

**Barnet's Local Plan  
Examination in Public  
Technical Paper on Retail/Town Centre Uses  
April 2022**

## **1. Introduction**

- 1.1 The Inspectors' letter of 9<sup>th</sup> February 2022 requested a retail/main town centre uses technical paper to explain, justify and address the queries relating to a number of the proposed site allocations seeking to secure employment, retail or community uses through mixed-use schemes.
- 1.2 This Technical Paper explains and justifies the Plan's approach to Town Centre uses and how the Council has taken a sensible and proportionate approach to site proposals for such uses.
- 1.3 This paper has drawn from evidence set out in the Barnet Town Centres Floorspace Needs Assessment 2017 as well as how the council has complied with the requirements of the National Planning Policy Framework (NPPF), planning guidance, regional planning policies guidance (The London Plan), legislature changes and the potential, and somewhat unknown implications from the COVID-19 pandemic. Each of these item requirements are followed by Barnet's justification and compliance response.

## **2. National and regional policy requirements for retail and town centres**

### **2.1 National Planning Policy Framework**

- 2.1.1 The National Planning Policy Framework (NPPF) para 86 requires local planning authorities to define a network and hierarchy of town centres, define the extent of Primary Shopping Areas (PSAs), retain and enhance existing markets, and allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead.
- 2.1.2 NPPF chapter 7: ensuring the vitality of town centres sets out that planning policies should:
  - a) define a network and hierarchy of town centres and promote their long-term vitality and viability – by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters;
  - b) define the extent of town centres and primary shopping areas, and make clear the range of uses permitted in such locations, as part of a positive strategy for the future of each centre;
  - c) retain and enhance existing markets and, where appropriate, re-introduce or create new ones;
  - d) allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over

this period should not be compromised by limited site availability, so town centre boundaries should be kept under review where necessary;

e) where suitable and viable town centre sites are not available for main town centre uses, allocate appropriate edge of centre sites that are well connected to the town centre. If sufficient edge of centre sites cannot be identified, policies should explain how identified needs can be met in other accessible locations that are well connected to the town centre; and

f) recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.

- 2.1.3 Para 87 states that local planning authorities should apply a sequential test to planning applications for main town centre uses which are neither in an existing centre nor in accordance with an up-to-date plan. Main town centre uses should be located in town centres, then in edge of centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period) should out of centre sites be considered. Para 90 covers the requirement for an impact assessment to support applications for retail and leisure outside of town centres.
- 2.1.4 Chapter 8: Promoting healthy and safe communities, sets out how policies should aim to achieve healthy, inclusive and safe places; including the need to plan positively for the provision and use of shared spaces, mixed-use developments, strong neighbourhood centres, community facilities (such as local shops, public houses) and other local services to enhance the sustainability of communities and residential environments.
- 2.1.5 The supporting Planning Practice Guidance (PPG) on Town Centres and Retail (updated 18 September 2020) covers planning for town centre vitality and viability; permitted development and change of use in town centres; and appropriately assessing proposals for out of centre development. It recognises that a wide range of complementary uses can, if suitably located, help to support the vitality of town centres, including residential, employment, office, commercial, leisure/entertainment, healthcare and educational development. In terms of the planning tools available to LPAs, the key way to set out a vision and strategy for town centres is through the development plan and (if needed) supplementary planning documents. The PPG also recognises that, when planning for town centres and their role and function over the plan period given the rate of change, predicting long-term retail trends and consumer behaviour can be uncertain and therefore forecasts may need to focus on a limited period (such as the next five years) but will also need to take the lifetime of the plan into account and be regularly reviewed.

### ***Barnet's Justification and Compliance with NPPF requirements***

- 2.1.6 Barnet's town centre hierarchy consists of one Major Centre, 14 District Centres, 16 Local Centres and a Regional Shopping Centre (with the future potential designation as a Metropolitan Centre) at Brent Cross. In addition, there are seven out of town retail parks, over 50 local parades and several weekly markets in the Borough. The diversity of these town centres means that each has a special character that contributes to the distinctiveness of the Borough as a whole. It is important that character is retained and enhanced. This has been reflected in the Local Plan

Policies TOW01: Vibrant Town Centres and Policy TOW02: Development principles in Barnet's Town Centres, Local Centres and Parades.

- 2.1.7 Barnet's vision for its town centres recovering from the COVID19 pandemic is for them to thrive as the foci for providing sustainable mixed-use development. Making optimal use of their locational opportunities to address the needs of a growing population; together with retail, providing innovative business, residential, leisure and cultural activities, whilst at the same time as retaining their individual character and identity. These town centres are the economic, civic, retail, leisure and transport hubs of the Borough and a good indicator of its economic, environmental and social health. Town Centres boundaries were established in 2012 and have not changed in the submitted Local Plan..
- 2.1.8 Policy TOW01: Vibrant Town Centres promotes the vitality and viability of the Borough's town centres by managing a strong hierarchy of town centres as the priority location for commercial, business and service uses. The Council supports an appropriate mix of uses within the designated centres of Brent Cross, Edgware, Cricklewood, District Town centres and Local Centres.
- 2.1.9 Barnet's Policy TOW02: Development Principles in Barnet's Town Centres, Local Centres and Parades, states that the Council expects a suitable mix of appropriate uses to respond to changing demands and support and boost their continued vitality and viability. Any significant new development will be expected to provide a mix of unit sizes, avoid an inward looking layout, maintain the street frontage and provide suitable and convenient linkages for shoppers to access other town centre uses. The Council will seek to ensure that (a) within the primary frontages of Major and District Town Centre, Local Centres and Parades the retail function is safeguarded as part of the Commercial, Business and Service Use Class. Any proposals that reduce Commercial, Business and Service Use floorspace will only be supported if the detailed criteria set out in the policy are met. The re-use of vacant sites or buildings for occupation by meanwhile uses that will benefit a town centre's viability and vitality will be supported. Markets in town centres will normally be supported, in particular where they contribute to greater retail choice, affordability and support for small enterprises.

## **2.2 Impact of Changes to the Use Class Order**

- 2.2.1 The Use Class Order (UCO) that came into effect from 1 September 2020 introduced a new Class E (commercial, business and service uses) which includes the former Use Classes:
- A1 (shops)
  - A2 (financial and professional services)
  - A3 (restaurants and cafés)
  - B1 (commercial, business and service uses), comprising office, research and development and light industry
  - D1 (non-residential institutions) in part, comprising medical or health services, clinics, creches, day nurseries and day centres
  - D2 (assembly and leisure) in part, comprising gyms or areas for indoor recreation
- 2.2.2 A new Class F was also introduced broken down into:

- i) F1 (learning and non-residential institutions) which includes some of the former uses under Class D1 (non-residential institutions), including museums, public libraries, art galleries, schools, and places of worship.
  - ii) F2 (local community uses) which includes former Class A1 shops defined that are not more than 280 sqm mostly selling essential goods, including food, and at least 1km from another similar shop. This Use Class also includes former Class D2 (assembly and leisure), such as meeting places/halls, indoor/outdoor swimming baths, skating rinks, and outdoor sport and recreation.
- 2.2.3 An extension was also made to the Sui Generis uses (which fall outside the specified use classes) to include the former Use Classes A4 (pubs and drinking establishments) and A5 (hot food takeaways). It also incorporates some uses previously classified under D2 (assembly and leisure), including cinemas, concert halls, live music venues, bingo and dance halls.
- 2.2.4 The Government also introduced a new Class E to MA (old class C3) Permitted Development Right on 1 August 2021 under the General Permitted Development Order (GDPO) subject to prior approval applications. It does not apply to buildings with a cumulative floorspace of more than 1,500 sqm or to listed buildings but will apply in Conservation Areas. Previously, local planning authorities have sought to retain some control over permitted development rights by introducing Article 4 Directions requiring the submission of planning applications and therefore removing the use of permitted development orders in specified areas including town centres. Transitional arrangements provide that existing Article 4 Directions protecting office floorspace will remain in force until 31 July 2022.

### ***Barnet's Justification and Compliance with new Use Class Order***

- 2.2.5 The impact of the Government's recent changes to the Use Classes Order in 2020 and subsequent expansion of permitted development rights in 2021 have been difficult to quantify for this Local Plan, however, one immediate impact has been the removal of strategic borough-wide growth targets for comparison and convenience retail space. In response to these changes the Council will focus on both planning and non-planning interventions to manage and shape town centres. The Local Plan will continue to provide the foundations for growth and ensure that the core functions of our town centres in terms of Commercial, Business and Service uses are safeguarded. In addition, the Council will use its planning powers (through use of planning conditions) to manage non-retail commercial uses (within Use Class E) particularly within core areas of the town centre.
- 2.2.6 Para 2.1.6 of the Plan clearly states that in our town centres the impact of e-tailing (online shopping) and m-tailing (mobile app shopping) has been amplified by the COVID19 pandemic. Whilst now presenting greater challenges they also provide opportunities for Barnet's town centres to improve their offer, helped by the Council's COVID19 Recovery Programme and the way the Local Plan responds to the Government's fundamental review of the Use Classes Order. Use Class E is intended to allow greater flexibility to change between commercial, business and service uses. It will therefore have an impact on the Council's ability to manage and safeguard commercial uses in Barnet's town centres and employment areas. Further planning reforms through the General Permitted Development Order in 2021 have widened permitted development, allowing conversion from Use Class E to residential (Class

MA). The Government's encouragement of permissiveness presents a significant challenge for enabling existing businesses to be resilient and ensure that Barnet remains a great place to start and grow a business.

## **2.3 The London Plan 2021**

- 2.3.1 The London Plan was adopted in March 2021 as the spatial development strategy for London. It forms part of the Council's Development Plan. The London Plan Opportunity Areas (OAs) are identified as having the greatest potential to accommodate substantial new housing, commercial development, and infrastructure (of all types), linked to existing or potential improvements in public transport connectivity and capacity. Policy SD1 ensures that Opportunity Areas fully realise their growth and regeneration potential.
- 2.3.2 For Barnet the London Plan Table 2.1 identifies the potential in a number of opportunity areas and their associated town centres. Indicative capacity for new homes and jobs sets out that: Crossrail 2 North - New Southgate (town centre and areas shared between LB Barnet and LB Enfield) will have 2,500 homes and 3,000 jobs; Highspeed 2 Thameslink - Colindale/Burnt Oak (Colindale town centre shared between LB Barnet and LB Brent; Burnt Oak Town centre shared between LB Barnet, LB Brent and LB Harrow)) will have 7,000 homes and 2,000 jobs; and Brent Cross/Cricklewood (part shared with LB Brent) 9,500 homes and 26,000 jobs. Homes figures are based on 2017 SHLAA capacity from 2019 – 2041. Jobs figures are based on the London Employment Sites Database for the period 2016 to 2041.
- 2.3.3 Support for regeneration at Brent Cross Cricklewood has long been embedded in local and regional policy. The area was first identified as an Opportunity Area in the 2004 London Plan. In London Plan 2021 - Figure A1.1 - Future Potential Changes to The Town Centre Network recognises Brent Cross as having potential as a new Metropolitan Town Centre with high commercial, residential and office growth potential and as a strategic area for regeneration.
- 2.3.4 Policy SD6 Town Centres and High Streets specifically supports the vitality and viability of London's varied town centres. The need for adaption and diversification is recognised. The Plan states that town centres will need to diversify the range of commercial uses, particularly smaller centres, and those with projected decline in demand for retail floorspace.
- 2.3.5 For plan-making, Policy SD7 Town centres: development principles and Development Plan Documents states that each London Borough should proactively plan to meet forecast need for main town centre uses by allocating sites within or (where justified) on the edge of town centres, and through town centre boundary reviews. Where town and edge of centre sites are not available, local plans should identify future potential town centres that could accommodate the forecast additional need, and set appropriate policies, boundaries, and site allocations for these areas.
- 2.3.6 Policy SD8 sets out London's Town Centre Network. In summary, the network comprises of International, Metropolitan, and Major Town Centres. This is followed by District Centres and at the lower tier are Local and Neighbourhood Centres.

- 2.3.7 The London Plan recognises that the capital's town centre network is dynamic, and the role and function of centres will change over time. Within OAs, for example, it may be appropriate to designate new town centres to meet the needs of the local community and to serve areas of deficiency for certain uses. It may also be appropriate to re-classify some existing centres, in order to respond to shifts in demand for commercial uses or to reflect significant spatial, environmental and public transport connectivity improvements to existing out-of-centre retail parks.

***Barnet's Justification and Compliance with London Plan policies***

- 2.3.8 Local Plan Policy BSS01 Spatial Strategy for Barnet clearly states that in order to make the Council's vision for Barnet happen, the Local Plan seeks to deliver between 2021 and 2036, 395,000m<sup>2</sup> of new office space at Brent Cross Town and 56,600 m<sup>2</sup> of new retail space at Brent Cross North; Up to 67,000 m<sup>2</sup> of additional office space across Barnet's town centres, including the provision of affordable workspace to meet Policy ECY02.
- 2.3.9 In order to better manage the impacts of development on the climate, growth will be concentrated in accordance with the Local Plan's suite of strategic policies GSS01 to GSS13 in the Opportunity Areas of Brent Cross Cricklewood, Colindale and New Southgate, together with Barnet's Growth Areas and District Town Centres. These are the most sustainable locations with good public transport connections and active travel provision. Outside of these locations, growth will be supported in places where there is recognised capacity and where the historic environment and local character can be conserved or enhanced as a result. Town centre development delivers on the Council's guiding principles for growth and underpinned by the town centres and high streets policies as well Good Growth policies of the London Plan.
- 2.3.10 Employment is critical to the vitality of town centres, and the Council will support viable employment opportunities to sustain activity and encourage growth including greater variety in the typology of workspace provision (Policy ECY01). The Council protects employment locations classified as Locally Significant Industrial Sites within certain town centres and across Barnet. In 2019 it implemented an Article 4 Direction to protect existing office accommodation (formerly B1a) and light industrial processes, research and development (formerly B1c) from permitted development conversion to residential. This safeguarding has been diminished by the replacement in 2020 of Use Class B1 with Use E - Commercial, Business and Service Uses. The Council continues to explore options on the use of Article 4 Directions for the further safeguarding of employment land as the current directions expires 31<sup>st</sup> July 2022.
- 2.3.11 Although local evidence on the longer-term impacts of COVID-19 is still emerging, particularly through the Council's COVID-19 Recovery Programme, the Local Plan helps form the basis of a response to the pandemic. It reflects Council priorities: to support residents to improve their skills and get good jobs in the post-COVID economy; to enable town centres and our regeneration areas to thrive, and create an environment in which businesses can succeed and accelerate the borough-wide roll out of high quality digital connectivity. As part of the London Recovery Programme the Council is working with the Mayor of London and London Councils as well as other partners from the public, private and voluntary sectors to help restore

confidence in the city, minimise the impact on London's most vulnerable communities and helping to rebuild the capital's economy and society.

### 3 **Barnet's Town Centres Evidence Base**

3.1 The Town Centre Floorspace Needs Assessment (TCFNA) December 2017 provides an overview of the health of the town centre network. It was produced on the basis of the pre-2020 Use Classes Order. The study highlighted that:

- there is scope for further improvement of Barnet's town centres in both quantitative and qualitative terms which remains a post COVID19 priority. This considered demand for another 77,000 m<sup>2</sup> of (Use Class A1-retail) comparison floorspace up to 2036. A1 has also been subsumed with A2 and A3 uses within new Use Class E. The TCFNA also considered demand for up to 33,330 m<sup>2</sup> of food and drink uses, the majority of which (as restaurants and cafes) now sits within new Use Class E. As the retail market continues to experience significant structural and conceptual change there is a need for town centres to diversify in terms of other retail uses such as food and drink, becoming social and community hubs as well as economic centres supported by new housing development.
- All town centres could benefit from improvement to the existing leisure offer. Improving the offer of town centres to their neighbourhoods and being more accessible by walking and cycling is an increased priority. Food and drink uses account for approximately 77% of total leisure spending growth in Barnet with North Finchley, Whetstone and Edgware highlighted as the town centres most likely to experience the most significant levels of food and drink expenditure growth if spending patterns return to pre COVID19 trends. Pre COVID19 spending on recreational and sporting services was estimated to account for 12% of total leisure spending growth in Barnet. The town centres of Cricklewood, North Finchley and Golders Green were forecast to experience the most significant levels of recreational and health and fitness expenditure growth based on those pre COVID19 spending patterns.
- Barnet has three cinemas with a total of 14 screens. With most of the screens in the east of the Borough Barnet, prior to COVID19, experienced a high level of expenditure leakage (57%) amongst cinema goers. The cinema screen capacity assessment highlights capacity to support an additional 14 screens up to 2036 in Barnet, equivalent to one large multiplex cinema or up to five boutique cinemas. The proposed multiplex at Brent Cross will account for a significant element of the indicated capacity, however there may also be potential for localised boutique style cinemas in larger town centres. Further evidence is required on the revival of cinema following the COVID19 pandemic.
- Clustering of uses for gambling, betting, payday loan shops, hot food take-away bars have negative health implications for users. This still remains an issue of concern in Barnet's town centres.
- Colindale, The Hyde is a District Centre performing more like a Local Centre. The immediate impact of COVID19 on all town centres is being monitored. Growing number of service sector units (e.g. hairdressers, nail bars), accounting for almost half of total retail unit provision in Local Centres. The immediate impact of COVID19 on all town centres is being monitored.

- Opportunities to promote digital technologies in town centres to future-proof them against declining footfalls. There is a more urgent need for digital high streets to enable town centres to respond to online retail and improve the attractiveness of their offer.
- Landlords are focusing on improving the quality of existing retail parks through refurbishment and the introduction of a greater range of uses, including leisure and night-time economy. Retail unit floorplates in town centres are generally more constrained. The response of landlords to the overhaul of the Use Classes Order in 2020 and the replacement of the A1 – shops Use Class by the wider Use Class E – Commercial, Business and Service is still being assessed.
- COVID19 has greatly impacted the economy with the full long term effects upon business and employment, remaining relatively unknown. A challenge to the success of town centre growth and vitality is the rise in online shopping and the difficulties that high street and independent retailers have had in responding to this competition. In response by offering a unique experience and providing destinations that allow people to access jobs, leisure and cultural facilities and enjoy attractive public realm, re-invigorated town centres can generate increased footfall and further contribute to local economic prosperity.

### ***Barnet's Justification and Compliance with TCFNA Evidence***

- 3.2 The qualitative improvements are reflected in council's various town centre strategies and SPDs whilst the locational distribution and quantitative improvements are stated in policies BSS01, GSS01 to GSS13 and TOW01-04.
- 3.3 The Plan expects to deliver up to 67,000 m<sup>2</sup> of additional office space across Barnet's town centres, including the provision of affordable workspace to meet Policy ECY02. Brent Cross has outline consent from 2010 for 56,600m<sup>2</sup> of comparison retail floorspace. Similar to the Barnet Employment Land Review (BELR), the Town Centre Floorspace Needs Assessment (TCFNA) was produced on the basis of the pre-2020 Use Classes Order. This considered demand for another 77,000 m<sup>2</sup> of (former Use Class A1 comparison floorspace up to 2036 together. Retail uses, along with financial and professional services and café uses, have been subsumed within Use Class E. The TCFNA also considered demand for up to 33,330 m<sup>2</sup> of food and drink uses, the majority of which (as restaurants and cafes) now sits within Use Class E. As the retail market experiences significant and conceptual change there is a need for town centres to diversify in terms of other retail uses such as food and drink, becoming social and community hubs as well as economic centres supported by new housing development.
- 3.4 The Local Plan's suite of strategic policies GSS01 to GSS13 in the Opportunity Areas of Brent Cross Cricklewood, Colindale and New Southgate, together with Barnet's Growth Areas and District Town Centres are the most sustainable locations with good public transport connections and active travel provision. Outside of these locations, growth is supported in places where there is recognised capacity and where the historic environment and local character can be conserved or enhanced as a result. All sites allocated for retail, employment and commercial uses in the Local Plan are also allocated within these areas, therefore justifying sites for non-residential uses.



- 3.5 Growth of the local economy will be encouraged and supported, generating the new jobs needed to provide employment for Barnet's growing population. During the plan period Barnet will deliver more than 27,000 new jobs, with the majority of these to be generated in the Brent Cross Growth Area where permission has been granted for 395,000 m2 of offices which now forms part of Use Class E – Commercial, Business and Service Uses.
- 3.6 In accordance with the TCFNA evidence, Policy TOW03 on Managing Hot Food Takeaways, Adult Gaming Centres, Amusement Arcades, Betting Shops, Payday Loan Shops, Pawnbrokers and Shisha Bars addresses the need to discourage such uses within town centres.
- 3.7 The Council is committed to maintaining a range of town centres capable of serving a range of community needs at all times of the day and to ensuring their continued vitality and viability. This Local Plan ensures that the sustainable success of town centres and employment areas as thriving places where retailers and other businesses want to invest and to explore the scope for them to play an important part in addressing the causes and consequences of climate change. However, the changes to the Use Classes Order and the General Permitted Development Order in 2020 and 2021 together with proposals in the "Planning for the Future" and "Levelling Up" White Papers, and the implications of Brexit, have changed this context.
- 3.8 The Covid-19 pandemic has accelerated movement away from traditional retail formats and further changed the way we shop and interact with town centres as the focus of local commercial activity. Through working with our partners in the West London Alliance (WLA) the Council is seeking a better understanding of what format and quantum – if any – of additional space we may need in terms of retail provision. This will establish how much each of the uses covered by the new Use Class E may be needed over the period to 2036 and the key trends and drivers affecting this.
- 3.9 In Spring 2022, WLA commissioned a Use Class E Town Centre Study for all west London boroughs. The report by Urban Foresight will be published in Autumn 2022. A key element of the proposal is the Sqwyre system, which primarily based on non-domestic rating records, provides a longitudinal dataset that gives a more comprehensive, longer-term view than information from agents (so covering vacant units that are not being actively marketed) from which it is possible to identify trends and separate out genuinely longer-term ones from more recent ones, and which can help inform conclusions about what is really the "new normal". The Sqwyre data will inform the development of scenarios drawing on evidence about what has happened in the recent past. WLA could agree different scenarios and change them to see what might happen in particular circumstances and over different timescales. This would help identify what can and cannot be done through the planning system. The scenario-based approach entails divergence from more traditional town centre studies i.e. the Town Centre Floorspace Needs Assessment, but it also gives scope for a wider focus going beyond planning responses and to look at implementation as well as policy-making.

#### **4 Site Allocations and proposals for employment, retail and other main town centre uses**

- 4.1 A separate housing technical paper has been prepared that sets out how the sites allocations have been identified.
- 4.2 The Local Plan explains at para 16.3.1 that where a site is expected to have uses other than residential, the type of uses are described. In some cases, these uses reflect those already happening on the site, for example for town centre sites this could be commercial uses such as retail and offices, or public houses, restaurants or a cinema. In other cases, the use type would support the residential development and be suitable to the location, for example a community use could include a creche or a gym as part of a large housing delivery. Town centre sites are included as those that are within 400 metres of a Town Centre boundary.
- 4.3 Following the Regulation 19 consultation the Council has reconsidered the 'Proposed Uses' section of Site Proposals in Annex 1, particularly in relation the use of floorspace percentages. Through doing so the Council is seeking to express the uses more clearly and flexibly. The initial approach provided a percentage split for each site to guide development, with the concept of aiming for relatively precise guidance. The Reg 19 consultation comments received, however, indicated that the percentage approach was too restrictive and could be difficult to interpret. Following this feedback, the Council intends to modify each site by removing the reference to percentages and instead relying upon a descriptive approach. This is consistent with the approach taken by other London boroughs such as the recently adopted LB Brent Local Plan. Commercial uses will be sought as part of mixed-use development on those sites assessed as suitable.