Appendix 1 – Draft Proposed City Plan Policy 15 (as consulted on 12th November 2018 – 21st December 2018)

15. Town centres, high streets and the CAZ

NEW DEVELOPMENT

A. New development in existing town centres and high streets will enhance and diversify their offer as places to shop, work and spend leisure time.

B. A1 retail will remain the priority use throughout the town centre hierarchy. It will be supported by complementary town centre uses that provide active frontages, increase customer dwell time, and enhance town centre vitality and viability.

C. New development will be of a scale, type and format that reflects and enhances the role and function of the centre within which it is proposed. A range of unit sizes including small stores will be supported.

D. Use of upper floors for residential use is supported in principle across all parts of the town centre hierarchy except the International Centres.

E. Town centre uses will also be supported in principle throughout the CAZ, where they do not harm local character or residential amenity.

F. Only sites that fall outside of the CAZ and the town centre hierarchy will be required to pass the sequential test set out in the National Planning Policy Framework (NPPF). Impact assessments will only be required for proposals for more than 2,500 sq m of retail outside the town centre hierarchy.

MANAGING CHANGE OF USE

G. Throughout the town centre hierarchy, the change of use of an A1 retail unit will:

1. be for a use that enhances town centre vitality and viability;
2. maintain an active frontage;
3. not result in more than three non A1-uses consecutively in a frontage;
4. be supported by evidence that there is no reasonable prospect of its continued use for A1-retail purposes, as evidenced by appropriate marketing for a period of at least 18 months. The marketing test will not apply to proposals in the Oxford Street frontage of the West End International Shopping Centre.

H. Temporary proposals for 'meanwhile use' of empty spaces within the town centre hierarchy will be supported where it can be demonstrated that they will enhance town centre vitality and viability, and will be appropriately managed.

I. Complementary town centre uses within an A1-retail unit (including department stores) will be supported in principle where they are clearly subsidiary to the host unit.

J. Any other change of use within the town centre hierarchy should maintain an active frontage and be for a use that enhances town centre vitality and viability.

New development

15.1 / Westminster's town centre hierarchy includes some of the most iconic parts of London, and provides a diverse network of areas to shop, work, visit and socialise. It includes the International Centres of the West End and Knightsbridge, the WERLSPA, CAZ Retail Clusters, and Major, District, and Local Centres. The locations of these, along with the CAZ boundary, are shown in Map 6.

15.2 / Most of these centres are designated through the London Plan. Additional areas designated through this plan include the Local Centres and some CAZ Retail Clusters. All are based on the findings of our Town Centre Health Check 2018, which monitors their performance in terms of mix of uses, levels of vacancies, and their boundaries. In the case of the CAZ Retail Clusters, the areas not identified in the London Plan were previously identified in the City Plan as 'other centres within the CAZ' or 'named streets'.

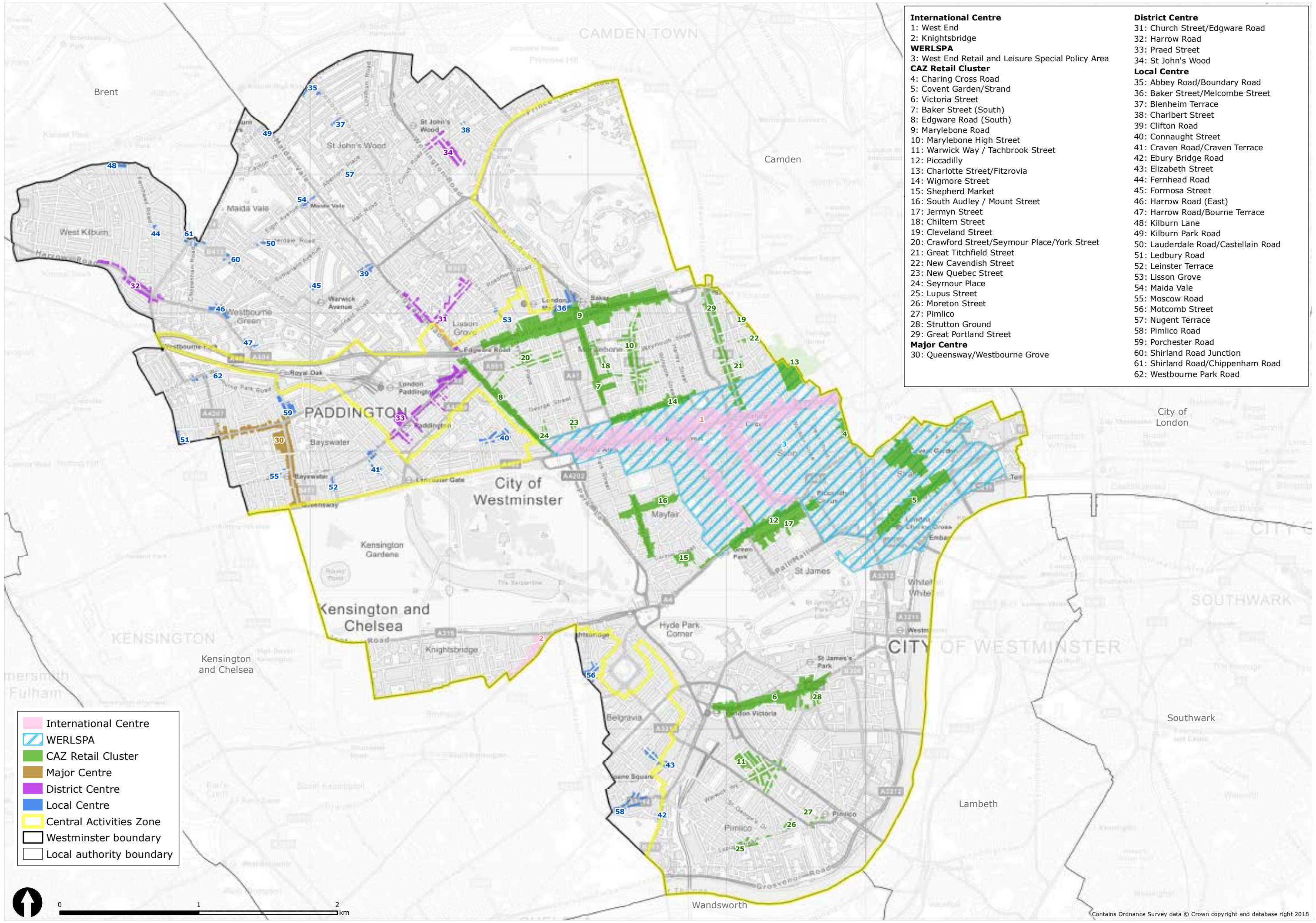
15.3 / GLA forecasts based on a range of scenarios indicate that, over the period to 2041, there will be a need for between 464,865 sq m and 579,194 sq m (gross) new comparison retail floorspace in Westminster[5], assuming base expenditure levels continue. Small scale growth in convenience shopping is also expected. Despite the growing use of online shopping and increased space efficiency within stores, demand for growth will be driven by increased spending from a growing resident population and from domestic and overseas visitors. The increased trend in retail towards larger, more successful centres reinforces the need to continue to plan for retail growth in Westminster through the intensification of existing centres and high streets. While A1 retail will remain the priority use throughout the town centre hierarchy, to ensure existing centres thrive, they must also be given scope to diversify and evolve to new trends. A range of complementary town centre uses will therefore be vital to support their roles as social spaces, increase customer dwell time, and make them more interesting places to visit. All of this will help ensure they remain at the cutting edge of the revolution in retail and offer experiences that cannot be matched by online shopping.

5 Consumer Expenditure and Comparison Goods Floorspace Need in London, Experian, 2017

15.4 / Where new A1 retail and complementary town centre uses are proposed, they should be of a scale, type, and nature that reflects the role of the centre within which it is located, to ensure the town centre hierarchy is not compromised. Proposals should demonstrate how they will enhance the existing centres and mitigate any potential negative impacts. Determining whether a non-A1 use is complementary will be based on the NPPF definition of town centre uses, and consideration of the role, function and health of the centre within which it is proposed. Typically it will include uses such as cafés, restaurants and other leisure uses, but could also include spaces that can host exhibitions and events. These could be within standalone units or as subsidiary uses in a larger host unit.

15.5 / Proposals for major new retail and complementary developments are expected to provide a range of unit sizes to encourage variety in the shopping offer and support small business growth. As a guide, small shops will generally be considered as those under 150 sq m gross retail area.

15.6 / Within the town centre hierarchy, the **West End and Knightsbridge International Centres** provide London's prime retail destinations, and offer unparalleled specialist and comparison retail of regional and national importance that draws in international visitors. The West End International Centre includes Oxford Street, Regent Street and Bond Street, while Knightsbridge International Centre includes Brompton Road and extends beyond the city boundary into the Royal Borough of Kensington and Chelsea.



Map 6: Town Centre Hierarchy

15.7 / The Mayor of London has identified these centres as being of high commercial growth potential[6] and therefore especially suitable for further large-scale retail growth. To reflect their role and function, retail provision should be predominantly for comparison shopping and maintain a strong retail core at ground and lower floors. Complementary town centre uses that enhance customer experience will be focussed on upper floors, alongside other commercial uses including office floorspace. Where provided at lower floor levels, non-A1 uses will normally be subsidiary to primary A1 uses, and will enhance and sustain, rather than dilute their comparison shopping role. Convenience shopping such as supermarkets could dilute their comparison shopping offer and present significant servicing issues, and are therefore discouraged.

15.8 / As the UK's premier shopping street, the impact of changes to the retail sector will likely be most strongly felt in Oxford Street – particularly given the existing presence of multiple stores by the same operators. Comprehensive proposals for the future of the area that respond to these challenges, including proposals for an enhanced public realm that improves the user experience, are therefore in development. Further guidance on our approach to development in the Oxford Street District may be provided through an SPD.

6 2017 London Town Centre Health Check (January 2018) GLA

15.9 / The **WERLSPA** covers the wider West End, where there is an insatiable demand for new floorspace across all land uses. Beyond the West End International Centre it captures iconic areas of retail and leisure activity such as Covent Garden, Leicester Square and Theatreland. Away from the main shopping streets, the land use is highly diverse, containing a mix of commercial activity including retail, pubs, bars, restaurants, theatres, cinemas and other entertainment venues. Together these provide a wealth of attractions that draw in visitors and make a major contribution to London's world city status. The mix of uses also provide rest and refreshment for workers and shoppers during the day.

15.10 / Alongside retail growth, a balanced mix of complementary leisure, entertainment, food and drink and cultural and employment offers are welcomed to help the West End to grow, not only as a global shopping destination, but also as an enhanced leisure and employment destination. Such growth in the West End will make an important contribution to meeting Westminster's employment growth targets.

15.11 / To realise shared objectives of improving the local environment to make visiting the area a more pleasurable experience, whilst maintaining and enhancing the West End's global reputation, we will continue to work within the West End Partnership (WEP) and with other stakeholders.

15.12 / The **CAZ Retail Clusters** provide clusters of retail and other complementary town centre uses that make a major contribution towards the strategic functions of the CAZ, as set out in the London Plan. They meet the needs of a combination of residents, workers and visitors, adding to central London's wide appeal. New development within them will respond to local character in terms of the scale and nature of the proposed uses. The nature of activity across the CAZ means that in many instances retail and other complementary town centre uses will be welcomed beyond the ground floor, though proposals will need to respect that the CAZ is also home to a large residential population.

15.13 / **Queensway / Westbourne Grove Major Centre** is the only Major Centre in Westminster. It is designated as such due to the scale and nature of its mix of convenience and comparison retail activity and complementary town centre uses. It has a traditional high street character largely surrounded by residential areas and provides an important convenience shopping function to these local residents. However, an over-concentration of entertainment uses and the loss of retail to hotels have weakened the vitality and viability of the centre, which now needs reversing. Over the plan period, new development that reinforces the centre's retail function through opportunities for ground floor retail with residential above is welcomed. This will be supported by investment in the public realm, which is likely to include increased footway widths to enhance the pedestrian environment, and the provision of new loading bays to help meet businesses' servicing requirements.

15.14 / The **District Centres** of Praed Street, St Johns Wood High Street, Harrow Road and Church Street each have their own distinct character and challenges that new development will need to respond to. The proximity of Praed Street to Paddington Opportunity Area is likely to increase demand for retail floorspace that is more focussed on new residents needs than the current offer which is more orientated towards visitors, tourists and workers. The presence of boutique fashion and independent retailers in small format stores is fundamental to the character of St John's Wood High Street, although there is a lack of leisure and community facilities in the centre. Harrow Road currently suffers from a comparative lack of quality and diversity in its retail offer; a balance therefore needs to be found between protecting the remaining retail, and allowing for other uses that provide new employment opportunities and bring greater activity to the centre. Church Street provides a range of shops and services to local residents and has a long established antiques market and theatre that hosts community events. A growth in retail, cultural and community facilities in the area will support sustainable growth as regeneration proposals come forward.

15.15 / There are numerous **Local Centres** in Westminster. They are smaller in scale than District Centres, playing a more localised role for residents and workers. They normally contain a mix of convenience goods shops, local service uses, restaurants, cafés and pubs. These centres can provide a focal point for community activity, and the availability of a range of shops and services close to where people live can be particularly important for the less mobile. Over the plan period, these centres will maintain a healthy mix of uses that includes a range of convenience shops for local residents to carry out their day-to-day shopping needs, supplemented by complementary uses that enhance centres' vitality and viability. This includes uses such as banks, advice centres, doctor's surgeries, and cafés. Given their localised role, the use of upper floors for residential purposes is supported in principle.

15.16 / Beyond the existing town centre hierarchy, we will work with neighbourhood forums to identify additional retail frontages of importance to neighbourhood areas and policies to guide development within them, through neighbourhood plans.

15.17 / Proposals for major new retail development are expected to provide a range of unit sizes to encourage variety in the shopping offer and support small business growth.

15.18 / Whilst not forming a part of Westminster's town centre hierarchy, the wider CAZ as defined in the London Plan covers much of the city. Town centre uses provide a key element of the mix of uses within it and contribute to its character and strategic functions. However, the CAZ is also home to many local residents and some parts of it are also wholly residential in character. To respect its many functions, policy support is provided for town centre uses where they would not be detrimental to local character or residential amenity. Our approach to requirements for sequential tests and impact assessments – as set out in the NPPF – reflects that whilst commercial uses should be supported within the CAZ, the town centre hierarchy should provide the key focus of retail related growth.

Managing change of use

15.19 / Online shopping is having major impacts on the retail industry. It is well documented that many high street retailers and department stores have struggled to survive, and town centres and high streets need to adapt and offer shoppers a better experience to increase footfall, dwell time and customer spend. This includes investment in the public realm, but also the nature of land uses. Policy therefore provides support for the evolution of our town centres and high streets. Supporting subsidiary uses within host stores can help increase dwell time within department stores and flagship stores, whilst there is also a growing trend toward blurring of use classes (shops that also serve food and drink on site and provide exhibition space for example). Well managed pop-up and meanwhile uses can support small businesses to test their products, and add to the vibrancy of an area by attracting new footfall.

15.20 / Such flexibility needs to be managed to ensure retail remains an essential part of the mix of land uses, and projected levels of retail growth can be accommodated. The cumulative change of use of A1 retail units can harm the appearance, character and retail function of town centres and high streets. Furthermore, a predominance of uses such as shisha bars, betting shops and fast-food takeaways can also be detrimental to public health. Proposals resulting in the loss of an A1 retail unit will be therefore considered in terms of their impact on the health of the centre, and will require marketing evidence demonstrating that continued retail use is no longer viable.

15.21 / Marketing evidence will not be required within the Oxford Street frontage to the West End International Centre. This is in recognition of the existing presence of multiple stores by the same operators, recent growth in certain A1 uses that undermine its status as the UK's premier shopping street, and the need to be at the forefront of innovation in the sector.

15.22 / Where temporary consents are granted for non-A1 uses, this will not remove requirements for marketing evidence before any permanent change of use is considered.

15.23 / In considering change of use proposals, many town centre uses enjoy permitted development rights under national planning legislation. We will keep the balance of uses and emerging clusters across our centres under review through updates to town centre health checks, and use our powers to make directions requiring the submission of planning applications as appropriate.