

## **Out of Centre Proposals**

The city's designated centres are generally the focus for retail and other town centre uses, however, there are a range of shops and services across Coventry which are not located in a defined centre. Whilst retail and leisure investment are not encouraged outside of the centres hierarchy, it is recognised that there may be occasions when proposals for uses outside defined centres are considered suitable and acceptable. This reflects the NPPF's approach to centres first and where this cannot be accommodated the consideration of out of centre proposals through a Sequential Assessment and impact test.

To support this policy the Council have undertaken a thorough review of existing retail provisions to help understand what sort of proposals would warrant consideration through a Sequential Assessment and Impact Test. The NPPF requires a Sequential Assessment for all main town centre proposals outside of a designated centre, but sets a threshold of 2,500sq.m for impact Tests. Both thresholds can be changed through respective local plans when having regard to local circumstances and evidence.

Having regard to the difficulties and pressures facing Coventry's hierarchy of centres and the pressures it faces competing with out of centre retail parks and neighbouring towns and cities there is clear justification to retain a 'catch all' threshold for Sequential Assessments. In terms of Impact Tests, the council have considered the average size of units throughout the hierarchy as well as the sort of proposals that have come forward for planning considerations in recent years. This has supported an understanding of the sort of proposals that could be expected and at what level they could have an impact on the units within designated centres. The Council's monitoring has identified an average unit size across all centres of 362sq.m, although this does decrease to 220sq.m when the city centre is excluded. In turn the average unit size within the city centre is 457sq.m. This reflects the city's broad centres profile of smaller units linked to a scattering of larger anchor style units. In general, the profile of recent out of centre proposals varies from approximately 120sq.m to 1,700sq.m. With vacancy rates remaining high and centres remaining under pressure it is therefore considered justified to introduce a threshold for impact tests below that identified in the NPPF. Based on the evidence available it is clear that the city's existing designated centres are focused around smaller units, with 88% of all stores outside of the city centre below 250sq.m in size, highlighting the greater likelihood for impacts to be felt in smaller units. Although this figure drops to 74% inside of the city centre, there is still a clear focus on smaller units. Notwithstanding, the city's out of centre retail parks, which would be the most likely focus for out of centre proposals, contain units which average around 900-1,200sq.m in size. As such, the evidence base suggests that on balance a threshold of 1,000sq.m would be appropriate to apply for impact tests across Coventry. This will ensure impacts on smaller units are considered whilst also placing greater emphasis on the average unit sizes within the city centre, where the greatest importance exists.

## **Policy R4: Out of Centre Proposals**

1. Proposals for retail and other Main Town Centre uses (including proposals for the expansion or re-configuration of existing uses and the variation of existing conditions) will not be permitted in out-of-centre locations unless they satisfy the Sequential Assessment and the Impact Test (where appropriate).
2. Sequential Assessment
  - a. A Sequential Assessment will be required for all retail and other Main Town Centre use proposals outside a defined centre and should be prepared in accordance with national guidance. This should have regard to the centres hierarchy set out in policy R3.
  - b. Where in-centre options are exhausted, edge of centre locations (within 300m of a centre boundary) that are well connected and accessible to the centres themselves should also be considered in advance of out of centre sites.
3. Impact Test
  - a. An Impact Test will be required for all retail and other Main Town Centre use proposals outside a defined centre that exceed 1,000sq.m (gross) floor space. The Assessment of Impact should be prepared in accordance with national guidance and consider the potential impact on the vitality, viability, role and character of a defined centre(s) within the centres hierarchy (as set out in policy R3).
  - b. Catchment areas for Sequential Assessments and Impact Tests will be considered on a case by case basis to reflect the specific proposals being considered.

National Guidance is not clear how proposed extensions to existing out of centre Main Town Centre uses should be considered. There is clear local evidence however that in order to strengthen the city centres hierarchy that out of centre provisions should be limited. As such, the same approach is to be applied to proposals for the extension of existing units (including the introduction of mezzanine floors). This means that all proposals will remain subject to the Sequential Assessment, which should consider the amount of floor space to be created by the extension. An Impact Assessment will be required where the amount of new floor space, proposed to be created, exceeds the 1,000sq.m threshold.

Where proposals are made to merge or sub-divide existing out of centre premises or to vary existing conditions which restrict the sale of particular goods, the proposals will be treated in the same way as if they were new units. This again reflects the sensitivity of floor space provision and unit sizes across the city and the impact such change in market offer could have on the wider centres hierarchy. A prime example exists in a range of out

of centre retail parks and lower order centres where the floor space of units and the sale of particular products are restricted to minimise direct competition with the city centre. This is also an important consideration in terms of functionality and the overall role of the centre or out of centre location.

When considering Sequential Assessments and Impact Tests for an out of centre proposal consideration must be given to existing, committed and planned public and private investment within a defined centre that exists within an agreed catchment area of the proposal. These will be considered on a site by site basis having regard to the location, size, scale and intended customer base of the proposal.

Further consideration can however be given to the type of the proposal, its intended market area, drive time and access to both the highway and public transport. When considering investment proposals which are not complete, consideration should be given to likely delivery timeframes and whether or not it will be completed and readily available within 5 years from the date of the application. Assessments should also have regard to any existing out of centre locations and out of centre proposals that already benefit from planning permission but are yet to be completed as notwithstanding their out of centre nature they still represent private sector investment in the city's wider retail offer.

Furthermore, and in accordance with national guidance, land ownership matters are not considered sufficient justification for preferring out-of-centre or edge-of-centre sites over those within defined centres. Applicants should also demonstrate flexibility on issues such as format and scale when undertaking Sequential Assessments.

For the avoidance of doubt, Policy R4 does not apply to office development falling within Use Class B1 of the Town & Country Planning Use Classes Order 1987 (as amended) as such proposals will be assessed against Policy JE5 of this Plan.