E17. The proposed policy is in line with national legislation with regards to main town centre uses, particularly in relation to a wider set of uses (and not just retail (Class E(a))<sup>3</sup> and recognises that retail uses are no longer the central / only anchor for maintaining and enhancing 'town centre' health.
- National Planning Policy. A similar outcome should be reached in relation to the relationship between the draft Local Plan policies and the NPPF. The latest version of the NPPF reflects the changes to national legislation, with: (A) the removal of the requirement to define primary and secondary retail / shopping frontages in town centres; and (B) the general recognition that a wider set of land uses are able to support the health of 'town centres'.

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<sup>3</sup> Formerly Class A1

## Other retail and town centre policies

5. Delivery Policy EI6, seeks to protect the loss of individual shops, public houses, village halls and other community facilities located outside retail and town centre boundaries, unless three criteria are met. Are these criteria justified and effective and is this approach consistent with national policy?

9.5.1 The Council places particular emphasis on ensuring that local communities have easy and convenient access to local shops, services and communities. Policy EI6 aims to protect these facilities where they are viable and required but also recognises that: (A) provision may need to evolve to meet local circumstances; and (B) Re-use of land / premises is an appropriate and sustainable outcome where it can be robustly proven that existing provision is no longer required.

9.5.2 The proposed three development management criteria in EI6 are considered to cover all of the main issues associated with protecting existing provision, including: (A) the need for the facility; (B) whether there is other provision which can meet the needs of the local population; and (C) whether an adequate period of time has been allowed for in terms of marketing of the land / premises. This approach is fully in line with the provisions of paragraph 93 of the current version of the NPPF.

6. Is Delivery Policy EI8 on town centres justified, effective and consistent with national policy?

9.6.1 Whilst it may not apply to every defined 'town centre' in the District, some centres have separate Primary Shopping Area and Town Centre boundaries in order to reflect the differing roles and functions of the different parts of the centre. This is in line with the NPPF which describes the differing roles and characteristics of these areas and allows for a more relaxed approach to the land use mix within 'town centre' boundaries but outside of Primary Shopping Areas (including an acceptance that a wider mix of land uses are able to maintain and enhance 'town centre' vitality and viability. This approach is also in line with the rationale for amending the Use Classes Order in relation to Class E.

7. Delivery Policy EI9 sets out the gross floorspace thresholds for defined settlements, for when relevant planning applications would need to submit impact assessments. At 500 sqm and 100 sqm, these are significantly lower than the default 2,500 sqm threshold level identified in paragraph 90 of the Framework. How have the threshold levels been determined and are they justified by robust evidence? Is the Plan's approach in this regard consistent with national policy?

9.7.1 The Council has carefully considered whether the national default impact threshold is appropriate to the various defined 'town centres' in Stroud District. After careful consideration, and taking into account the guidance in the PPG, the Council has decided to set its own local threshold. In reaching this conclusion, the following issues have been taken into account:

- The scale and type of floorspace in existing 'town centres'

- The scale / size of individual units in existing 'town centres'
- The health of 'town centres' and existing shopping / leisure patterns
- The scale of retail and leisure floorspace located outside of defined 'town centres'.

9.7.2 When the above factors are taken into account, it becomes clear that, due to the comparatively small size of 'town centres' in the District, an impact assessment threshold which is well below the national default threshold is entirely justified. In particular, defined 'town centres' in Stroud District are generally small in size, with small retail, leisure and commercial units. The District's centres, and their respective health characteristics, also face competition from a number of sources, including Gloucester, Cheltenham, Bristol and Cribbs Causeway. The imposition of a low impact assessment threshold in Stroud District is a long-standing policy approach which is already included in the current adopted Local Plan and there have not been any material changes in circumstance which would dictate a change in approach.