

Planning Committee

10.00 am, Thursday, 27 February 2014

Supplementary Guidance: City Centre Retail Core

Item number	5.2
Report number	
Wards	11 - City Centre

Links

Coalition pledges	P15
Council outcomes	CO7 , CO8 , CO19 , CO21
Single Outcome Agreement	SO1 , SO4

Mark Turley

Director of Services for Communities

Contact: Irene Beautyman, Senior Planning Officer

E-mail: irene.beautyman@edinburgh.gov.uk Tel: 0131 469 3552

Executive summary

Supplementary Guidance: City Centre Retail Core

Summary

The purpose of this report is to seek Committee approval of finalised Supplementary Guidance (SG) for the City Centre Retail Core. The SG will guide the balance of uses in the City Centre Retail Core. It will be used to determine planning applications for the change of use of shop units to non-shop uses.

Recommendations

It is recommended that the Committee:

- 1) approves the finalised Supplementary Guidance for the City Centre Retail Core;
- 2) agrees to submit an Article 4 Direction to Scottish Ministers for approval that restricts the Change of Use from Class 3 to Class 2 within the City Centre Core Frontage; and
- 3) agrees that policy ERC1 of the Supplementary Guidance only be implemented once Scottish Ministers have approved the Article 4 Direction.

Measures of success

The vitality and viability of the City Centre Retail Core is preserved and enhanced.

Financial impact

There are no direct financial impact arising from this report. The costs of publishing the SG will be met from existing budgets.

Equalities impact

The impacts of this report in relation to the Public Sector Equalities Duty and the ten key areas of rights have been considered. The report has no significant direct impact on the Council's three equalities duties. The SG will have positive impacts on rights. The process of preparing the SG enhanced the rights of participation, influence and voice by allowing people to participate in the formation of policy. The Guidance will enhance the rights to health, physical security and standard of living by ensuring the right mix of shop uses and non-shop uses within the city centre which will enhance vitality and viability. Physical security will also be enhanced as the right balance of shop uses and non-shop uses will help ensure activity at street level, aiding natural surveillance. The SGs will have no negative impacts on the ten key areas of rights.

Sustainability impact

The proposals in this report will:

- reduce carbon emissions because they support the city centre which provides a centralised service in a sustainable location, reducing the need for travel;
- increase the city's resilience to climate change impacts because supporting the city centre reduces the need to travel further afield for services;
- help achieve a sustainable Edinburgh because the city centre is a place for social and economic interaction, and fostering its vitality and viability will protect its identity within our communities;
- help achieve a sustainable Edinburgh because it supports the city centre where many businesses choose to locate; and
- help achieve a sustainable Edinburgh because it promotes the continued use of shop units in beneficial use.

Consultation and engagement

Pre-draft consultation on the Supplementary Guidance took place at a workshop attended by key stakeholders in June 2012. It focussed on shopping uses in the City Centre Retail Core and informed the City Centre Retail Core draft SG.

Consultation on the draft SG took place from 17 June until 9 August 2013 with a workshop held on Wednesday 19 June for key stakeholders. The draft SG was also available on-line and in public libraries.

Background reading / external references

- [Summary Report from Shopping Uses in the City Centre Workshop, June 2012](#)
- [Summary](#) note of City Centre SG consultation responses August 2013
- [Report to Planning Committee](#), Local Development Plan – [Proposed Local Development Plan](#) and Development Plan Scheme (19 March 2013)
- [Annual Review of Guidance report](#) to Planning Committee (28 February 2013)
- Edinburgh Local Development Plan [Main Issues Report](#) (October 2011)
- [Report to Planning Committee](#), Supplementary Guidance: City Centre Retail Core and Tollcross Town Centre – drafts for consultation (16 May 2013)
- [Report to Transport and Environment Committee](#), Building a Vision for the City Centre – Consultation Outcome (29 October 2013)

Supplementary Guidance: City Centre Retail Core

1. Background

- 1.1 The Proposed Local Development Plan was approved on 19 March 2013. It requires supplementary guidance (SG) to be prepared for each town centre, including the City Centre Retail Core. This new approach was consulted on in the Main Issues Report and set out in the report on the Annual Review of Guidance to Planning Committee on 28 February 2013.
- 1.2 Statutory SG is prepared under Section 22 of the Planning etc (Scotland) Act 2006.
- 1.3 Finalising the SG for the city centre means it can be considered as a material consideration in the determination of planning applications for the change of use of shop units. Once adopted, it will form part of the statutory development plan. It is intended to review the guidance every two years to take account of changes of use over time.
- 1.4 SG for Tollcross Town Centre was finalised in December 2013. The full programme is attached at Appendix 1.

2. Main report

Draft SG Content and Consultation

- 2.1 The draft SG was approved for consultation by Planning Committee in May 2013. Consultation took place from 17 June until 9 August 2013 when the draft was available on-line and in local libraries for comment. Stakeholders were invited to a workshop on the SG content on 19 June 2013.
- 2.2 The draft SG proposed allowing food and drink uses in the City Centre Core Frontage in shop units, provided they could safely accommodate outdoor seating and if the unit was under 300 sq m gross. This change in policy supported the wider vision and objectives in Building a Vision for the City Centre to enhance pedestrian space by creating defined activity spaces such as cafes with outdoor dining on the north side of Princes Street.

- 2.3 The draft SG proposed that subsequent changes of uses of food and drink units to financial, professional or other services (e.g. banks, betting offices etc) would **not** be permitted. This can only be achieved by obtaining an Article 4 Direction from Scottish Ministers to restrict the Permitted Development Rights that would usually allow food and drink units to change to financial, professional services without express planning permission.

The Primary Frontages in the City Centre Retail Core continued in the draft SG to allow the change of use to non-shop use, provided the resulting proportion of non-shop units did not exceed one third and no more than four consecutive non-shop uses.

- 2.4 Despite generating considerable public interest, only six responses were received to the draft SG. A schedule of these is attached at Appendix 2. They express an overall support for the suggested change to allow food and drink uses in the City Centre Core Frontage. Comments centred on:
- the feasibility of creating meaningful and safe outdoor seating areas in respect of pedestrian flows and whether this would put operators off; and
 - that the 300 sq m size restrictions may be too small for the majority of operators and would not allow operators to cluster.
- 2.5 Other comments expressed the view that the Primary Shopping Frontage policy is too restrictive for Shandwick Place, Castle Street and Queensferry Street.

Finalised Supplementary Guidance

- 2.6 The finalised SG is attached at Appendix 3. There are several changes from the draft SG to take account of issues coming to light during the consultation.
- 2.7 As in the draft, the SG allows food and drink uses to be introduced in the City Centre Core Frontage. However, the finalised SG has a higher size restriction to allow for changes of use in shop units under 500 sq m gross. The SG will provide the opportunity for outdoor seating rather than making it a mandatory requirement.
- 2.8 These changes are made for the following reasons:
- to increase the number of eligible units as the case-by-case assessments of whether outdoor seating can be safely accommodated will result in some units becoming ineligible as they are judged unsuitable due to their location, proximity to a pedestrian crossing, street furniture, bus stops etc; and
 - to allow some larger units for those operators interested in a larger floor area.

- 2.9 A further change in the finalised SG from the draft is the removal of the Primary Shopping Frontage policy from Shandwick Place, Castle Street, and Queensferry Street. This should provide a more flexible approach to the change of use of shop units in these areas and give the opportunity to allowing these areas to play a different role in supporting the city centre with a greater mix of uses.
- 2.10 Following on from the draft SG, prior to the implementation of the policy permitting food and drink in parts of the City Centre Core Frontage (ERC1), an Article 4 Direction will be sought from Scottish Ministers to bring future changes of use of food and drink units to financial, professional or other services under planning control.
- 2.11 Once the SG is finalised, all other parts of it can be used immediately as a material consideration and be used day-to-day when determining applications. When the LDP is adopted, the SG can be adopted and it will form part of the development plan. At that point, planning applications will be expected to accord with it.

3. Recommendations

- 3.1 It is recommended that the Committee:
- 1) approves the finalised Supplementary Guidance for the City Centre Retail Core;
 - 2) agrees to submit an Article 4 Direction to Scottish Ministers for approval that restricts the Change of Use from Class 3 to Class 2 within the City Centre Core Frontage; and
 - 3) agrees that policy ERC1 of the Supplementary Guidance only be implemented once Scottish Ministers have approved the Article 4 Direction.

Mark Turley

Director of Services for Communities

Links

Coalition pledges	P15 - Work with public organisations, the private sector and social enterprise to promote Edinburgh to investors
Council outcomes	CO7 - Edinburgh draws in new investment in development and regeneration CO8 - Edinburgh's economy creates and sustains job opportunities CO19 - Attractive Places and Well Maintained – Edinburgh remains an attractive city through the development of high quality buildings and places and the delivery of high standards and maintenance of infrastructure and public realm CO21 - Safe – Residents, visitors and businesses feel that Edinburgh is a safe city.
Single Outcome Agreement	SO1 - Edinburgh's economy delivers increased investment, jobs and opportunities for all SO4 - Edinburgh's communities are safer and have improved physical and social fabric
Appendices	1. Supplementary Guidance for Town Centres: Outline Preparation Programme at January 2014 2. Responses to Consultation Draft 3. Supplementary Guidance: City Centre Retail Core

**Appendix 1 : Supplementary Guidance for Town Centres
Outline Preparation Programme at January 2014**

Title	Stage*	Indicative Date
<i>Early 'pilot' cases</i>		
Tollcross	Draft	May 2013
	Finalised	December 2013
City Centre Retail Core	Draft	May 2013
	Finalised	Feb 2013
<i>2nd Batch</i>		
Corstorphine	Draft	Feb 2014
	Finalised	Aug 2014
Gorgie/Dalry	Draft	Feb 2014
	Finalised	Aug 2014
Leith/Leith Walk	Draft	Spring 2014
	Finalised	End 2014
<i>3rd Batch</i>		
Morningside/Bruntsfield	Draft	Autumn 2014
	Finalised	Spring 2015
Nicolson St/Clerk St	Draft	Autumn 2014
	Finalised	Spring 2015
Portobello	Draft	Autumn 2014
	Finalised	Spring 2015
Stockbridge	Draft	Autumn 2014
	Finalised	Spring 2015

* Supplementary Guidance cannot be formally adopted and issued as part of the development plan until the related Local Development Plan (LDP) has been adopted.

Appendix 2: City Centre Retail Core Draft Supplementary Guidance – Schedule of Responses

Grouped Summary with Council Responses

ERC1

General support for change to allow Class 3.

Some concerns over feasibility of creating meaningful outdoor seating areas in respect of pedestrian flows, bylaws on drinking in public and whether it will put top operators off. 300 sqm size restrictions viewed by many as too small for the majority of operators and likely only to attract cafes. Rents on Princes Street are also too high to attract most operators. This policy does not allow for operators who like to cluster and nor does it address the distinction between the strong retail offer on east Princes Street as opposed to west Princes Street where footfall is dropping. Some feel all restrictions on Princes should be dropped.

Council Response – The City Centre Neighbourhood team will consider the feasibility of creating safe outdoor seating on a case by case basis. The policy in the finalised will SG will offer an opportunity for class 3 to accord with the City Centre Vision and create a more lively atmosphere on all of Princes St. The finalised SG increases the unit size to 500 sq m. This will increase the number of eligible units that can safely accommodate outdoor seating and allow some larger units for those operators interested in a larger floor area.

ERC2

This policy is too restrictive for Shandwick Place, Castle Street and Queensferry Street. They should be removed and covered by ERC3. Castle Street is suited to Class 3 with outdoor seating. Could remove this whole policy and replace with ERC3.

Council Response – The finalised SG removes the Primary Frontage designation from these streets.

ERC3

General support but Queensferry Street and Shandwick Place should be covered with this policy or removed altogether. Suggest removing criterion (a) to assist Shandwick Place.

Council Response – The finalised SG removes the Primary Frontage designation from these streets.

Respondent	Summary of response
Comprehensive Design Architects	<ul style="list-style-type: none"> • 300 sq m is too small a unit size for the majority of requirements • Casual dining operators generally prefer being in a “cluster” • Many leisure/ food operators are unable to afford current rents on Princes Street • Serious concerns over feasibility of creating meaningful seating areas to the length of Princes Street and suggest a “Legion” type analysis of pedestrian flows be undertaken (an Arup software) to clarify the widths required to create a safe pedestrian environment.
Scottish Beer and Pub Association	<ul style="list-style-type: none"> • Support the proposals in ERC1, ERC2 and ERC3. • Highlight that a change is also needed to Edinburgh’s Licensing Board Statement of Licensing Policy to match up. • Suggested outdoor pavement areas require a review to current Council provisions for this and bylaws on drinking in public. • Suggest a further relaxation of ERC3 by removing Queensferry Street and Shandwick Place from the policy area to allow innovation by the market in regenerating these locations which are increasingly dominated by leisure activity.
Essential Edinburgh	<ul style="list-style-type: none"> • Supports plan to relax the usage on Princes Street from retail only. • The 300 sq m size restriction will exclude all mainstream restaurants and the resulting coffee shops will not provide the evening “buzz” that is part of the strategy. • Limiting the number of non retail outlets in a row stops the development of a “cluster” of restaurants. • Making outdoor seating a condition is limiting the potential for the street to develop – why would we turn down a top operator just because they were not interested in cafe style seating outside. • Suggest running with no restrictions to the change to food and drink for a period of two years and then review. Too many restrictions will slow progress or divert investment elsewhere.

<p>Prichett Planning for BAM Properties</p>	<ul style="list-style-type: none"> • Insufficient justification provided for restricting the size of class 3 or keeping to class 3 only. • The size threshold will only allow small units to change use which is unlikely to attract operators who could animate the street in the evening or provide destinations in themselves to diversify activity along the street. • Allowing uses which fully utilise entire buildings or a mix of uses throughout the building should be encouraged, particularly where these would diversify use and attract a variety of users and occupiers. • Suggest a full relaxation to the retail biased policy along Princes Street is required. It should allow applications for changes of use to be considered on their merits instead of prescribing limited allowable changes only to food and drink. • The Supplementary Guidance should emphasise and build upon the distinction between the core retail areas in the east and the western end of Princes. It should enhance the retail strengths of the eastern end whilst at the same time encouraging a greater variety of uses particularly in the western end.
<p>GVA for Essel Securities plc</p>	<ul style="list-style-type: none"> • Supports a more flexible approach relating to retail within the City Centre Retail Core but do not believe there is sufficient flexibility. • There are very limited Class 3 users who could afford the rents on Princes Street. • Allowing change of use to Class 3 units on Princes Street only is not allowing flexibility elsewhere in the city centre. • There is a need to encourage footfall from the east of the city centre to the west end which has seen a drop in footfall and a decline in popularity of the retail pitch. • Suggest streets such as Castle Street lend themselves to Class 3 uses, with outdoor seating and council should focus a less restricted policy and take each case on its merits. • The size limit is very restrictive and most restaurants would require over 350 sqm. Only cafes are likely to find 300 sqm suitable and most cafes could not afford the rent.

	<ul style="list-style-type: none"> • Policy ERC2 remains too restrictive for Shandwick Place, Castle Street, and Queensferry Street. These are now considered by the market as outwith the retail core and would function better with a greater mix of uses. They should be removed from the primary frontage altogether. Frederick Street and Hanover Street are stronger retailing streets and would respond well to the policy. • Policy ERC3 seems fair. Suggest Shandwick Place, Castle Street and Queensferry Street could be included in ERC3 or the Council could look at removing ERC2 completely and consider ERC3 to cover the rest of the retail core.
<p>GVA for Town Centre Securities plc</p>	<ul style="list-style-type: none"> • Supports a more flexible approach relating to retail within the City Centre Retail Core but do not believe there is sufficient flexibility. • Allowing change of use to Class 3 units on Princes Street only is not allowing flexibility elsewhere in the city centre. • There is a need to encourage footfall from the east of the city centre to the west end which has seen a drop in footfall and a decline in popularity of the retail pitch. • Suggest streets such as Shandwick place lend themselves well to Class 3 uses, with outdoor seating and council should focus a less restricted policy and take each case on its merits. • The size limit is very restrictive and most restaurants would require over 350 sqm. Only cafes are likely to find 300 sqm suitable and most cafes could not afford the rent. • Policy ERC2 remains too restrictive streets such as Shandwick Place are now considered by the market as outwith the retail core and would function better with a greater mix of uses. • ERC2 continued focus on quantitative justifications for changes of use along so-called Primary Frontages such as Shandwick Place is inappropriate because it takes no account of high vacancy rates on the street, does not allow for a local perspective on what is happening at street level and it is contrary to the Guidance's suggestion that policy will be relaxed. • Policy ERC3 seems fair. Suggest Shandwick Place be included in ERC3 or the Council look at removing ERC2 and cover the rest of the retail core with ERC3. • Suggest removing criterion (a) from ERC3 to reduce the weight given to quantitative , non-contextual justifications in change of use applications. This would improve the market situation for Shandwick Place.



Appendix 3

City Centre Retail Core

Supplementary Guidance

27 February 2014



Introduction

The Council is committed to ensuring that the City Centre Retail Core continues to serve those who live, work, visit and shop there. One way it does this is by guiding when a shop unit can change from a shop use to another use suited to a Retail Core. This document sets out when the Council will give planning permission for changing the use of a shop unit across the City Centre Retail Core area.

City Centre Retail Core

The City Centre Retail Core spans from Princes St to parts of George Street, west to Shandwick Place and East to the St James Centre (see map below). A mix of uses currently exists including shops, offices, cafes and bars. **Where a unit is used as a shop it is necessary to get planning permission from the Council to change to another use.**

The continued existence of a variety of shops is seen as critical to the health of the City Centre. However, there are also benefits in allowing shops to change to other uses that preserve and enhance the City Centre's vitality and viability. It is therefore felt that, in certain circumstances on Princes St, permitting a change of use to a cafe/ restaurant use would enhance pedestrian space on the City Centre Core Frontage by creating defined activity space through cafes/ restaurants with outdoor seating. Subsequent changes of use from Food and drink units to financial, professional or other services will not be permitted, subject to the approval of an Article 4 direction by Scottish Ministers.

To prevent non-shop uses that detract from the streets' liveliness, changes to uses such as residential and light industry are not acceptable. New cafes and restaurants must not lead to an unacceptable impact on living conditions for nearby residents.

What is a shop unit? Premises opening directly onto the street and designed primarily for shop use. In some locations the shop unit can be above street level or at basement level but still have direct access and be visible from the street.

What is a shop use? A unit used for the sale of goods (not hot food), e.g. post office, sale of tickets, travel agency, cold food for consumption off the premises, hairdressing, funeral parlour, launderette or dry cleaners.

All where the sale, display or service is principally to visiting members of the public.

(These types of use are grouped together and collectively called Class 1 Shops)

Types of non-shop uses

Changing a shop to non-shop use is known as a “change of use” and will always require an application for planning permission.

The non-shop uses which the Council will consider a change to are:

Professional Offices - lawyers, accountants, estate agents, health centres, surgeries of dentists, doctors and vets.

(These types of use are grouped together and collectively called Class 2 Financial, professional and other services)

Food and Drink consumed on premises - restaurant, cafe, snack bar (not a public house or hot food take-away).

(These types of use are grouped together and collectively called Class 3 Food and Drink)

Policies

ERC 1: City Centre Core Frontage (Princes Street)

Planning permission will be granted for new shop units meeting the criteria in policy Ret 1 or for the reinstatement to shop use. Proposals for the change of use of shop units on the Retail Core Frontage (defined on the map) to non-shop uses will only be permitted when:

- a) the proposal is for a change of use to Class 3 Food and Drink use;
- b) it is in a location that can safely accommodate outdoor pavement seating; and
- c) the change of use applies to a shop unit floor area of under 500 square metres (gross).

ERC 2: City Centre Primary Frontage

In the City Centre Primary Frontages (defined on the map), the change of use of a shop unit to a non-shop use will be permitted provided:

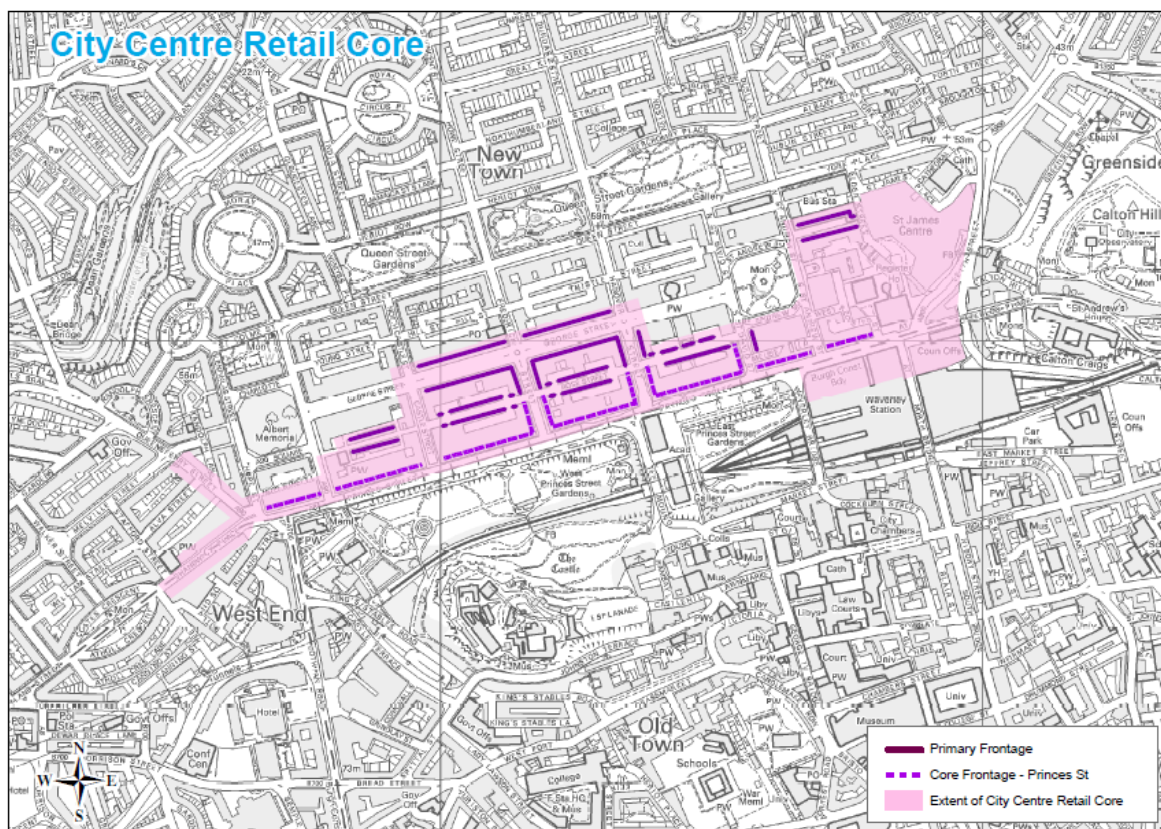
- a) as a result of permitting the change of use, no more than one third of the total number of units in the frontage will be in non-shop use; and
- b) permitting the change of use, would not result in four or more consecutive non-shop uses; and
- c) the proposal is for an appropriate commercial or community use which would complement the character of the City Centre Retail Core and would not be detrimental to its vitality or viability.

ERC 3: Elsewhere in the City Centre Retail Core

Elsewhere in the City Centre Retail Core, the change of use of a shop unit to a non-shop use will be permitted provided:

- a) permitting the change of use would not result in four or more consecutive non-shop uses; and
- b) the proposal is for an appropriate commercial or community use which would complement the character of the City Centre Retail Core and would not be detrimental to its vitality or viability.

Finalised Supplementary Guidance Map



Core Frontages

10-147 Princes St

South St David Street

Primary Frontages

133a-167 Rose Street

68-2-2 Rose Street

77-131 Rose Street

106a-160 Rose Street

37-73 Rose Street

50-104 Rose Street

3-25 Rose Street

2-40 Rose Street

30-70 George Street 71-109 George Street	72-102 George Street	33a-69 George Street
6a-18 Frederick Street 21-31 Frederick Street	20-36 Frederick Street	3a-19 Frederick Street
2-24 Hanover Street 35-51 Hanover Street	28-56 Hanover Street	3-31 Hanover Street
6-19a South St Davids Street	1-15 Multrees Walk	16-27 Multrees Walk