

LONDON BOROUGH OF HAMMERSMITH & FULHAM

LOCAL PLAN EXAMINATION

WRITTEN STATEMENT

ISSUE 6: ECONOMY AND EMPLOYMENT; TOWN CENTRES

Does the local plan provide the most appropriate and robust strategy towards the economy with due regard to cross border issues? Is the approach evidenced adequately and consistent with national policy and in general conformity with the London Plan? Will the approach be effective?

Date: 22 May 2017

1. What robust evidence justifies Policy E1 (Providing for a Range of Employment Uses) and how will it be implemented effectively, with due regard to viability?

Does the policy provide clarity for sui generis uses?

Does the plan contain flexibility in Policy E1 by recognising that affordable workspace could be provided by design or rent?

The Council undertook an Employment Land Study (SD22) in 2016 which analysed employment land uses across the borough. Employment land and the generation of jobs plays an important role in delivering the wider regeneration objectives of the Local Plan and for achieving sustainable development. Each regeneration area has separate objectives and diverse employment sectors which is reflected in policy E1. Encouraging uses that will support existing employment is integral to a sustainable, holistic regeneration strategy, which this policy supports.

One of the key findings from the Employment Land Study (SD22) identified the scale of employment losses, particularly B1 uses, across the borough which have resulted in a loss of office space available for businesses and the range in office accommodation space, as a consequence there have been increases in rental values across the borough (p. 8 in SD22) and low vacancy rates. In response to this issue, the Council has adopted a protective policy approach to encourage new and retain existing employment uses, where possible. To ensure proposals are considered acceptable new employment development, the Council has adopted a criteria based approach to provide clarity to applicants and officers when assessing applications.

The Council has a strong economy and high number of businesses registered in the borough, which the Council is keen to support and enhance. SD22 identified the key employment/market areas and sub-areas, a large proportion (approximately 62%) of all businesses had space requirements between 93m² and 465m² indicating small to medium sized enterprises. Since the introduction of permitted development rights, the authority has seen a gradual loss in the range of office space available with the majority of losses being small to mid range office developments being converted to residential. Due to these losses and the identified space requirements matched alongside the average business size in the borough, affordable workspace provides an important means for small to medium enterprises and better reflects the growing start-up culture that has more demand for short term leases and more flexible rental arrangements.

Regarding the issue of viability, the Council is aware of the potential impact affordable workspace may have upon delivery. Further wording has been proposed to deal with this issue in the Schedule (KD4) at MC87. The Council considers that viability issues will need to be negotiated on a case-by-case basis until further work on affordable workspace through an SPD is completed.

The Council is supportive of increasing and attracting employment across the borough. The size and scale of employment uses are likely to need good transport access, be located in close proximity to other employers, and have services to be able to support a certain scale of development. For these reasons, the Council is keen to locate new office development over 2, 500 m2 in the three town centres. This is also in accordance with London Plan policy (*add policy ref). The Council's approach is similar to current policy and is considered effective.

This policy would apply to all employment generating uses, including sui generis. The Council has proposed further changes to this in the Schedule (KD4) at MC86.

The Council considers the policy wording to be flexible with regard to affordable workspace. It is agreed, however that further explanation in the supporting text would clarify and enable greater flexibility over the delivery of the policy. The Council has proposed additional wording at MC87 in the Schedule (KD4) which seeks to clarify this issue.

2. What evidence supports Policy E2 (Land and Premises for Employment Uses) and how will it be implemented effectively? Is E2 justified and sufficiently flexible to be effective in operation?

To what extent has the Royal Mail concerns on infrastructure been considered? Should E2 reference the Royal Mail estate?

The Council has undertaken an Employment Land Study (SD22) as part of the preparation of the Local Plan. The study has shown a gradual loss in employment land and uses in the borough, which the Council is keen to protect. The NPPF requires authorities to think strategically and identify suitable employment land. Since the introduction of permitted development rights, the Council has seen a loss in employment uses and has adopted a proactive and protective policy approach. Policies E1 and E2 should be seen collectively as a holistic approach to encouraging and protecting employment land uses in the borough.

Policy E2 is considered to be flexible and effective, the structure of the policy essentially provides a number of routes to be explored by the applicant and Council when assessing applications. It includes a number of options that the Council considers may be acceptable for a change, where it meets the relevant criteria. The Council acknowledges that it puts the onus on land owners to demonstrate the evidence for change of use out of employment use. This is due to the Council's awareness and the trend toward conversion to residential use due to the high return this offers to land owners. It is therefore justified that the Council puts in place this criteria to ensure the Plan complies with the NPPF's definition of sustainable development and to achieving the Plan's vision and objectives. This policy is considered effective in that it provides applicants and the Council the ability to work through options.

The Council has proposed some proposed wording to the justification text in the Schedule (KD4) at MC89 and MC90, to provide further clarity over the proposed use of the considerations and the evidence the Council requires. The evidence required to demonstrate the property is no longer required for employment purposes is considered to be justified and flexible; the 12 month marketing period is considered to be an industry norm, allowing the Council to assess the viability of a site. The considerations are considered justified where employment land and premises are gradually declining within the borough.

The Council is keen to support all key services and employers in the borough and is aware of the Royal Mail's service it provides. The Royal Mail is seeking to protect existing employment land uses, even those located outside of the regeneration areas, and of the potential impact of residential uses nearby existing Royal Mail services/sites. Policy E2 does not identify regeneration areas in the policy itself and deals adequately with Royal Mail's first concern. The Council has proposed additional wording to the supporting text in the Schedule (KD4) which seeks to introduce the Mayor's Agency of Change approach at MC90. The Council therefore does not consider it necessary to directly reference the Royal Mail estate as their concerns have been dealt with.

3. Is Policy E4 (Local Development, Training and Skills Development Initiatives) justified and will it be clearly effective in delivery?

The NPPF sets out the commitment to economic growth and ensuring the planning system does everything it can to support sustainable economic growth. Policy E4 should be considered in light of the wider regeneration objectives set out in the Local Plan and of the Council corporately. This policy seeks to provide employment for local people to capture the full range of building and development opportunities in the borough. The policy enables the Council to negotiate this matter and support developers in making this happen. The supporting text gives more detail over how this policy may be realised.

4. What evidence supports Policy TLC1 (Hierarchy of Town and Local Centres) and how will it be implemented effectively?

Is the approach to retail provision over the plan period robust (capacity/needs)?

Is the proposed threshold at TLC 1(g) justified by the evidence base with due regard to national policy?

Policy TLC1 is supported by the council's Retail background paper (SD20), together with the Retail Needs Study (SD19). The council considers that the policy approach meets with the objectives of para.23 in the NPPF which highlights the need to pursue policies which provide customer choice and a diverse retail offer. This policy is also considered to be in accordance with London plan Policy 2.15.

This policy will be implemented effectively by way of the retail hierarchy in appendix 2 of the Local Plan, retail designations on the proposals map (SD5 and KD2) and regular retail surveys of the town and local centre uses. The effective operation of Policy TLC1 will be achieved in tandem with the other town and local centre policies, in particular policies TLC2 and TLC3 which provide further criteria to help the council promote vitality and vibrancy in its retail centres.

The approach to retail provision over the plan period is considered to be robust because it has been informed by the council's retail needs study (SD19) which provides a thorough assessment of the capacity and need for retail in the borough up to 2036.

The proposed threshold at TLC1 (g) is a local threshold for requiring retail impact assessments. This threshold is considered to be fully justified by the Council's retail needs study 2016 (SD19) which concludes that a local threshold below that of the NPPF threshold of 2,500 sqm is more appropriate for Hammersmith and Fulham.

5. Does the Plan take an evidence based approach to the identification of primary and secondary retail frontages which is robust? Are these recognised in the Policies Map?

Is the Parsons Green Lane Parade accurately identified?

The Local Plan has take an evidence based approach to the identification of primary and secondary retail frontages in the borough. The evidence for this policy is derived from a range of sources including the council's Retail Needs Study (SD19), the Retail Policies Background paper (SD20), the London Town Centre SPG (SD76), the regeneration area SPDs (SD54, SD55 and SD56).

The main source of information to determine the primary and secondary frontages was the council's Retail Background Paper (SD20) which includes survey data and analysis to determine the health and vitality of the designated frontages and in in turn appropriate boundaries. An element of professional judgement derived from experience and local knowledge has also been utilised to good effect. The approach taken to identify the primary and secondary frontages is considered to be robust.

All designated retail frontages are marked on the Proposals Map (SD5) and amendments to them are identified in the Proposals Map Changes document (KD2).

Parsons Green Lane sits outside of a designated retail frontage. The nearest designated frontage is on Fulham Road. Whilst there are B class uses on Parsons Green lane, the council do not consider it to warrant designation as a retail parade.

6. Is the quota approach in TLC 2 (Town Centres) justified by the evidence base? Is it clear how the policy will be implemented effectively?

The council considers that the approach to managing non-retail uses in its defined centres within policies TLC2 is clear, appropriately flexible and adequately justified. The council also considers that the policies are supported by the NPPF, specifically bullet point 3 of paragraph 23.

There have been significant and permanent changes to the way people shop which have impacted, and will continue to impact, on the role of centres and their vitality and viability. This means that in order to maintain their vitality and viability, centres will have to evolve. The Government's relaxation of permitted use rights over many changes of use is indicative of this. The council considers that the approach in policy TLC2 offers the appropriate level of management needed to protect a proportion of retail frontage in the defined centres, whilst also allowing for other types of use to be considered. The council considers that this policy approach meets with the objectives of para.23 in the NPPF which highlights the need to pursue policies which provide customer choice and a diverse retail offer. The council's local survey data in the retail background paper (SD20), together with the Retail Needs Study (SD19), also support this approach for protecting a proportion of A1 uses in the centres.

The council has, for many years, operated quota policies for its centres, for example the outgoing Development Management Local Plan 2013 (SD6) contains policies to manage non retail uses in shopping areas. The council considers that the use of quotas is still appropriate for protecting the retail function of centres and is in conformity with the overriding objective of para.23 of the NPPF which is clear that there should be a defined network of centres, policies for the permitted uses and to ensure a diverse retail offer in changing economic circumstances.

7. Is TLC 3 (Local Centres) and its proportions of A1 uses justified by the evidence base and consistent with national policy?

The council considers that its approach in policy TLC3 to the management of non retail uses in locations outside town centres is sufficiently flexible and consistent with the NPPF. In particular, it reflects the need highlighted in the NPPF for resilient centres which can withstand anticipated future economic changes, but also make it clear which uses will be permitted in these lower tier shopping centres.

Policy TLC3 allows for the possibility of community service uses and other non residential uses even when the quota policy is not satisfied. For example, where a premises has been vacant for at least 1 year, with evidence of unsuccessful marketing, change of use could be allowed on the basis of the contribution the unit makes to the centre in terms of its size, the characteristics of the proposed

use, the location of the unit within the centre and the shop front appearance. These criteria are considered necessary to manage changes of use whilst at the same time providing flexibility to allow those units which are genuinely vacant, with no evidence of demand for retail use, to change to more viable uses, including community use. This section of the policy will enable the council to make appropriate assessments on retail premises in the local centres based on the current instability within the retail industry and any other future economic changes that may occur during the plan period.

Policy TLC3 includes quotas for Satellite Parades. This designation allows a greater proportion of non retail and service uses to locate in central locations, helping to support the consolidation of retail uses in the town centre prime retail frontages. The approach is considered to meet the objectives of the NPPF (Para 23), making the centres resilient to change, whilst providing variety and choice in the retail offer.

8. Is TLC 4 (Parades et al) and its approach to A1 uses justified by the evidence base and consistent with national policy?

Policy TLC4 has been drafted to take account of the changing economic climate. For example, it does not use quotas for the permitted uses in small non designated parades, but instead has a list of criteria which includes length of vacancy and likely impact of a use upon the quality of the shopping parade to test the appropriateness of proposals for change of use.

The policy includes a flexible means of assessment for the viability of corner shops, seeking to protect them whilst considering the proximity of shopping centres within a walking catchment. Each of these elements of policy TLC4 are considered to be sufficiently flexible and fit for purpose locally, and the council considers that they conform with the objectives of the NPPF, specifically the 2nd and 3rd bullet points of para.23.

9. Is TLC 5 (Impact of Food and Drink) justified, positively prepared and capable of effective implementation? Is it too prescriptive in terms of opening hours?

The council considers that it's policy in respect of opening hours, as set out in policy TLC5 (KD1), is positively prepared and capable of effective implementation. It is flexible, adequately justified and consistent with the identification of Hammersmith, Fulham and Shepherds Bush as night time economy clusters in the London Plan (SD68).

The council considers that policy TLC5 is both flexible and justified and that it meets the objectives of sustaining the night time economy whilst regulating the opening hours of premises so as to minimise the impact on residential amenity. The first part of the policy sets clear opening hours for uses related to their location, which is justified in the supporting text. However, the policy also

provides criteria by which exceptions can be made to the opening hours. This provides flexibility and can enable later opening hours to support the evening economy where this is appropriate and justified. The council considers that exception criteria provides a flexible means for assessing night time opening hours which take account of local issues such as residential amenity and the London Plan's identified night time economy clusters.

The council considers this policy approach is co-ordinated with its licensing policy which seeks to manage night time activities in the borough's town centres. The council's licensing policy was drawn up in consultation with a number of bodies, including the Metropolitan Police and representatives of holders of premises licences. In addition, the policy approach has the support of town centre managers.

The council considers that the Local Plan policies are consistent with London Plan (SD68) which promotes extended opening hours in appropriate and predefined locations within town centres. The criteria in the policy will allow for appropriate night time activities to be considered beyond the restricted hours in and outside town centre boundaries. The council considers that its approach complements the London Plan's identification of night time economy clusters, whilst taking account of local issues concerning residential amenity.

10. Is TLC 6 (Betting Shops, Pawnbrokers and Payday Loan Shops and Hot Food Takeaways) justified by the evidence base and consistent with national policy?

The Local Plan's approach to betting shops, payday loan shops and pawnbrokers is considered to be justified, supported by appropriate evidence, positively prepared and consistent with national and London Plan policy.

The Council has produced a Background Paper: Betting shops, payday loan shops, and pawnbrokers September 2016 (SD21) setting out in detail how the approach to betting shops, payday loan shops and pawnbrokers in TLC6 is justified by evidence. It shows that:

- the number of payday lending, betting shops, and pawnbrokers have grown in the borough, and
- concentrations of these uses can harm the vitality and viability of centres, and have been linked with health and wellbeing impacts.

To avoid clusters of these uses and to protect the viability and vitality of Hammersmith and Fulham's centres, the Council (in policy TLC6) seek to resist schemes which result in more than one betting shop, payday loan store, or pawnbroker within 400m distance of the same use.

This approach accords with the NPPF by supporting the viability and vitality of town centres, aiming for a balance of land uses (NPPF paragraph 37), and by

promoting competitive town centres that provide customer choice and a diverse retail offer and which reflect the individuality of centres (paragraph 23).

Paragraph 4.50A of the London Plan states that it is important that the planning system is used to help manage clusters of uses to provide diverse and more vital and viable town centres and specifically states that over-concentrations of betting shops and hot food takeaways can give rise to concerns.

The Mayor's supplementary planning guidance for town centres (SD76) states that boroughs are encouraged to manage over-concentrations of activities, for example betting shops, hot food takeaways and pay day loan outlets (SPG implementation part 1.2). Regarding betting shops, it recognises that:

"there are genuine planning issues affecting amenity, community safety, diversity of uses and the continued success of town centres which justify allowing planning authorities to consider the merits of proposals for betting shops" (paragraph 1.2.30).

It also states that:

"there appears to be a correlation between the number of pay day loan outlets and the level of deprivation of an area. Growth in the number of these outlets has given rise to concerns in some parts of the capital. Where planning permission for change of use is required boroughs can help to limit the growth of payday loan shops by resisting such uses where they will result in an over-concentration and where they could impact on the amenity, character, diversity and/or function of an area" (paragraph 1.2.37).

The Local Plan approach is therefore considered to be consistent with national policy, the London Plan, and the Mayor's Town Centres SPG. The council have also used a number of other sources of information to justify and inform this policy. They include two reports about personal debt and two reports about the impact of fixed odds and high-prize gaming machines on problem gambling (SD97 and SD99) all of which highlight the issues associated with the uses in Policy TLC6 that the council are proposing to restrict.

Policy TLC6 also includes a restriction on A5 use. When considering proposals for hot food takeaways the council will take into account the proximity to areas where children and young people are likely to congregate, such as schools, parks and youth facilities. There is a link between childhood obesity and access to hot food takeaways and such policy provision is considered to be an appropriate way of reducing the accessibility of potentially unhealthy food outlets to young people. This approach is consistent with the objectives of NPPF. In particular, the NPPF seeks to use the planning system to promote strong, vibrant and healthy communities that reflect the community's needs and supports its health and well-being. The council considers that the policy wording is flexible enough to

allow for the consideration of a hot food takeaway, whilst assessing whether its location is appropriate.

Proposed amendment (MC97) as outlined in the council's minor changes schedule (KD4) is proposed in response to representations against Policy TLC6 with regard to viability requirements. This minor changes is considered to further enhance the policy and address some of the concerns raised by respondents.

11. Is TLC 7 (Public Houses) justified by the evidence base with particular regard to the viability requirements of 1.a?

The approach to Public Houses in the Local Plan is considered to be consistent with NPPF (para 70) and London-wide policy which cites the protection and enhancement of social infrastructure, which can include pubs. In particular, it is supported by policy 4.8 (supporting a successful and diverse retail sector and related facilities and services) of the London Plan (2016) (SD68) which recognises the important role that London's public houses can play in the social fabric of communities.

The approach is positively prepared as it plans to maintain an appropriate mix and balance of uses on the high street. The policy is not a ban on redeveloping and changing the use of pubs, but rather seeks to prevent the loss of viable pubs that meet a local need being developed.

Proposed amendment (MC98) as outlined in the council's minor changes schedule (KD4) is proposed in response to representations against Policy TLC7 with regard to viability requirements. This minor changes is considered to further enhance the policy and address the concerns raised by respondents.