Town Centres and Retail

Background

This section deals with town centre and retail policy, in light of significant changes in shopping habits and national and local policy. It is important to ensure that the updated Local Plan remains sound and effective in this area.

Being predominantly rural, the county's town centres have an important role to play in serving it's communities. Hereford City serves as the county's main service and retail centre. There are also five smaller market towns. These towns comprising Leominster, Ross-on-Wye, Ledbury, Bromyard and Kington offer a more restricted range of services to their local catchment areas, and the wider rural hinterland.

The following sets out how Town Centre and Retail policy is addressed through the County Plan and the Local Plan's draft vision and objectives.

Herefordshire County Plan

A key economic ambition of Herefordshire Council's adopted County Plan (2020-2024) is to support an economy which builds on the county's strengths and resources.

By having an effective policy on town centres and retail, this should assist the market towns and Hereford City to play a critical role in supporting Herefordshire's economy in the Local Plan.

Local Plan Draft Vision

The Local Plan 2021-2041 has community and environmental themed visions, which state respectively:

Herefordshire will be an exemplar of 21st century rural living, where rural settlements and market towns have resilient communities, which are well connected digitally. Hereford will be recognised nationally as a green and pioneering university city, and will be a popular place to live, work and visit.

The county will be economically prosperous, with its farming heritage and sustainable tourism continuing to play an important role. It will be well known as the place where innovative, green and creative businesses can thrive.

Creating the conditions for thriving town centres will be critical to making the county an attractive place to live, work and do business.

Local Plan Draft Objectives

The role of having thriving town centres can be linked to a number of objectives in the Local Plan's draft objectives:

- To ensure high quality design of buildings and spaces taking into account local character and heritage, in order to create attractive and inclusive places.
- To ensure that all residents have easy access to an appropriate range of nearby services, with community hubs thriving in market town and rural settings, thereby reducing the need to travel and enhancing quality of life.
- Support the renewal of the county's high streets and town centres to create a vibrant network of economic centres with a diverse range of easily accessible shops and services.
- To grow a thriving, diverse local economy and for Herefordshire to be recognised as a good place for a broad range of businesses to invest and prosper, particularly the green technology and creative sectors.
- To recognise the importance of the small business sector, help independent businesses to thrive, boost job opportunities and encourage the creation of hyper-local business identities.
- To encourage and support responsible tourism that contributes to the county's economic diversity, whilst respecting its historic and natural character.
- To strengthen the role of Hereford City as the central hub of the county where people have easy and equitable access to business, leisure, cultural, retail and employment opportunities.

National Guidance

The NPPF sets out the Government's planning policies for England and how these should be applied. It addresses Town Centre and Retail within Section 7 - Ensuring the vitality of town centres.

It requires Local Planning Authorities to '*define the extent of town centres and primary shopping areas*'. Notably, there previously had been a requirement for policies to safeguard units in primary areas for retail use only, there is no such requirement anymore.

It goes on to state that p*lanning policies and decisions should support the role that town centres play at the heart of local communities, by taking a positive approach to their growth, management and adaptation*. All new retail proposals should be preferably located within town centres, if not possible then edge of centre locations. Only if suitable sites are not available should out of centre areas be considered.

There have been significant changes in national policy in regards to town centres. In September 2020 the Use Classes order was significantly amended, with a new classes E and F. This covers commercial, business, and services and supersedes the previous class A and B1, and D uses. In addition some uses which were previously given their own class have moved into the sui generis category, with the aim of giving greater flexibility to use classes.

August 2021 has also seen the introduction of class MA, which covers change of use from class E to residential (class C3), with some exceptions such as listed buildings. The introduction of classes E and F is intended to bring greater flexibility to town centres. Planning permission is now no longer required to switch between and some other main town centre uses.

Permitted development rights have also had other changes. Since August 2020, a separate right (paragraph 008) allows a range of uses to convert temporarily to another use for a single continuous period of up to three years.

Local Considerations

In recent years retail has undergone significant structural changes. The Covid-19 pandemic has seen significant changes in physical retail use, with large national retail companies going into administration with significant job losses and closures of retail units. Shopping centres have been particularly hard hit with a drop in footfall. The vacancy rate has increased from over 14% to over 19% nationally in the past two years. Across the country repurposing of former retail units into new leisure use is already underway with examples such as food halls, bowling, or even go-kart tracks.

The Covid-19 pandemic has also accelerated the rising trend of online retail. A combination of the social distancing measures, and an increase of working from home has had a negative impact on town centre footfall. The internet sales as a percentage of total retail has increased from 19% to 29% from 2019 to 2021.

The High Street Task Force was launched in 2019 by the government to provide support to town centres and high streets. The Stronger Towns Fund is a national £3.6 billion fund as part of the government's plan to level up our regions.

Herefordshire Stronger Towns Partnership has successfully been awarded £22.4 million to support the post Covid-19 recovery, with significant projects at Hereford Museum and Maylord shopping centre. Additionally the Hereford Centre Improvement scheme is a £6 million project to refurbish the historic city centre.

Evidence Base

- The Town Centre Study (2012) concluded that there was limited requirement for any further retail and leisure development in the county, and advises there is no need for out of centre retail allocations in Hereford or the five market towns. Additionally, the study advised for no further allocations for leisure facilities and other town centres are made in Hereford or in the market towns. However the provision of new leisure facilities in locations within town centres will be encouraged, where they serve an identified community need or meet a shortfall in existing provision.

As part of the local plan update the Council has commissioned the Town Centre and Retail Assessment to cover 2021 to 2041.This is to ensure that the evidence is accurate and up to date to guide policy formation. This approach is consistent with national policy in that the preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This assessment is expected to be completed by early summer 2022.

The study will provide an assessment of the need for future development of town centre-based uses up to 2041, and also up to date town centre and retail evidence for Local Plan policy formation.

Existing Policy

The current core strategy has two main policies relating to town centres, E5 and E6.

E5 - This ensures that town centres will be the main focus for retail, commercial, leisure, cultural, and tourism uses. Proposals for such uses will be supported, provided that they do not adversely affect the primary function of the town centres as shopping destinations; and are of a scale and design appropriate to the size, role, character and heritage of the centre. Any proposals for development outside the town centres will only be permitted that the requirements of the sequential test as outlined within paragraph 24 of the NPPF, have been met.

E6 - This relates to primary shopping areas and secondary shopping frontages, in that they will be protected and enhanced. The overall emphasis on retail trading should be retained in order to maintain character and to protect the vitality and viability of the primary shopping areas of Hereford and the market towns. In light of the changes earlier highlighted, a review of this approach may be necessary.

Neighbourhood Planning

The market towns of Ledbury, Ross-on-Wye, and Leominster all have adopted Neighbourhood plans. These plans will need to be considered as part of the review of the town and retail centre policies. Issues to consider will be how to seek town centre retail development ahead out of any such proposals out of town, and how to retain the local appearance and distinctiveness of each centre.

The Neighbourhood Development Plans of Ledbury, Leominster, and Ross-on-Wye have all reviewed their town centre boundaries since the publication of the Core Strategy. Additionally both Ledbury and Leominster have also reviewed their primary and secondary shopping frontages. This will need to be considered when drafting new policy.

Town Centre and Retail Policy Options

Option TC1- Continue with existing policy, but update in line with recent national policy changes

To revise policies in regards to the changes in the NPPF which has removed the definition of a secondary shopping centres, and additionally the change of use classifications, with class E superseding the former class A.

Option TC2- Review the role of town centres and primary shopping areas within…

- The Local Plan

OR

- Market Town Neighbourhood Development Plans (NDPs)

What level of plan-making is best suited to defining town centre boundaries, the county-wide Local Plan or Neighbourhood Development Plans?

The continued use of the term 'primary shopping areas' could also be considered here. The traditional role of retail being the anchor of town centres appears to be in transition. Does this term still reflect the modern town centre role? Should town centres become more diversified? A more flexible blend of work, leisure, retail, residential, and cultural experiences approach could be taken. This could make town centres more resilient and flexible living spaces.

The boundaries of all of these areas could be reviewed within the town centre and retail assessment, along with all reviewed boundaries from NDPs of the market towns. Feedback from the Spatial Options consultation will also have to be considered in policy formation.

Due to the fast-paced recent changes in shopping behaviour, the Local Plan will need to consider how to make town centres more flexible and adaptable to shifting trends.

Option TC3- Additional policy to be drafted to the use of permitted development in the upper floors of town centres

With the recent changes in permitted development of class E and class MA, there is an opportunity to draft an additional policy in regards to the use of upper floors within town centres for residential and office use. There have been some concerns over the quality of housing that has resulted from such permitted development in the past, with the possible effect of town centres losing some vitality and variety. Therefore, an additional policy could also be developed that introduces design controls on these developments, for instance, sound proofing of residential upper floor conversions in order to remove conflicts with different uses in the same, or nearby, buildings.