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Herefordshire Council

Herefordshire Town Centres
PPS4 Assessments

Paper 1. Planning Policy Context

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1 Introduction

- 1.1 In accordance with the Consultants' Brief dated June 2007, this is one of five Papers to form part of the evidence base supporting retail and town centre policies within the Herefordshire Local Development Framework (LDF). The majority of the technical work and surveys were undertaken in Autumn 2007. Subsequent updates are referenced in the reports.
- 1.2 The studies were undertaken in accordance with the requirements set out within Planning Policy Statement 6: Planning for Town Centres (PPS6), and are intended to assist the Council to develop a robust framework and justified policies and proposals within the LDF. PPS6 was subsequently replaced by PPS4 Planning for Sustainable Economic Growth in December 2009, see Section 2 of this Paper.
- 1.3 The studies embrace retail, leisure, offices and other main town centre uses (as formerly defined by PPS6) to which PPS4 refers. They provide an assessment of the need for further development for these uses up to 2026. They also address deficiencies in provision and the capacity of existing centres to accommodate new development.
- 1.4 The focus of the Study is on Hereford City, and the five market towns – Leominster, Ross-on-Wye, Ledbury, Bromyard, and Kington, although we make reference also to facilities in the rural areas.
- 1.5 The purpose of this Paper is to describe the existing planning policy framework and related matters that are relevant to planning for retail and other town centre uses in the future.

2 Planning for Sustainable Economic Growth – PPS4

- 2.1 PPS4 was published on 29 December 2009 replacing earlier PPGs and PPSs (including PPS6) which were cancelled on the same date. Because it is new guidance, we have set out the provisions of PPS4 in some detail.
- 2.2 Paragraph 7 identifies the main uses to which the town centre policies in PPS4 apply:
- (i) retail development
 - (ii) leisure, entertainment facilities, and the 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)
 - (iii) offices, and
 - (iv) arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities)

These uses addressed in this Study fall within the above categories of town centre use.

Achieving Economic Growth and Sustainable Forms of Development

- 2.3 Paragraph 9 states that “The Government’s overarching objective is sustainable economic growth”. Paragraph 10 goes on to identify the Government’s objectives to help achieve sustainable economic growth. These objectives include:
- § delivering more sustainable patterns of development, and reducing the need to travel, especially by car and respond to climate change;
 - § Promoting the vitality and viability of town and other centres as important places for communities. To do this, the Government wants:
 - *“new economic growth and development of main town centre uses to be focused in existing centres, with the aim offering a wide range of services to communities in an attractive and safe environment and remedying deficiencies in provision in areas with poor access to facilities*
 - *competition between retailers and enhanced consumer choice through the provision of innovative and efficient shopping, leisure, tourism and local services in town centres, which allow genuine choice to meet the needs of the entire community (particularly socially excluded groups).”*

Need for Economic Development

- 2.4 Policy EC1 indicates the evidence that is required of local authorities to plan positively for economic development. At the local level this includes:

- § assessing the detailed need for land or floorspace for economic development, including for all main town centre uses over the plan period;
- § Assessing the existing and future supply of land available for economic development:
- § Assessing the capacity of existing centres to accommodate new town centre development

2.5 Policy EC1.4 makes the following requirement of local planning authorities when assessing the need for retail and leisure development:

- (a) *“Take account of both the quantitative and qualitative need for additional floorspace for different types of retail and leisure developments.*
- (b) *In deprived areas that lack access to a range of services and facilities, give additional weight to meeting these qualitative deficiencies. However, any benefits in respect of regeneration and employment should not be taken into account, although they may be material considerations in the site selection process*
- (c) *When assessing quantitative need, have regard to relevant market information and economic data, including a realistic assessment of:*
 - (i) *existing and forecast population levels*
 - (ii) *forecast expenditure for specific classes of goods to be sold, within the broad categories of comparison and convenience goods and for main leisure sectors*
 - (iii) *forecast improvements in retail sales density*
- (d) *When assessing qualitative need for retail and leisure uses:*
 - (i) *Assess whether there is provision and distribution of shopping, leisure and local services, which allow genuine choice to meet the needs of the whole community, particularly those living in deprived areas, in light of the objective to promote the vitality and viability of town centres and the application of the sequential approach*
 - (ii) *Take into account the degree to which shops may be overtrading and whether there is a need to increase competition and retail mix”*

2.6 We are satisfied that the assessments that have been carried out meet Policy EC1.4 requirements.

Plan Making Policies

2.7 Policies EC2 to EC8 describe the matters to which local authorities should have regard when plan making.

2.8 Policy EC3 sets out a wide range of matters relating to planning for centres, including:

- § defining a network and hierarchy of centres;
- § making choices about which centres will accommodate any identified need;
- § considering appropriate actions for centres in decline, including the scope for consolidating and strengthening these centres; or reclassifying centres at a lower level and allowing retail units to change to other uses;
- § defining the extent of centres, primary shopping areas, and distinguishing between primary and secondary frontages making clear which uses will be permitted in such locations;
- § setting floorspace thresholds for the scale of edge-of-centre and out-of-centre development that should be subject to an impact assessment under (EC16.1) and the geographic areas within which these thresholds will apply;
- § encouraging residential or office development above ground floor retail, leisure or other facilities within centres:
- § Identifying sites or buildings within existing centres suitable for development.

2.9 Policies EC4 promotes consumer choice and competitive town centres. Policy EC4.1 focuses on the actions required to promote consumer choice in town centres, including a diverse range of uses and strong retail mix, sites for large format developments, and fostering of markets. Policy EC4.2 describes actions for promoting complementary evening and night-time leisure uses.

2.10 Policy EC5 deals with site selection and land assembly for main town centre uses. The matters covered are carried forward into Policies EC10-EC17 that set out the specific policy tests that are to be applied to applications for planning permission. Policy EC5.1 requires local planning authorities to:

“identify an appropriate range of sites to accommodate the identified need, ensuring that sites are capable of accommodating a range of business models in terms of scale, format, car parking provision and scope for disaggregation. An apparent lack of sites of the right size and in the right location should not be a reason for local planning authorities to avoid planning to meet the identified need for development. Local planning authorities should:

- (a) *“base their approach on the identified need for development*
- (b) *identify the appropriate scale of development, ensuring that the scale of the sites identified and the level of travel they generate, are in keeping with the role and function of the centre within the hierarchy of centres and the catchment served*
- (c) *apply the sequential approach to site selection (see policy EC5.2)*
- (d) *assess the impact of sites on existing centres (see policy EC5.4)*
- (e) *consider the degree to which other considerations such as any physical regeneration benefits of developing on previously-developed sites, employment opportunities, increased investment in an area or social inclusion, may be material to the choice of appropriate locations for development”*

2.11 In respect of the sequential approach Policy EC5.2 says:

“Sites for main town centre uses should be identified through a sequential approach to site selection. Under the sequential approach, local planning authorities should identify sites that are suitable, available and viable in the following order:

- (a) *locations in appropriate existing centres where sites or buildings for conversion are, or are likely to become, available within the plan period*
- (b) *edge-of-centre locations, with preference given to sites that are or will be well-connected to the centre*
- (c) *out-of-centre sites, with preference given to sites which are or will be well served by a choice of means of transport and which are closest to the centre and have a higher likelihood of forming links with the centre*

2.12 EC5.3 requires that sites that best serve the needs of deprived areas should be given preference when considered against alternative sites with similar location characteristics.

2.13 In respect of impact Policy EC5.4 says:

“In assessing the impact of proposed locations for development under EC5.1.d, local planning authorities should:

- (a) *take into account the impact considerations set out in Policy EC16, particularly for developments over 2,500 sqm or any locally set threshold under EC3.1.d, ensuring that any proposed edge of centre or out of centre sites would not have an unacceptable impact on centres within the catchment of the potential development*

- (b) *ensure that proposed sites in a centre, which would substantially increase the attraction of that centre and could have an impact on other centres, are assessed for their impact on those other centres, and*
 - (c) *ensure that the level of detail of any assessment of impacts is proportionate to the scale, nature and detail of the proposed development*
- 2.14 Policy EC5.5 requires local planning authorities should to allocate sufficient sites to meet at least the first five years identified need, and where appropriate set out policies for the phasing and release of allocated sites.
- 2.15 Policy EC6 deals with economic development in rural areas, referring to the identification of local service centres, and the need to remedy any identified deficiencies in local shopping and other facilities to serve people's day-to-day needs and help address social exclusion
- 2.16 Policy EC7 requires local planning authorities to support sustainable rural tourism and leisure developments
- 2.17 Policy EC9 identifies the need for monitoring by local planning authorities, with Policy EC9.1 referring to the need for Annual Monitoring Reports to keep under review:
- (a) the network and hierarchy of centres
 - (b) the need for further development
 - (c) the vitality and viability of centres
- 2.18 Policy EC9.2 indicates the need to measure the vitality and viability and monitor the health of town centres over time to inform judgements about the impact of policies and development. Local authorities should also regularly collect market information and economic data on key indicators, preferably in conjunction with the private sector.

Development Management Policies

- 2.19 Policies EC10 to EC19 provide guidance to local planning authorities on the matters to be addressed in dealing with planning applications for economic development, requiring them to adopt a positive and constructive approach.
- 2.20 Policies EC15 dealing with the sequential approach and EC16 dealing with impact draw on some of the Plan Making policies to which we have referred above, in particular Policy EC5.

Key changes from PPS6

- 2.21 PPS4 maintains the town centre first approach requiring development of the most central sites first as reflected in the sequential approach to site selection. A key change is replacement of the current need and impact tests with an improved impact test.
- 2.22 The scope of the new impact test is wide ranging, bringing together a range of impacts which need to be considered, including:
- § economic, social and environmental impacts;
 - § taking more account of consumer choice and retail diversity; and
 - § the need to assess impacts arising from the scale of a proposal as well as transport and accessibility considerations.

- 2.23 PPS4 is accompanied by a Practice Guidance Note “Practical guidance on need impact and the sequential approach”, published on the same date 29 December 2009.
- 2.24 We are satisfied that the studies that we have undertaken provide a sound basis for the Council to formulate its policies and proposals within the LDF.

3 Regional Strategy

West Midlands Regional Spatial Strategy (RSS)

- 3.1 Herefordshire is within the area of the West Midlands Regional Spatial Strategy (RSS), formerly RPG 11, which was first published in 2004 and subsequently incorporated into the composite RSS published in January 2008.
- 3.2 By letter dated 6 July 2010 the Secretary of State announced the revocation of Regional Strategies with immediate effect. At the present time it is unclear what policy mechanisms will replace the RSS. However, we understand that the growth strategy for Herefordshire being brought forward through the LDF is unlikely to be materially affected by revocation of the RSS. We therefore review below those aspects of the former RSS and its evidence base that we believe may continue to be of relevance to the LDF strategy.

Development Strategy

- 3.3 Most of Herefordshire lay within the Rural Regeneration Zone (RRZ) as identified on the spatial strategy. The RRZ was to be the primary focus for rural regeneration in the West Midlands. In particular, emphasis was to be given to measures that included the following:
- § supporting existing businesses and attracting appropriate new economic activity;
 - § strengthening the range and quality of services available to residents through the establishment of a network of rural service centres; and
 - § improving accessibility to jobs and services.

Retail Strategy

- 3.4 The adopted RSS also identified Hereford as one of five regional foci, where new development was to be focussed. Within the sub-regional foci, the approach was to encourage residential development, rural regeneration and ensure a balanced network of town and city centres was achieved, serving as a focus for major retail, leisure and office developments, and acting as service centres for their rural hinterland.
- 3.5 The RSS stated that town and city centres were at the heart of communities throughout the Region and that their future health and attractiveness would be a major determinant of the quality of life for everyone.
- 3.6 Policies PA11 to PA13 addressed the key strategic issues affecting town and city centres. Under Policy PA11, Hereford was identified as one of the 25 strategic town and city centres which would be the focus for:

- (i) *“Major retail developments (i.e. those of more than 10,000 sq m gross floorspace, excluding floorspace dedicated to the retailing of convenience goods);*
- (ii) *Uses which attracted large numbers of people including major cultural, tourism, social and community venues; and*
- (iii) *Large scale leisure and office (Class B1a) developments (i.e. those of 5,000 sq m or more gross floorspace”.*

3.7 Policy PA11 also stated that there were many other centres within the region that met local needs and stated that local authorities should be proactive in encouraging appropriate development to maintain and enhance their function as town centres.

3.8 In approving the RSS in June 2004, the Secretary of State identified a number of policy issues that needed to be addressed in future revisions to the document. The Revisions comprised three phases of which the most relevant to issues addressed in these studies was Phase Two – addressing housing figures, centres, employment land, transport and waste.

Phase Two

Regional Centres Study, Roger Tym & Partners, 2006

3.9 The RTP Regional Centres Study was published in 2006 to assist the Regional Planning Board in identifying the centres in the Region where major new retail, leisure and office development should be focussed. The report was subsequently updated (November 2007 & May 2009) – see below.

3.10 The Study adopted Policy PA11 of the RSS to identify the regional centres to be examined. Hereford was the only centre in Herefordshire covered in the study.

3.11 As part of the qualitative assessment of Hereford, the paper noted that at 2006 Hereford City Centre had a comparison retail stock of 54,800 sq m gross floorspace, which was the 11th highest in the region. The comparison goods turnover for Hereford was noted as £334.32m (2001 prices) with the degree of competition/choice for catchment residents identified as low.

3.12 The localised comparison goods market share for Hereford is demonstrated in table 6.3 of the final 2006 report and detailed below:

Zone	Strategic Centre	Comp T/O Primary Zones	Gds from	Comp Exp Primary Residents (£m)	Gds of Zone	Comp T/O Study Area	Gds from	Meas 1	Meas 2
		A		B		C		A/B %	A/C %
46	Hereford	£246.2m		£392.4m		£323.9m		63%	76%

Measure 1: comparison goods turnover drawn from primary zones as a percentage of the comparison goods expenditure of residents in these primary zones; and

Measure 2: comparison goods turnover drawn from primary zones as a percentage of all comparison goods turnover drawn from the West Midlands Study Area

3.13 Although reference to the Herefordshire County Council’s Property Market Review (2003) showed that the quality of the centre had declined in the last decade, the analysis of the vitality and viability indicators showed that Hereford remained ‘quite healthy’ as a retail centre.

- 3.14 The 2006 study noted that Hereford was one of the ten most locally dominant centres for comparison shopping in the region with 63% of turnover drawn from the primary zone (as a percentage of primary zone expenditure, as shown in the above table).
- 3.15 In regard to the retail sector, the range of comparison goods floorspace requirements for Hereford up to 2021 was indicated. Using six distribution options within an evaluation matrix, the study found that there was a requirement of between 11,000 sq m. and 27,000 sq m. sales area for Hereford.
- 3.16 In terms of the office market within Hereford, the report stated that the physical capacity of Hereford was expected to grow at around the same pace as historic trends with the ring road identified as the primary constraint on physical capacity. In classifying the market outlook for Hereford, the Study stated that road accessibility was a key problem which reduced the attractiveness of the centre to the market.
- 3.17 The office floorspace requirements are calculated under three distribution scenarios that perform best in the evaluation matrix. This sets both the minimum and maximum requirement in Hereford at 30,000 sq m by 2021. This figure forms part of the larger Herefordshire requirement for 80,000-90,000 sq m of additional office floorspace from 2001 to 2021.
- 3.18 In terms of other town centre uses, the Study noted at paragraph 8.17 that Hereford was a high priority location for additional cinema screen provision since it was currently served by only one screen within its 25 minute drive time catchment. As the theoretical requirement for one screen is 20,000 persons, the capacity for additional provision to serve Hereford town centre's actual catchment population of 122,000 is self evident.
- 3.19 In anticipation of matters that could arise at the Phase 2 Examination, RTP were instructed in February 2009 to provide further information in respect of:
- § *Whether the credit crunch has any implications for the comparison retail and office floorspace proposals within the Preferred Option;*
- § *The extent to which the retail and office floorspace proposals for the individual centres are sensitive to changes in the number/distribution of the new housing allocations.'*
- Their findings were reported in an Update report dated May 2009, which included updated comparison goods floorspace forecasts.
- 3.20 The 2009 Update forecasts were based on the housing distribution proposed in the GOWM response and include revised estimates of comparison goods expenditure per head having regard to the economic downturn.

Phase Two Examination in Public

- 3.21 The Examination in Public for the RSS Phase 2 Revision began on 28 April 2009. The Draft Preferred Option stated that the economy of the City of Hereford was relatively fragile and, with limits on the existing transport capacity, the extent to which Hereford could accommodate new development was limited. A priority for Hereford therefore would be to ensure that necessary transport infrastructure was provided to deliver the level of planned economic and housing growth, support the area's local regeneration needs and protect its historic heritage. Outside Hereford, further development in the County should be focused within key market towns acting as strategic locations for balanced housing and employment growth whilst continuing to protect the environment and character of Herefordshire.

- 3.22 Policy PA12A stated that Hereford should plan for the construction of 40,000 sq m gross comparison retail floorspace between 2006 and 2021, with an additional 20,000 sq.m. between 2021 and 2026. These floorspace requirements were based on the West Midlands Centres Study and Updates undertaken by Roger Tym and Partners. The requirements are inclusive of commitments at April 2006.
- 3.23 The Policy PA12A forecasts were based on the RTP 2007 Update projections. RTP notes in their 2009 Update report (paragraphs 2.66-2.77) that their 2009 forecast are slightly lower for Tier 3 centres overall (which includes Hereford) at both 2021 and 2026.
- 3.24 In terms of housing growth the proposed net total in the period 2006–2026 for Herefordshire was 16,600 dwellings (of which Hereford City was 8,300 dwellings). This represented an indicative annual average of 830 dwellings (of which Hereford was 415 dwellings).
- 3.25 Further work on housing figures had been requested by Baroness Andrews Parliamentary, Under Secretary of State in the DCLG. This was undertaken by Nathaniel Lichfield and Partners and published on 7 October 2008. The NLP report recognised that there was capacity in Herefordshire to accommodate an additional 1,200 dwellings. It was suggested that this additional capacity is used for additional rural housing provision to improve rural affordability in the County.
- 3.26 Despite the revocation of the RSS, the housing figures identified during the Phase 2 review remain relevant as they are based on up-to-date evidence. These figures provide the basis for the housing growth and distribution figures identified in the emerging Local Development Framework (see below).

4 Herefordshire UDP

4.1 The Herefordshire Unitary Development Plan (UDP) was adopted in March 2007. The Vision for the UDP comprises three interlocking elements:

- § create fair and thriving communities, which will be inclusive for all, allowing equal and full access to opportunities and services;
- § properly protect and enhance the environment through sustainable development;
- § build a strong, competitive and innovative economy with a balanced mix of business, jobs and homes.

4.2 Central to the UDP Vision is progression towards more sustainable forms of development appropriate to Herefordshire. The UDP seeks a balance that can both allow and promote appropriate kinds of sustainable activity and development in places that are best suited. An important function of the Plan is to provide a framework for residential and economic development to meet social needs in a manner that is properly balanced with environmental factors.

Development Strategy

4.3 In the light of the above, an overall approach to the location of development within the County has been formulated. To take forward the overall thrust of the former RSS that development should be concentrated within existing settlements, the Plan adopts a sequential approach to the selection of locations for development. The strategy identifies locations where development will be focussed.

Hereford

4.4 Paragraph 3.5.6 notes that Hereford forms the natural focus for the County, centrally located and at the hub of existing road and public transport networks. It offers a wide range of employment, leisure, educational and community services and opportunities. It is identified as a focus for development in the sub-region within the RSS and the most sustainable location for the majority of new development.

Market Towns

4.5 Paragraph 3.5.8 notes that away from Hereford, the amount of development being directed to the market towns of Leominster, Ross-on-Wye, Ledbury, Bromyard and Kington varies according to local factors.

Leominster

4.6 Leominster enjoys relatively good road and public transport links including rail. The Plan contains significant proposals for employment development, balanced by the provision of additional housing to the west of the town.

Ross-on-Wye and Ledbury

- 4.7 Ross-on-Wye and Ledbury are both affected by physical constraints. The need to protect valued landscapes limits the potential for significant new development in both settlements.

Bromyard and Kington

- 4.8 The relatively small size of Bromyard and Kington limits their potential to accept significant new development although they are expected to continue to grow at similar levels to that experienced in the recent past.

Main villages

- 4.9 Paragraph 3.5.9 notes that away from the County's principal urban areas, development - mainly for a limited amount of housing - will be directed to selected rural settlements. Such main villages were identified on the basis of a range of criteria including population size, level of existing facilities and public transport availability.

County Retail Hierarchy

- 4.10 The County's retail hierarchy is defined as follows:

Sub Regional Shopping Centre

Hereford

Market Towns

Bromyard; Ledbury; Leominster; Kington; Ross-on-Wye

Other Categories of Centre

- 4.11 In addition to the above, there are three other categories of centre:

Local Shopping Centres,

Neighbourhood Shopping Centres (within Hereford urban area only), and

Village Shops.

- 4.12 The policies and proposals of the Plan seek to maintain and improve the shopping hierarchy throughout Herefordshire by:

- § *“ensuring that new shopping developments are provided in a sustainable and effective manner*
- § *guiding and controlling the development of the market towns to retain and improve town centre services to the benefit of local residents and the rural hinterland*
- § *maintaining and improving district, local and village centres throughout the County to provide a community focus, satisfy day to day retail requirements and help towards reducing the need to travel*
- § *guiding larger scale developments to ensure that the vitality and viability of Hereford and the market towns is protected, recognising that such requirements can be difficult to accommodate within historic centres.”*

Key Retail Policies

- 4.13 **Policy S5** describes the strategic objectives for town centres and shopping within the County. It says:

“Town centres and retail

The range of shopping, employment, entertainment, social and other community services that are available in existing centres should continue to be available to all in locations accessible by a choice of means of transport. This will be achieved by:

- (i) protecting and enhancing the vitality and viability of Hereford City Centre, market town centres and local, neighbourhood and village centres throughout the County, with particular reference to maintaining the County’s retail hierarchy and the role of Hereford City Centre as a sub-regional shopping centre;*
- (ii) supporting continued investment in existing centres, maintaining an attractive environment, and encouraging high quality design and mixed uses including housing, particularly above shops;*
- (iii) locating key town centre uses that generate and attract many trips, including retail, entertainment and leisure, commercial and public offices, in or adjacent to existing centres where there is convenient access by a choice of means of transport; and*
- (iv) in edge of centre or out of centre locations, applying first a test of need and then, if need can be demonstrated, a sequential approach to retail and other proposals that generate and attract many trips. The likely impact of proposals on the Plan’s strategy and on the vitality and viability of existing centres will also be considered, as will the accessibility of the site by a choice of means of transport, the likely effect of development on overall travel patterns and car use and the scope to encourage investment to regenerate deprived areas.”*

- 4.14 **Policy TCR1** describes the policy for Central Shopping and Commercial Areas (CSCAs):

“The central shopping and commercial areas of Hereford and the market towns will be retained and protected as the prime focus for retail, leisure and commercial activity in order to ensure the continued vitality and viability of these city and town centres.”

CSCAs for Hereford and the market towns are defined on the Proposals Maps.

- 4.15 **Policy TCR2** describes the means by which the vitality and viability of Hereford City Centre and the market towns will be maintained and enhanced, including the following:

- (i) directing proposals for new shopping and commercial uses to the central shopping and commercial areas;*
- (ii) supporting the introduction of complementary uses which add to diversity and activity, and;*
- (iii) controlling the introduction of non-retail uses.*

- 4.16 **Policies TCR3 and TCR4** define Primary Shopping Frontages and Secondary Shopping Frontages respectively within Hereford and the market towns. The Primary Shopping Frontages should be dominated by Class A1 retail uses. Within the Secondary Shopping Frontages a range of shopping area uses are acceptable. These are more appropriate locations for such uses as restaurants and bars, leisure, office, and community uses.

- 4.17 **Policy TCR9** describes the sequential approach requirements that are to be applied to ‘Proposals for large scale retail and leisure development outside the central shopping and commercial areas’ of Hereford and the market towns. The requirements include the following:

- (i) *demonstration of need for the development;*
- (ii) *application of a sequential approach to site selection, based on the following locational categories:*
 - n *central shopping and commercial areas*
 - n *edge-of-centre locations*
 - n *out-of-centre locations which are well served by public transport*
- (iii) *no undermining of Plan's central shopping and commercial area strategy or the overall Plan strategy;*
- (iv) *no seriously harm to the vitality and viability of existing central shopping and commercial areas; and*
- (v) *accessibility criteria."*

4.18 **Policy TCR10** states that proposals for office development will be permitted where they fall within a central shopping and commercial area and comply with Policies TCR3 and TCR4 and other specified criteria.

Hereford

4.19 It is a primary aim of the Plan to retain Hereford's status as a sub regional shopping centre and maintain, enhance and improve existing facilities.

Needs

4.20 The Plan identifies the following specific needs, most of which have yet to be implemented.

Retail

4.21 Retail floorspace needs are identified up to 2011:

- § an additional 14-16,000 sq m (net) of city centre comparison retail floorspace, with a qualitative need for larger and suitably configured units to attract modern multiple retailers within the central shopping and commercial area.
- § an additional 11-15,000 sq m (net) of retail warehouse floorspace.
- § no significant requirement for further convenience floorspace.

Multiplex Cinema

4.22 Potential for a medium sized multiplex cinema development providing some eight screens to complement existing cinema facilities is identified.

Public Transport Interchange

4.23 Bus interchange facilities are currently dispersed throughout the city centre. The Local Transport Plan identifies a series of short and medium term improvements to public transport facilities. In the longer term, the Plan recommends that a single interchange site for bus services be identified within the city centre.

Local Government Offices

- 4.24 To assist in improving the efficiency and effectiveness of service delivery, the Plan states that the Council is actively seeking to establish central offices within Hereford.

Library

- 4.25 Paragraph 7.7.6 of the Plan states that the Council is progressing a scheme to establish a new library within Hereford City Centre. A potential location is identified in the civic quarter within the Edgar Street Grid area.

Hereford United Football Club

- 4.26 The Hereford United Football Club ground at Edgar Street on the edge of the city centre is in need of modernisation, for which proposals are included in the Plan.

Edgar Street Grid

- 4.27 A key feature of the Plan aimed at meeting the identified requirements in Hereford City is the regeneration of the area known as the Edgar Street Grid, to which we refer in more detail in the following Section of this Paper.
- 4.28 The Grid comprises 43 hectares of land bounded by Edgar Street to the west, Newmarket Street and Blueschool Street to the south, Commercial Road to the east and the railway line to the north. The area includes a number of significant uses including the Livestock Market, Hereford United Football Club, the railway station, and a number of buildings of architectural and historic importance such as the Blackfriars Friary. The area also accommodates a wide range of industrial, commercial and residential uses.

Key Hereford Policies

- 4.29 **Policy TCR19** provides for relocation of the Livestock Market.
- 4.30 **Policies TCR20** and **TCR25** make provision for the city's future retail needs within the Eign Street Regeneration Area and Holmer Road respectively. The former is identified as the key area to include new retail development, the purpose of which is support and promote the sub-regional role and function of the city centre.
- 4.31 **Policy TCR20** says:

“Eign Gate regeneration area

Land within the Eign Gate regeneration area provides a major opportunity for development to support the vitality and viability of the city centre. The area is identified as the preferred location for Class A1 retail development and associated car parking provision as set out below. Development in this area must:

- n improve and extend the retail offer of Hereford City Centre, contribute to the vitality and viability of the centre and secure environmental improvements;*
- n provide a comprehensive scheme based on Class A1 retail uses for the Livestock Market, treating the site as a whole;*
- n provide for city centre comparison shopping uses within the Bewell Street area should the opportunity for change arise;*
- n provide for city centre comparison shopping within the Berrington Street area, as well as residential, leisure and commercial uses which add to the diversity of uses on offer in the city centre;*

- n ensure that safe, effective and attractive pedestrian and cycle links both within and outside the area are provided or enhanced to High Town, the River Wye to the south and other elements of the Edgar Street Grid;
- n contribute to the achievement of the Plan's town centre and retail strategy;
- n respect residential amenity and the historic fabric of the area, including listed buildings, archaeology and the historic street pattern;
- n provide a high standard of design merited on this important central location; and
- n contribute financially to the planning obligations identified ensuring the overall aims of the Edgar Street Grid proposals are met".

4.32 The UDP Inspector was of the view that the majority of retail warehouse products could be sold from large format stores in the Eign Gate Regeneration Area. In paragraph 7.23.17 of his report he said:

"In conclusion, I envisage that the bulk of the retail requirement, including retail warehousing, would be met within the Eign Gate regeneration area. However, as part of a comprehensive scheme of development and in order to exploit opportunities for new provision within an improved overall layout, some redistribution of uses could be appropriate. An unfettered retail policy would facilitate this comprehensive approach to regeneration. At the same time, the overall balance of convenience and comparison provision should be safeguarded."

4.33 **Policy TCR22** refers to the Canal basin and historic core to the east of Widemarsh Street, and requires comprehensive development focussed on residential uses.

4.34 **Policy TCR22** provides for cultural and leisure development at Hereford United Football Club/Merton Meadow.

4.35 **Policy TCR23** provides for comprehensive development based on public and commercial offices at the 'Civic Quarter' located between Blueschool street and Coningsby Street.

4.36 **Policy TC25** says:

"Land for retail warehousing

Land at Holmer Road is identified for development for large scale retail warehousing."

4.37 The Inspector found that Holmer Road could accommodate some 10.000 sq m net of the city's retail warehouse requirement.

4.38 **Policy TCR26** provides for mixed use office/leisure development at the Country Bus Station site in Commercial Road.

4.39 Many of the UDP policies, particularly those for Hereford City, remain relevant for the LDF.

5 Town Centres and Retail Background Paper, 2002

5.1 A Town Centres and Retail Background Paper was produced in September 2002 for the purposes of the Herefordshire UDP. It addressed the following matters in particular:

- § The hierarchy of centres in Herefordshire;
- § The approach taken to the review of town centre boundaries;
- § A review of policies concerned with managing the diversity of uses in town centres;
- § The scale of new retail development required over the plan period, within Hereford in particular;
- § The scale of new commercial leisure, hotel, and other commercial development requirements over the plan period, within Hereford in particular.

Key Issues

5.2 The paper addresses key issues relating to the following matters.

Hierarchy of Centres

5.3 Key issues identified included:

- § The hierarchy of centres should establish locations where investment in new retail, leisure and other town centre development should be located so as to achieve sustainable patterns of development, and;
- § A three-tiered hierarchy is appropriate within Herefordshire, with Hereford as the sub-regional centre, the market towns providing an ancillary role, and a network of larger villages forming the third tier.

Central Shopping and Commercial Areas

5.4 Key issues identified included:

- § CSCAs are an important planning tool to provide a focus for retail, leisure and other town centre development.

Diversity of Uses

5.5 Key issues identified included:

- § The UDP should establish a set of primary and secondary frontages based upon common criteria for Hereford and the market towns.

New Retail Development Requirements

- 5.6 The Paper draws on a 1994 Retail Audit undertaken by CB Hillier Parker, which had been supported by a household interview survey (Research and Marketing Ltd) undertaken within an extensive geographical area around Hereford.
- 5.7 Key issues identified included:
- § Herefordshire enjoys a relatively large catchment area for a centre of its size;
 - § The capacity of existing durable goods floorspace is failing to satisfy current levels of spending (the recommended level of additional durable floorspace is that contained within the UDP – Section 4 above);
 - § If the recommended level of additional floorspace is not provided, the majority of residual spending will be attracted to large competing centres such as Worcester, Gloucester, and Cheltenham.
 - § There will be a small quantitative need for convenience goods floorspace in Hereford City.

Commercial Development Requirements

- 5.8 Key issues identified included:
- § Demand exists for a further 6-8 cinema screens in Hereford City;
 - § Although Hereford City is poorly served by modern high quality hotel and conference facilities, visitor levels/sectoral demand does not warrant a UDP allocation for such facilities;
 - § There is little demand for extensive private sector office development in Herefordshire;
 - § Herefordshire Council will require new office floorspace.
- 5.9 As noted above, the findings of the Background Paper provided an important input to the UDP.

6 Edgar Street Grid

Herefordshire Futures

- 6.1 The Edgar Street Grid redevelopment was being led by ESG Herefordshire Ltd, which was a joint venture development company established by Herefordshire Council and Advantage West Midlands to lead the transformation of the Grid Area. In July 2010 ESG Herefordshire Ltd was absorbed into a new body – Herefordshire Futures.
- 6.2 The role of ESG Herefordshire Ltd had been to take the preliminary conceptual work of the 2004 Masterplan, develop it further and progress it into a series of deliverable projects all of which sit comfortably with each other and, most importantly, with the surrounding areas of the City. We understand that Hereford Futures' role is wider embracing regeneration within the entire City Centre.

ESG Draft Masterplan (2007)

- 6.3 The 2007 ESG masterplan builds on the 2004 work and provides a comprehensive and detailed layout for the development of the ESG area. It seeks to develop in further detail the policy set out in the UDP and the broad proposals in the SPD.
- 6.4 The vision for the masterplan is to provide an attractive, accessible and safe environment for businesses, shoppers and residents across the study area to deliver the City Centre Expansion Zone and Blackfriars Urban Village with a sense of place and focus for the community and for civic activity.
- 6.5 The masterplan seeks to prioritise the following:
- § the reversal of the current leakage of approximately 70% of potential comparison retail expenditure to other towns and cities in the region through the establishment of a new, mixed use retail quarter;
 - § the creation of a new east-west link road;
 - § strategic flood mitigation measures which will benefit significant areas in the northern parts of the city;
 - § the relocation of the livestock market and Herefordshire Council Information Centre;
 - § creation of major multi-storey car parking which will serve the city centre;
 - § the redevelopment of suitable relocation sites for displaced businesses from the ESG area;
 - § the stimulation of key developments, led by others particularly at the Edgar Street football stadium; and
 - § strategic infrastructure upgrades to support redevelopment.

- 6.6 Consultation on the draft masterplan ended in November 2007. We understand that following this consultation there will be no major changes to the draft and that adoption is scheduled for Spring 2008.

Edgar Street Design Framework SPD 2007

- 6.7 The Edgar Street Design Framework SPD was approved by Cabinet in October 2007. The purpose of the SPD is stated as being to:
- § establish an urban design framework for the ESG area in a positive and enabling manner providing a design concept early on in the process which will be used to guide landowners, developers and the community on the form development proposals should take.
 - § address and supplement with additional information, policies contained within the UDP.
 - § provide greater certainty for the market on what is expected from future schemes.
 - § ensure delivery of a comprehensive, co-ordinated and sustainable development.
- 6.8 Particular design challenges affecting the area being addressed through the SPD are:
- § the physical constraint imposed by the Inner Ring Road;
 - § traffic Congestion;
 - § integration with the remainder of the city;
 - § multiple land ownerships;
 - § protection and enhancement of the historic fabric;
 - § archaeology;
 - § air quality;
 - § contaminated land;
 - § flooding.
- 6.9 Redevelopment of the Grid Area is a major commitment within Hereford City that will continue through the LDF plan-period.

Livestock Market

- 6.10 As noted in Section 4, the adopted UDP provides for relocation of the livestock market (Policy TCR19) and its comprehensive redevelopment for retail uses (Policy TCR20).
- 6.11 Stanhope was selected as the developer of the site of some 5 hectares in February 2008. Planning permission was granted for the new livestock market on an alternative site in November 2009. The ESG company and Stanhope have made significant changes to the original masterplan including a reduction in the scale of the proposal and enhanced connectivity with the existing retail area in High Town and Widemarsh Street. The revised scheme will be some 23,000 sq m gross and is proposed to include a small concept department store, a medium sized food store and a multi-screen cinema, as well as 15 or so shops and some restaurant units. A planning application is expected to be submitted by the end of 2010.

7 Findings

- 7.1 We outline below existing guidance and policy issues that are of particular relevance to the consideration of further development of retail and other town centre uses in the period to 2026.

PPS4

- 7.2 Publication of PPS4 in December 2010 has made significant changes to the national policy framework affecting town centre uses. These changes relate mostly to the weight that is to be attached to particular considerations, rather than introducing wholly new considerations. We are satisfied that that the technical studies that have been undertaken as part of this Study remain relevant to the policy issues being addressed by the LDF.

County Retail Hierarchy

- 7.3 The former RSS Phase Two Revision Draft Preferred Option identified Hereford City as a 'Strategic Centre'. The adopted UDP contains a hierarchy of centres within the County, based on Hereford and the five market towns. The LDF will need to reconsider and, if appropriate, reconfirm this hierarchy.

Population Growth

- 7.4 Our original assessments were based on the emerging RSS growth strategy and population forecasts. We have subsequently been provided by Council officers with population forecasts for Herefordshire that are similar to the previous forecasts of the RSS and its growth strategy. These will influence the potential for new retail floorspace and other town centre uses within the County.

New Comparison Goods Retail Floorspace in Hereford City

- 7.5 Although the RTP 2009 Update forecasts have no basis in policy, they are instructive in indicating the scale of future shopping floorspace requirements in Hereford City Centre. The RTP 2009 Update mid-point comparison goods forecasts are 30,700 sq m gross by 2021 and 52,000 sq m gross by 2026, prior to any allowance for commitments (RTP Tables 2.5 and 2.6 and converting sales to gross floorspace using a ratio of 75%).
- 7.6 These RTP forecasts cannot be compared direct with the DJD forecasts set out in Paper Four of this report, because the RTP relate to the City Centre alone whereas the DJD quantitative forecasts set out in Paper Four relate to Hereford City as a whole (not just the City Centre). We have provided forecasts based on expenditure attracted to Hereford City as a whole, leaving it for planning policy to determine the location of any new floorspace potential. Given that Edgar Street Grid is forecast into our equations, the overall requirement is higher than RTP's with a requirement of circa 25,000 sq m gross comparison goods floorspace by 2021 and circa 46,000 sq m by 2026.

Edgar Street Grid

7.7 The Edgar Street Grid in Hereford is a major city centre committed redevelopment project, implementation of which will extend well into the LDF plan period. The Livestock Market proposals are of particular significance in so far as new retail development in Hereford City is concerned.

CSCAs and their boundaries

7.8 The UDP defined Commercial and Shopping Central Areas (CSCAs) form an important planning policy tool within Hereford City and the five market towns. The appropriate LDF DPDs will need to reconsider the justification for CSCAs and appropriate boundaries.

Primary and Secondary Shopping Frontages

7.9 The appropriate LDF DPDs will also need to reconsider the justification for the primary and secondary shopping frontages contained within the adopted UDP.

Proposals Map Site Allocations

7.10 The UDP Proposals Map contains site allocations some of which remain unimplemented. The appropriate LDF DPDs will need to reconsider the justification for these allocations.

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