

SLOUGH BOROUGH COUNCIL

REPORT TO: Overview & Scrutiny Committee **DATE:** 26th February 2009

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WARD(S): All

PART I **FOR COMMENT & CONSIDERATION**

NEIGHBOURHOOD SHOPS POLICY

1. **Purpose of Report**

To inform Members that a review of the existing Neighbourhood Shops Policy has been carried out by ColliersCRE on behalf of Slough Borough Council following concerns about its inflexibility in terms of mixes of uses on larger parades and inability to encourage uses that meet the needs of local people.

2. **Recommendation(s)/Proposed Action**

The Committee is requested to:

- (a) Note the review of the existing Neighbourhoods Shop Policy carried out by ColliersCRE.
- (b) Comment on the policy recommendations as set forth in the review.
- (c) Make recommendations to Cabinet about any amendments it considers necessary to the revised Neighbourhood Shops Policy attached in Appendix 'A'

3. **Community Strategy Priorities**

- **Celebrating Diversity, Enabling inclusion**
- **A Cleaner, Greener place to live, Work and Play**
- **Prosperity for All**

The report highlights the steps that Slough Borough Council has taken to ensure that local resources meet the needs of local communities. Neighbourhood shops provide accessible shopping facilities for all local residents and in particular the elderly and less mobile groups in the community. Black and ethnic minority businesses are historically setup in the parades of shops that provide an important source of goods and services to that community and indeed the wider community.

4. **Other Implications**

(a) **Financial**

There are no financial implications of the proposed action contained within this report save for the possibility of increasing rental income through the effective management of the shopping parades.

(b) Risk Management

Approval of an updated policy will enable Colliers CRE, the managing agents operating on behalf of people 1st and the council to maximise the chances of maintaining viable shopping parades while also ensuring that wherever possible they meet the needs of the local community.

(c) Human Rights Act and Other Legal Implications

There are no specific legal or Human Rights Act implications. The legal position relating to management of the neighbourhood shops is set out in paragraph 5.1.

(d) Equalities Impact Assessment

There is a potential beneficial impact in the adoption of this proposed policy in that it will enable Colliers CRE the managing agents to operate flexibly and to expand the current uses of the shops to meet local needs while maintaining the overall viability of each site.

5. **Supporting Information**

Neighbourhood Shops

5.1 **Background**

Slough Borough Council owns 88 shops which are situated on housing revenue account (HRA) designated land. People 1st (Slough) are responsible for managing those shops on the Council's behalf. People 1st in turn have instructed ColliersCRE to provide estate management and valuation services in respect of the shops it manages on behalf of the Council. ColliersCRE were the successful bidder following an invitation to tender to potential suppliers for the provision of those services in April 2007.

5.2 Regular liaison with People 1st and ColliersCRE identified difficulties in letting shops due to the restrictive nature of the existing policy.

5.3 A report was submitted to Overview & Scrutiny Committee in September 2008 which outlined concerns about the inflexibility of the existing Neighbourhood Shops Policy and sought a review and amendments to that policy.

5.4 The attached review and draft neighbourhood shops policy are a result of that investigation.

6. **Comments of Other Committees**

This report will be submitted to the Board of People 1st on 19th March 2009 for their consideration.

7. **Conclusion**

This report is for the consideration of Members and their approval to take forward to Cabinet.

8. **Appendices Attached**

'A' - Draft Neighbourhood Shops Policy

'B' - Review of Neighbourhood Shops Policy, January 2009

9. **Background Papers**

Neighbourhood Shops Policy Report – September 2008

DRAFT NEIGHBOURHOOD SHOPS POLICY

1. SCOPE OF POLICY

1.1 The policy is intended to cover all neighbourhood and local shops owned by Slough Borough Council. These are:

Address	No of Units	Ward
9-14 Anslow Place	6	Haymill
51-55 Cheviot Road	3	Foxborough
5-13 Harrison Way	5	Cippenham
74-104 Knolton Way	8	Wexham Lea
279 Long Furlong Drive	1	Britwell
9 Minster Way	1	Langley St. Mary's
14-24 Parlaunt Road	6	Foxborough
84 St Andrews Way	1	Cippenham
252-254 Scaffell Road	2	Haymill
2-12 Stoney Meade	4	Chalvey
228-260 Trelawney Avenue	17	Kedermister
296-308 Trelawney Avenue	7	Kedermister
45-97 Wentworth Avenue	27	Britwell
	88	

1.2 Of these units owned by the Council, five parades fall within defined centres in the Borough's 'Retail Hierarchy'. Trelawney Avenue and Wentworth Avenue are classified as 'Neighbourhood Centres' and Parlaunt Road, Harrison Way and Knolton Way are all 'Local Centres'.

1.3 The policy will also cover broader 'social' uses such as doctors and dentists who operate in the vicinity of these parades.

2. REASON FOR POLICY

- 2.1 The policy aims to provide the Council, shop tenants and local people with a clear indication as to what the Council, as landlord, hopes to achieve from retaining these parades and the management strategy that has been adopted.

3. POLICY

- 3.1 The Council supports the retention of local parades.

Reason: Neighbourhood shops are a fundamental part of a 'sustainable community'. It is important that all local residents and workers have access to essential goods and services to reduce the need for car use and provide a convenient solution to day to day shopping needs. Neighbourhood shops help the local economy and provide employment for local people.

- 3.2 The Council will seek to encourage uses which meet the needs of local people.

Reason: Local parades must adapt to meet local needs if they are to prosper. The Council will consult with the local community on a regular basis (a minimum of every five years) by way of a survey of local residents and workers to ascertain their current needs and assess whether they are being met sufficiently.

- 3.3 The Council will give preference to uses which demonstrably meet essential local needs and/or create employment opportunities.

Reason: The role of local shops/parades is to provide day to day, convenience goods and services and the Council wishes to encourage employment in the local area.

- 3.4 The parades produce a valuable source of income which funds the Council's housing services. They will, therefore, be managed in a commercial, yet flexible, manner, subject to other policy objectives.

Reason: The Council wishes to see strong local businesses and expects businesses to be commercially viable; however, it does not expect to directly support these through rent subsidies. It will aim to create an environment where

tenants can trade successfully and, where appropriate, will take a flexible approach to management, subject to clear evidence of individual circumstances. The Council will conduct a regular tenant survey (a minimum of every two years) to highlight tenant issues and aspirations.

- 3.5 The Council will ensure that the general facilities at the local parades are maintained and will carry out inspections on a regular basis.

Reason: An attractive and safe environment is essential in order to attract shoppers and to maintain the vitality of the parades.

- 3.6 Policy regarding change of use:

Within local retail parades, the Council will normally only permit changes of use at ground floor level from shops (use class A1) where all the following conditions are met:

- i) The resultant reduction in retail facilities will not seriously weaken retail provision to local residents, in particular the range and choice of essential shops.
- ii) The proposed replacement use provides a service appropriate to a neighbourhood shopping area (use classes A2, A3, A4 or A5) providing the total non-A1 use or non essential/desirable uses does not exceed 50% for small parades (up to and including 6 units) with a road frontage and 60% for medium sized parades (7 to 10 units) with a road frontage. On larger defined neighbourhood centres with a road frontage a maximum of 30% non-A1 use or non essential/desirable use should be permitted. For those shops and parades that do not have a road frontage or are located on a non-through road there should be no restrictions on change of use to A2, A3, A4, or A5. Social/community services, such as a doctors or dental surgery may also be considered as an appropriate replacement use, subject to review of the merits and impact on the function of the parade.
- iii) Where a parade has reached the defined limit with regard to non-A1 and non essential/desirable uses and a unit has been on the market for in excess of

three months without any viable commercial interest from an alternative A1 retailer, consideration should be given to applications of change of use if potential interest has been received. In the meantime, the vacant unit should, however, continue to be marketed for a further three months and if an A1 tenant is then found during this time then preference will be given to this use, providing the rental offer reflects the true market value.

- iv) Where there is a vacant unit and the level of non-A1 or non essential/desirable goods in a parade is below the defined limit, consideration should be given to alternative uses without the need to market the property for a minimum of six months. However, at all times a healthy tenant balance should be maintained and a commercial approach should be taken to ensure the future rental valuation of the parades is not compromised. In these circumstances, should interest be registered for a unit from both an A1 retailer and a non-A1 or non essential/desirable tenant, the level of rental offer will be the primary consideration. Where there is a considerable difference between the rental terms, the highest offer will be taken in order to protect the Council's interests. However, should the offers made be of a similar level, preference will always be given to the core A1 use.

Reason: Successful parades house a good 'tenant mix' (i.e. a mix of complementary uses) which provide essential goods and services to the local community. The Council also acknowledges the requirement for other goods and services for which there is a recognisable local demand, such as A2, A3, A4 and A5 uses. However, the Council will enforce restrictions on non-A1 uses or non essential/desirable uses according to the size of parade and accessibility (i.e. located on a major thoroughfare or non-through road) in order to ensure the vitality of the parade is not adversely affected. The commercial interests of the Council as landlord will, however, be a primary concern when assessing applications for change of use.

4. NEIGHBOURHOOD USES

- 4.1 To assist in identifying 'acceptable uses' the Council has compiled a guide listing uses which are considered to fall within a definition of an essential neighbourhood use and those which are non-essential but are desirable to the

local community. Preference should be given to essential uses; however, non-essential but desirable uses will also be considered.

4.2 The list is not definitive and decisions on acceptable uses will be principally determined by the balance of existing uses in an area, the needs of local people or any particular requirement the Council may have. It is accepted that the list may change as markets develop and local demands change and the Council will ensure that the list is reviewed and, if necessary, updated on a regular basis.

4.3 Applications for uses outside the list will be considered on their merits in the context of the overall policy and circumstances in a parade. The list is attached on the following page:

<u>Essential Goods & Services</u>	<u>Desirable Goods & Services</u>
Baker	Bookmakers
Bookshop/Stationer	Charity Shop
Butcher	Clothing/Footwear Shop
Chemist/Pharmacy	Cycle Shop
Confectioner/Tobacconist/Newsagent	Electrical/Phone Shop
Launderette/Dry Cleaner	Gift/Card Shop
Fishmonger	Health Food Shop/Delicatessen
Florist	Optician
Greengrocer	Sandwich Bar/Café (open during daytime trading hours)
Grocer/Supermarket	Specialist Hobby Shop (Toy Shop, Pet Shop, Art Shop etc)
Hairdresser/Beautician	
Hardware/DIY Shop	
Locksmith/Shoe Repairer	
Off-licence	
Post Office	

5. PLANNING PERMISSION

5.1 The Council's role as landlord is entirely separate from its role as Local Planning Authority. The fact that planning permission has, or could be, obtained for a certain use does not override the policy as landlord's consent will be considered

independently. Similarly, the fact that the Council as landlord may wish to see a certain use does not mean that planning permission will be granted.

6. EXCEPTIONS TO THE POLICY

- 6.1 This policy applies to all parades owned by Slough Borough Council. Should a parade be subject to redevelopment, however, it may be necessary to temporarily remove these units from the remit of the policy in order to maintain the vitality of the location prior to any work being undertaken.

7. RETAIL MARKET

- 7.1 The retail market is a dynamic environment with ever-changing issues and trends. The Neighbourhood Shops Policy has been formulated with regard to the existing economic climate, which necessitates increased flexibility in terms of management of the shops/parades. There is, however, a need to continually review the policy in relation to evolving economic and retail trends and, if it is assessed that significant changes have occurred, there may be an increased need to promote and protect A1 uses and the introduction of greater restrictions on non-A1 use or non essential/desirable uses should be considered.

8. APPENDIX

Guide to Use Classes Order

A1 Shops – Hairdressers, undertakers, travel agencies, post offices, dry cleaners, internet cafes etc.

A2 Financial & Professional Services – Banks, building societies, estate & employment agencies, professional financial services, betting offices.

A3 Restaurants & Cafes

A4 Drinking Establishments – Public houses and bars

A5 Hot Food Takeaways

D1 Non-residential Institutions – Places of worship, health centres, crèches, museums, libraries etc.

Sui Generis – Any use not falling within a specific class category e.g. launderette, taxi company.