4.37 Boroughs should take an evidence-based approach to managing the night time economy through an integrated range of measures including planning, licensing, policing, transport and street cleaning[139]. This will require the co-ordination and co-operation of local authorities and their partners, as well as residents, businesses and their customers. Integration of planning and licensing policies, while avoiding duplication, is essential to manage unacceptable cumulative impacts and saturation of night time economy activities in an area. When addressing saturation, licensing-based policies can be used to form part of an integrated package of measures, and should be reviewed regularly[140]. When managing cumulative impact, boroughs are encouraged to include policies in LDFs to influence the scale and nature of night time economy development, regarding the use class, time of operation, size of premises and proportions of retail frontages in different night time economy areas.

4.38 Local circumstances will determine whether night time economy activities should be encouraged to develop in a specific zone, or be spread more widely. In large centres the development of a night time economy 'quarter' or zone may be more appropriate for management purposes and enable an appropriate mix of uses to be encouraged[141].

139 Boroughs should manage the evening and night-time economy in centres, taking account of and complementing the local authority's Statement of Licensing Policy and the promotion of the licensing objectives under the licensing Act 2003.

140 Department for Culture, Media and Sport. Revised Guidance Issued under section 182 of the Licensing Act 2003. DCMS, 2007 (paragraph 13.31)

141 Mayor of London. Town Centres SPG, 2014 op cit

4.39 Boroughs should encourage a diverse range of night time activities, expanding culture and leisure venues other than eating and drinking. This diversification can enable a mix of activities in the public realm and help keep public spaces safe. It can also attract a wider range of visitors to town centres at night, including those who feel excluded from alcohol-driven entertainment activities. This is particularly important to outer London, where there is a deficiency in access to other leisure facilities such as cinemas.

POLICY 4.7 RETAIL AND TOWN CENTRE DEVELOPMENT

Strategic

A The Mayor supports a strong, partnership approach to assessing need and bringing forward capacity for retail, commercial, culture and leisure development in town centres (see Policy 2.15).

Planning decisions

B In taking planning decisions on proposed retail and town centre development, the following principles should be applied:

a the scale of retail, commercial, culture and leisure development should be related to the size, role and function of a town centre and its catchment

b retail, commercial, culture and leisure development should be focused on sites within town centres, or if no in-centre sites are available, on sites on the edges of centres that are, or can be, well integrated with the existing centre and public transport

c proposals for new, or extensions to existing, edge or out of centre development will be subject to an assessment of impact.

LDF preparation

C In preparing LDFs, boroughs should:

a identify future levels of retail and other commercial floorspace need (or where appropriate consolidation of surplus floorspace – see Policy 2.15) in light of integrated strategic and local assessments

b undertake regular town centre health checks to inform strategic and local policy and implementation

c take a proactive partnership approach to identify capacity and bring forward development within or, where appropriate, on the edge of town centres

d firmly resist inappropriate out of centre development

e manage existing out of centre retail and leisure development in line with the sequential approach, seeking to reduce car dependency, improve public transport, cycling and walking access and promote more sustainable forms of development.

4.40 At a time of significant change in London's economy, demography, consumer behaviour and retailing there are inevitably uncertainties in projecting future consumer expenditure and shopping floorspace requirements. However, underlying these must be recognition of the pressures for structural change in retailing, the way these may be expressed through demand for, and use of floorspace and the probability of a long term contraction in floorspace growth relative to that which was anticipated in the past (see Policy 2.15). Thus, Experian[142] suggests that London's long-term household expenditure could rise from £124 billion in 2011 to over £234 billion by 2036. London household expenditure on comparison goods retail is projected to rise from £23 billion in 2011 to over £48 billion by 2036, an annual average growth rate of 3.0 per cent. However, taking account of growth in commuter and tourist spending, retailers making more efficient use of existing space and special forms of retailing like e-tailing, it is estimated that London could have a baseline need for an additional 0.9 - 2.2 million sq.m of comparison goods retail floorspace by 2036[143]. When schemes in the planning pipeline are factored into the analysis, London could need an additional 0.4 - 1.6 million sq.m of comparison goods retail floorspace by 2036.

4.41 About one third of the gross baseline-need for additional comparison goods retail floorspace is in outer London and 45 per cent is in the CAZ. Guidance on the more local distribution of these requirements will be set out in supplementary guidance on town centres.

142 Experian Business Strategies. Consumer Expenditure and Comparison Goods Retail Floorspace Need in London. GLA 2013

143 Experian Business Strategies 2013 op cit. The estimates are based on a central assumption of floorspace productivity growth of 1.9% per annum. The upper figure in each range is the gross total requirement, the lower figure in each range is the net requirement after factoring in vacant floorspace

4.42 London's household expenditure on convenience goods retail is expected to increase from £12 billion in 2011 to £22 billion by 2036, an annual average growth rate of 2.2 per cent.[144] Integrated strategic and local assessments of need and capacity for comparison and convenience goods retail will be an important part of the process for LDF preparation.

4.42A Reflecting wider trends in retailing highlighted in the Mary Portas report and in the work of the Outer London Commission, the London-wide retail need assessment suggests that in some parts of the capital there may be an overall surplus provision of retail floorspace relative to demand, especially if the pipeline of permitted schemes is implemented. Policy 2.15 shows how this might be addressed through opportunities for mixed use, high density, housing led redevelopment. Underlying demand for modern forms of retailing will also provide such opportunities, even in centres which do not appear to have surplus provision.

4.42B Taking into account both strategic and local retail capacity assessments, provision for future demand should be managed carefully in local plans for individual centres and include policies for primary shopping areas and primary and secondary frontages in the context of wider town centre management and initiatives (see Policy 2.15). When considering proposals for prior approval of changes from retail to residential and other associated works, account should be taken of their impact on design, the economic health of the centre, provision of essential local services and the character of the local area as well as broader strategic concerns outlined in Policy 2.15 and 4.7.

4.43 To meet identified needs and to support the vitality and viability of town centres (see Policy 2.15), the Mayor supports a proactive approach to improving the quality of retail floorspace and managing growth (or consolidation where there is surplus floorspace) within and on the edges of town centres, and encourages joint work between public and private sectors to identify and bring forward new retail, leisure and commercial development opportunities. Boroughs are encouraged to consider the use of compulsory purchase powers to facilitate land assembly for town centre development where appropriate. In carrying out town centre health checks, boroughs should include an assessment of the capacity of each town centre to accommodate additional retail and other commercial development appropriate to its role within the network. This supply side assessment should be set against an assessment of the need for new development on a borough and Londonwide basis. Where need is established, boroughs should adopt a sequential approach to identifying suitable sites to accommodate it.

4.44 Areas in and around town centres will be most appropriate for higher density development in line with the locational strategy in Chapter 2. Development of edge-of-centre locations should be well integrated with the town centre, particularly in terms of providing safe, convenient and attractive access by walking and cycling.

144 Experian Business Strategies 2013 op cit.

4.45 New, or extensions to existing, out of centre retailing and leisure development can compromise the strong 'town centres first' policy (see also Policy 2.15) which is essential to London's development as a sustainable, liveable city as well as exacerbating road traffic congestion and, for the large numbers of Londoners who do not have a car, undermining this Plan's social inclusion policies. Inappropriate out of centre development includes that which causes harm to the objectives of this Plan, which fails to fulfil the requirements of the sequential test, or which gives rise to significant adverse impacts (for example, on the vitality and viability of existing town centres, accessibility by a choice of means of transport or impacts on overall travel patterns).

4.46 London has a legacy of out- and edge-of-centre retail and other town centre type activities which are heavily car dependent. They should be managed in ways that reduce this dependency and improve public transport, cycling and pedestrian access. In some circumstances, generally relating to edge of centre developments, there may be potential for a wider mix of uses and greater integration with existing centres.

POLICY 4.8 SUPPORTING A SUCCESSFUL AND DIVERSE RETAIL SECTOR AND RELATED FACILITIES AND SERVICES

Strategic

A The Mayor will, and boroughs and other stakeholders should, support a successful, competitive and diverse retail sector which promotes sustainable access to the goods and services that Londoners need and the broader objectives of the spatial structure of this Plan, especially town centres (Policy 2.15).

Planning decisions and LDF preparation

B LDFs should take a proactive approach to planning for retailing and related facilities and services and:

- a bring forward capacity for additional comparison goods retailing particularly in International, Metropolitan and Major centres
- b support convenience retail particularly in District, Neighbourhood and more local centres, to secure a sustainable pattern of provision and strong, lifetime neighbourhoods (see Policy 7.1)
- c provide a policy framework for maintaining, managing and enhancing local and neighbourhood shopping and facilities which provide local goods and services, and develop policies to prevent the loss of retail and related facilities that provide essential convenience

and specialist shopping or valued local community assets, including public houses, justified by robust evidence

d identify areas under-served in local convenience shopping and services provision and support additional facilities at an appropriate scale in locations accessible by walking, cycling and public transport to serve existing or new residential communities

e support the range of London's markets, including street, farmers' and, where relevant, strategic markets, complementing other measures to improve their management, enhance their offer and contribute to the vitality of town centres

f support the development of e-tailing and more efficient delivery systems

g manage clusters of uses having regard to their positive and negative impacts on the objectives, policies and priorities of the London Plan including a centre's:

i. broader vitality and viability (Policy 2.15Ca)

ii. broader competitiveness, quality or diversity of offer (Policy 2.15Cc)

iii. sense of place or local identity (Policy 2.15Ac)

iv. community safety or security (Policy 2.15Cf)

v. success and diversity of its broader retail sector (Policy 4.8A)

vi. potential for applying a strategic approach to transport and land use planning by increasing the scope for "linked trips" (Policy 6.1)

vii. role in promoting health and well-being (Policy 3.2D)

viii. potential to realise the economic benefits of London's diversity (paragraph 3.3).

4.47 A vibrant, diverse retail sector is essential to London's success. Not only is it vital to ensuring that Londoners have access to the goods and services they need, but it plays a key role in London's economy, employing over 400,000 people[145] and supporting the economic vitality and health of the whole range of town centres across London, from its international centres in the West End and Knightsbridge to the large number of smaller local centres and parades of shops in outer London.

4.48 Larger centres are appropriate locations for accommodating much of the growth in comparison goods retail expenditure and floorspace because they are the most accessible by public transport and have greater capacity to provide choice and competition. While provision to meet need for convenience goods can be made in larger centres, smaller centres, especially district, neighbourhood and more local centres, are particularly suitable for accommodating growth in convenience floorspace, providing the new shops are of appropriate scale. This is because they form a denser network and are particularly accessible by walking and cycling

145 GLA Economics

as well as public transport. The availability of accessible local shops and related uses meeting local needs for goods and services (including post offices and public houses) is also important in securing 'lifetime neighbourhoods' (see Policy 7.1) – places that are welcoming, accessible and inviting to everyone regardless of age, health or disability and which provide local facilities available to all.

4.48A The Mayor recognises the important role that London's public houses can play in the social fabric of communities (see also Policy 3.1B) and recent research[146] highlights the rapid rate of closures over the past decade and the factors behind these. To address these concerns, where there is sufficient evidence of need, community asset value[147] and viability in pub use, boroughs are encouraged to bring forward policies to retain, manage and enhance public houses[148].

4.49 The Mayor recognises that street and farmers' markets can make valuable and distinctive contributions to meeting Londoners' varied dietary requirements and extending competitive choice and access to a range of goods, as well as contributing to the vitality and wider offer of town centres. Strategic markets such as Portobello Road, Borough, and Columbia Road have a wider than sub-regional offer and are significant attractions for Londoners and visitors alike. Research shows that while some markets are thriving others face a range of challenges[149]. The planning system can help address some of these, but broader actions are often required, especially in terms of management and investment. These are usually local matters but given the importance of markets to Londoners, they are cumulatively of strategic importance. The Mayor encourages and supports boroughs and other stakeholders in tackling these issues in light of local circumstances and in the context of his broader policies to enhance town centres and foster a vibrant retail sector in the capital. Further guidance on market provision is provided in the Town Centres SPG.

4.50 Local retail strategies developed in partnership between communities, the retail industry and local authorities can identify areas under-served by essential retail facilities and establish the means to stimulate investment and regeneration. In LDFs, boroughs should consider opportunities for new or expanded local centres where there is capacity to meet the needs of existing under-served areas or new residential communities. Co-ordinated planning and other interventions may be required to retain facilities such as corner shops or small parades (such as those in housing estates) that provide an essential social function but are on the margins of economic viability. Improvements in e-infrastructure should be encouraged to enhance access to a competitive choice

146 Steve O'Connell A.M. Keeping Local. How to save London's Pubs as community resources. London Assembly Conservative Group. GLA 2013. CAMRA. Greater London Region / Capital Pubcheck, 2012

147 including an asset listed as an Asset of Community Value under the Localism Act 2011 or where an application has been made

148 see also Mayor of London, Town Centres Supplementary Planning Guidance, GLA 2014

149 London Assembly. London's Street Markets. GLA, 2007; CLG Select Committee. Market Failure, can the Traditional Market Survive? House of Commons, 2009; Regeneris consulting, London's Retail Street Markets, LDA 2010

of goods and services for all communities.

4.50A 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. The London Plan supports and promotes the contribution to London's economy made by specialist clusters of economic activity. For example, clustering of particular leisure uses in town centres can provide a visitor attraction, promote regeneration and boost economic growth and employment, provided it is managed effectively and does not reach saturation levels beyond which it has unacceptable negative impacts on a centre's vitality, viability, amenity and associated community safety. In such circumstances, the planning process can help manage such negative impacts. Over-concentrations of betting shops and hot food takeaways can give rise to particular concerns. Further guidance on implementing this aspect of Policy 4.8 is provided in the Town Centres SPG.

POLICY 4.9 SMALL SHOPS

Planning decisions

A In considering proposals for large retail developments, the Mayor will, and Boroughs should, consider imposing conditions or seeking contributions through planning obligations where appropriate, feasible and viable, to provide or support affordable shop units suitable for small or independent retailers and service outlets and/or to strengthen and promote the retail offer, attractiveness and competitiveness of centres.

LDF preparation

B In LDFs, Boroughs should develop local policies where appropriate to support the provision of small shop units.

4.51 The Mayor is committed to supporting town centres, a dynamic, competitive and diverse retail sector and small and medium sized enterprises. In parts of London, small shops are in short supply and affordability is a key concern, particularly for independent retailers and small enterprises. In considering proposals for large retail developments (typically over 2,500 sq m), the Mayor and boroughs may impose planning conditions or seek to negotiate planning obligations where appropriate, feasible and viable, to mitigate the loss of, and/or provide or support affordable shop units suitable for small or independent traders. This policy can also be used to support improvements and measures to help strengthen the retail offer, attractiveness and competitiveness of centres through steps to improve environmental quality, as appropriate and having regard to provisions on State Aid. In relation to district and local centres, boroughs may wish to use a lower threshold recognising the scale of developments that may be likely at such centres.

4.52 The appropriateness of application of this policy will depend upon local circumstances and should be weighed against other strategic priorities for planning obligations set out in Policy 8.2, and take account