Appendix 1 – draft policies on Retailing

Context

Retailing provides an important service for all the City's communities – but retail demand is largely driven by City workers. The predominance of workers in the City has resulted in a five-day (Monday-Friday) trading week with footfall concentrated over weekday rush hours and lunch times. Several locations also cater for week-end and evening trade; this trend has been growing and is to be encouraged.

There is demand for a better range and quality of retail and leisure facilities. The above average spending power of the City's growing working and residential populations, longer and extended working and trading hours, the increasing number of visitors and the Square Mile's high accessibility by public transport create significant opportunities for improvement to the retail offer.

The ways in which people shop and use retail facilities is changing and the City's retail offer needs to adapt to address changing consumer and leisure habits.

Core Strategic Policy CSXX: Retailing

The quantity and quality of retailing and the retail environment will be improved, promoting the development of the four Principal Shopping Centres (PSCs) and the linkages between them by:

1. Focusing new retail development in the PSCs and encouraging movement between them by enhancing the retail environment along Retail Links.

2. Supporting proposals that contribute towards the delivery of 196,000 m^2 gross of additional retail floorspace across the City to meet future demand up to 2036.

3. Requiring major shopping developments to be located within or near PSCs. Where suitable sites cannot be identified within PSCs, sites immediately adjoining the PSCs and in Retail Links should be considered. Other areas of the City will only be considered where no suitable sites are identified within or adjoining the PSCs and Retail Links.

4. Requiring a Retail Impact Assessment for schemes of 2,500m^2 and above outside PSCs. The cumulative impact of retail floorspace will be taken into account in the assessment of planning applications.

5. Giving greater priority to shops (A1 uses) within the PSCs, with a broader mix of retail uses on the peripheries of the centres and the Retail Links.

6. Supporting the provision of retail uses that provide active frontages at street level across the City where they would not detract from the viability and vitality of the PSCs and the Retail Links.

Reason for the policy

Four Principal Shopping Centres (PSCs) have been identified which provide a variety of comparison and convenience shopping within the City of London: Cheapside, Moorgate/Liverpool Street, Fleet Street and Leadenhall Market. Cheapside is considered to be the City's 'High Street' and has seen the most significant retail development in recent years. Liverpool Street/Moorgate PSC has significant potential to accommodate further retail floorspace, capitalising on the opening of the Elizabeth Line by becoming a key retail destination.

The PSCs are recognised in the London Plan as 'CAZ Retail Clusters' that accommodate a range of other commercial uses alongside the retail function. Beyond the PSCs, retail units are more dispersed across the City though many are on streets identified as Retail Links (see Figure X), while others form convenient local centres or are isolated units.

Map X: Principal Shopping Centres and Retail Links – to be updated

There are further opportunities to develop the City's retail offer, allowing for a broad mix of retail facilities while maintaining a predominance of A1 retail use. The City's policy approach seeks to strengthen the status of the four PSCs, enhancing the retail offer in the City, supporting its primary business function and the growing cultural activity within the City. Further improving pedestrian links and the retail offer within the Retail Links would encourage shoppers to move between the PSCs.

Major retail development should locate within PSCs, but where suitable sites are not available should consider sites on the edge of the PSCs or the identified Retail Links. Smaller scale retail uses will be encouraged throughout the City, particularly where they provide an active frontage and facilities which meet the needs of the City's working population or provide for the needs of local residents.

The floorspace target in Policy CS XX is based on a Retail Needs Assessment which identified a need for 196,000 m^2 of additional retail floorspace up to 2036. The Assessment identifies the potential for significant retail growth in and around the PSCs, with a focus on potential growth around Liverpool Street/Moorgate. Some growth is also anticipated to come forward outside the PSCs, near them or along the Retail Links.

Policy DM X.X: Principal Shopping Centres

1. Within Principal Shopping Centres (PSCs) the loss of ground floor retail frontages and/or floorspace will be resisted and additional retail provision will be encouraged. Proposals for changes between retail uses within the PSCs will be assessed against:

- the contribution the unit makes to the function and character of the PSC; and
- the effect of the proposal on the area in terms of the size of the unit, the length of its frontage, the composition and distribution of retail uses within the frontage and the location of the unit within the frontage.

2. Proposals for the change of use from shops (A1) to other Class A uses at upper floor and basement levels will normally be permitted, where they do not detract from the functioning of the centre or amenity.

Reason for the policy

The frontages of the four PSCs are defined on the Policies Map. Concentrating major new retail development in or near PSCs will ensure that their vitality and viability is maintained and will provide an opportunity to focus retail facilities in the most appropriate areas of the City, enhancing these as shopping destinations for City residents, workers and visitors. Sites or buildings that contain a designated PSC frontage are considered to be part of the PSC in their entirety and will not require a sequential or retail impact assessment if retail development is proposed elsewhere on the site.

Retailing comprises shops (A1), financial and professional services such as banks (A2), restaurants and cafes (A3), drinking establishments (A4) and hot food takeaways (A5). When considering proposals for changes between retail uses, the City Corporation will require the provision of active retail frontages onto the street and will also assess the contribution the unit makes to the character of the PSC as a whole and its frontage; for example, units that are large or in prominent locations should be retained in A1 use.

The net loss of ground floor retail uses to non-retail uses within the identified PSC frontages could compromise the vitality of the PSCs and will be resisted. A1 units at upper floor and basement levels may contribute to the retail provision of PSCs. However, it is recognised that pressure on ground floor shop units may be reduced by locating other retail uses at non-ground level. Change of use from shops to other retail uses at upper floors or basements will be assessed in relation to the contribution the unit makes to the character of the PSC and the effect of the proposed entrance and use on the ground floor frontage. This policy refers to individual retail units facing PSC frontages and not to multi-level shopping centres.

Each PSC in the City has an individual character which will be considered in the implementation of policy:

Cheapside

Cheapside is the largest PSC in the City and serves a wider catchment area than the other centres. The PSC includes Bow Lane and the ground floor of One New Change as well as Cheapside itself. The PSC has undergone significant redevelopment in recent years and the strategy now is to reinforce its role and character as the City's 'High Street', maintaining a clear predominance of A1 units with a focus on comparison goods and food and drinks provision. There is scope for greater weekend trading and for some additional retail floorspace, particularly to link the western part of Cheapside with Culture Mile. The proposed Bank Junction highways and public realm improvements offer an opportunity to achieve greater pedestrian movement and retail links between Cheapside and retail activity within the Royal Exchange and further east.

Fleet Street

Fleet Street is the smallest PSC and predominantly serves the needs of nearby workers and residents with a limited number of premises opening in the evenings or at weekends. The PSC has a linear form and the busy road acts as a barrier to pedestrian permeability. Improvements to the public realm would help to improve the visitor and shopper experience. The current retail stock is largely A1 food retail, and there is an opportunity to capitalise on the comparatively lower rents, Fleet Street's outstanding heritage and development opportunities to develop a more distinctive retail mix in this PSC. There is some capacity for additional retail provision between Fleet Street and Holborn and there is scope to strengthen retail links with Cheapside.

Leadenhall Market

Leadenhall Market PSC is centred on the iconic Victorian market building, but it also includes several surrounding streets. The PSC is located at the southern end of the City Cluster which accommodates a significant and growing proportion of the City's workforce. The historic market building is also visited by a relatively high proportion of tourists and so evening and week-end trading is encouraged. The character of the historic market will be maintained and enhanced as a visitor and retail destination, supporting a flexible range of retail uses with an emphasis on food and drinks. Increased demand arising from the expanding workforce near the area will be met through larger, modern units in the surrounding streets which act as gateways to the market. Additional retail will also be provided by active retail frontages to new office development in the area.

Liverpool Street/Moorgate

Liverpool Street/Moorgate PSC is the second largest in the City but has a relative under-provision of comparison goods space compared to the City average. Retail demand in this PSC will increase due to the improved connectivity arising from the Elizabeth Line and development and refurbishment proposals in and around the Broadgate Estate, supported by further retail provision along routes between Liverpool Street and Moorgate stations. There is potential for the PSC to expand its 7-day a week role, capitalising on its strong transport accessibility, its proximity for inner London residents and to nearby visitor and cultural attractions such as the Culture Mile, Old Spitalfields Market and Petticoat Lane Market.

Policy DM X.X Retail Links

Within the Retail Links, the net loss of retail frontage and floorspace will be resisted and additional retail development will be supported. A mix of shops and other retail uses will be permitted in the Retail Links, ensuring that the location and balance of uses does not adversely affect the function of the Link, any nearby PSC or their surrounding areas.

Reason for the policy

Retail Links connect the City's PSCs and provide connections to neighbouring boroughs' retail frontages, transport hubs, areas with high footfall and residential areas, providing City workers and residents with important services and leisure facilities. Retail Links are a key part of the 40% of the City's existing retail stock found outside of the PSCs and they play a significant role in meeting demand particularly for day-to-day retail goods and services.

The Retail Needs Assessment Study identified the need for approximately 85,000m^2 of additional retail floorspace in the 'rest of the City' outside the PSCs. The Study highlighted two areas that should be a priority for new floorspace outside the PSCs: Farringdon/Culture Mile and Eastcheap/Monument. Retail provision which will help increase vibrancy within Culture Mile is addressed in Policy XX. Delivery of new retail floorspace at Eastcheap/Monument could help to meet some of the demand arising from office development in the City Cluster which cannot be accommodated within the Leadenhall Market PSC and would also provide more vibrant links towards the Pool of London.

While the Retail Needs Assessment Study concluded that the Retail Links continue to play an important role in meeting demand, it advocated a different occupier mix in these areas compared to the PSCs in order to avoid drawing visitors away from the prime PSC streets. Comparison goods shopping should be focused in the PSCs to maintain the health of the City's core retail offer.

While the mix of uses in the Links should include A1 shops, a variety of other retail uses will be permitted, where there is no detrimental or cumulative effect on the amenity of neighbouring residential or business premises, such as through noise, disturbance and odours.

Policy DM X.X: Ground floor retail provision elsewhere in the City

Retail uses will be permitted at ground floor level providing they:

- include active frontages onto the street;
- do not impact adversely on the amenity of residents, workers and visitors;
- do not impact adversely on the operation of office premises; and
- would not adversely affect the vitality and viability of the PSCs or Retail Links.

The loss of A1 units that meet a local residential need will be resisted unless it is demonstrated that they are no longer required.

Reason for the policy

Retail units outside of PSCs and Retail Links provide local facilities for the City's workforce, enhance the City's vibrancy, and may serve the City's residential communities. The provision of new retail units, particularly A1 units, at ground floor level in existing and new development will be supported where these units do not have an adverse impact on the operation of office premises, provide an active frontage onto the street and do not have an adverse impact on the amenity of residents, workers or visitors by reason of noise, smells or fumes from the operation of the unit or servicing and deliveries.

Policy DM X.X: Specialist Retail Uses and Markets

The City Corporation will seek to retain and promote specialist retail uses and premises that are historically and culturally significant to the City of London.

Proposals for markets and temporary pop-ups will be permitted where they:

- are of an appropriate scale and frequency for their location;
- would not have a significant adverse impact on the vitality and viability of existing retail centres within or outside the City;
- would not have a significant adverse impact on the amenity of nearby residents or business occupiers; and
- would not unduly obstruct pedestrian and vehicular movement.

Reason for the policy

Alongside the PSCs there are some specialist retail uses and premises within the City that cannot be found elsewhere, such as the historic Royal Exchange which features many specialist boutiques and restaurants. The London Silver Vaults on Chancery Lane is a unique destination containing over 30 independent specialist shop units with silver dealers selling, buying or repairing antique goods. These uses contribute to the City's visitor economy and to its cultural distinctiveness, and therefore should be retained and promoted.

Street trading in the City is regulated by the City Corporation under the City of London Various Powers Act 1987 (as amended), which restricts permanent street trading but allows street trading to take place for temporary periods in specified locations. The exception is on Middlesex Street (Petticoat Lane) Market, which straddles the boundary between the City and Tower Hamlets, where licensed trading is permitted between 9am and 2pm on Sundays. Further information on licensing requirements is set out in the City Corporation's Street Trading Policy which is available on the Corporation's website.

Temporary street trading, where permitted under the Various Powers Act, can operate for up to 14 days in a calendar year under permitted development rights. Trading for longer periods will require planning permission. Market trading off City streets but within the curtilage of a building will similarly require planning permission if undertaken for a period of 14 days or more in a calendar year.

There is an increasing demand for temporary pop-ups and street food markets, such as the Guildhall Yard Lunch Market, which support the local economy by generating increased vibrancy and footfall. When assessing proposals for new markets and pop-ups, issues to be considered include whether there would be any significant adverse impacts on existing retail centres within the vicinity, or on the amenity of nearby residents or business occupiers, or on pedestrian and vehicular movement.