



Cyngor Bwrdeistref Sirol
MERTHYR TUDFUL
MERTHYR TYDFIL
County Borough Council

HEARING SESSION 5

COMMERCIAL, RETAIL, LEISURE AND TOURISM DEVELOPMENT FRIDAY 28TH JUNE 2019

PUBLISHED: 11th JUNE 2019

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Hearing Session 5: Commercial, Retail, Leisure and Tourism Development

5.1. Employment allocations (Policy EcW1 and Appendix 1)

a. Policy EcW1 allocates over 30ha of land for B uses at four locations¹. Would these sites be capable of accommodating identified demands for both smaller and larger units²?

Yes. The Employment Land Review (ELR) has considered all existing employment sites that serve the local employment market (SD35, Section 6, Table 18), in addition to all candidate sites promoted for employment uses (SD35, Section 6, Tables 13 and 16).

To meet the projected employment land need, the ELR found that a realistic land supply of 38.42 ha could meet needs to 2031 under all demand scenarios considered (SD35, paragraph 9.2).

Table 32 of SD35 (Land Forecast Models) summarises the three employment land requirement scenarios considered. Under the past build completions method used for the Replacement LDP, a minimum requirement of 4 ha of land is required for B1 office uses, and 5.85 ha of land is required for B2/B8 industrial warehousing. A minimum employment land requirement of 9.85 ha.

The ELR (at paragraph 7.10) advises that the County Borough should have a minimum flexibility buffer of five years supply to reflect a choice of sites by size, quality and location and to provide a continuum of supply beyond the end of the 2031 period. Therefore, an additional "flexibility buffer" of five years take up rate has been included in the employment land requirement recommendations set out in Table 32 (SD35, p127).

Including the additional flexibility buffer of five years take up rate, an employment land requirement of 5.33 ha of land for B1 office uses and 9.13 hectares for B2/B8 industrial warehousing was identified. This would result in a total employment land requirement of 14.46 ha and would provide quantitative surplus of 16.19 ha when compared against the total allocation in policy EcW1 (30.65 ha allocated in total). This equates to a 52.8% flexibility allowance in supply when compared against the requirement and provides sufficient allowance for any unanticipated delay in the employment site allocations being available. Whilst this flexibility allowance appears significant in percentage terms it is considered to be appropriate given the nominal level of employment land requirements and supply.

¹ EcW1.1 Hoover Factory car park; EcW1.2 Goatmill Rd; EcW1.3 Ffos-y-Fran; EcW1.4 S of MT Industrial Park

² Employment Land Review 2018 [SD35] paragraph 8.13

In this respect, the ELR recommends that the economic forecasts alone are not used as the basis for defining employment land need (SD35, paragraph 9.3). This is because the forecasts represent the absolute minimum amount of land required to accommodate the activities of different industry sectors. The inclusion of the 5 year flexibility buffer therefore provides an inbuilt allowance for providing a range and choice of sites to meet the identified need. Other issues include:

- That within sectors expected to decline (particularly manufacturing) there will still be businesses that will grow and expand.
- That reductions in job levels will not necessarily lead to equivalent reductions in floorspace need. For example, a manufacturing business may replace labour with automated processes which are more efficient but which take up an equivalent amount of floorspace in the factory. Surplus space may also be held for B8 storage and the more complex supply chain logistics of modern industry is increasing rather than decreasing floorspace needs.
- That there will be local market churn.
- That there will be a need to maintain a choice of supply by size, type, location and quality of sites and premises for businesses at differing levels of their maturity.
- That there should be a continuing forward supply to accommodate site development beyond 2031.
- The level and nature of the existing employment land supply.

The ELR (SD35, Recommendation 1, p134) recommended that in identifying employment land provision in the Replacement LDP the Council should consider other qualitative factors such as the availability of large or more complex sites throughout the Plan period, the need to provide a range and choice of sites across the Plan period and regeneration objectives. Consequently, employment allocations above this quantitative need could be justified as set out in Recommendation 5 (Protecting Employment Sites and Employment Land Provision) of SD35.

In this respect, the Replacement LDP has included a range and choice of sites that are considered to be realistic, deliverable and which will become available during the Plan period. This includes the following sites identified under recommendation 5 of the ELR (SD35, paragraph 9.23)

- EcW1.1 Former Hoover Factory Car Park (1.5 ha net area)
- EcW1.2 Goatmill Road (14.75 ha net area)
- EcW1.3 Ffos-y-fran (11.3 ha net area)
- EcW1.4 Land South of Merthyr Tydfil Industrial Estate (3.1 ha net area)

As part of the ELR, the deliverability of all existing LDP allocations, which were submitted as candidate sites, were considered and recommendations made as whether they should continue to be allocated to meet future needs (SD35, Tables 31).

Site EcW1.1 Former Hoover Factory Car Park is a retained allocation for 1.5 ha. The site is considered to remain justified as an employment allocation with uptake considered likely as part of the imminent purchase of the site by Welsh Government and proposals for the Hoover Strategic Regeneration Area. The estimated likely delivery period for this site is 3-5 years.

Site EcW1.2 Goatmill Road is a retained but extended employment site allocation with an anticipated delivery timescale of 0-2 years due to strong market interest. Take up is anticipated to be from one B-class use occupier who will require the whole site for waste management / processing facilities.

Site EcW1.3 Ffos-y-fran is a retained but extended employment site allocation with an estimated delivery timescale of 10-15 years. The site is currently being reclaimed as part of the Ffos-y-fran land reclamation scheme and is anticipated to become available by 2024. The site would provide four level development plateaus with a net developable area of 11.3 ha. The site could accommodate a range of employment land needs (including for waste management) from the middle of the plan period.

Site EcW1.4 Land South of Merthyr Tydfil Industrial Estate is a new allocation of 3.1 ha located in Troedyrhiw with an estimated delivery timescale of 3-5 years. Whilst it is in close proximity of Pentrebach it is the southernmost employment allocation and represents the only deliverable and realistic employment site allocation in the 'Other Growth Area'.

The employment site allocations are therefore considered to provide a sufficient range and choice of employment land supply across the Plan period. This is evident through the availability up of site EcW1.2 at Goatmill road early in the Plan period and the inclusion of other rapidly deliverable small and medium sized sites in the short to medium term, such as EcW1.1 at the Former Hoover Factory Car Park and EcW1.4 at Land south of Merthyr Tydfil Industrial Park (as suggested in the ELR at paragraph 8.53). Site EcW1.3 Ffos-y-fran would also become available from 2024 providing.

Notwithstanding this, the Council has also taken forward all employment site recommendations for the protection of existing employment sites (SD35, Page 136, Recommendation 3) through policy EcW2 which provides protection to existing B1/B2/B8 sites and premises. The ELR identified that an additional 2.77

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hectares of available land sits within the existing employment areas of Pengarnddu and Pant Industrial Estate. There are further Town Centre office buildings which would have their existing uses protected under policy, but which do not offer opportunities for redevelopment at this time (SD35, Paragraph 9.24).

The ELR also identified opportunities at the Hoover Strategic Regeneration Area (HRSA) where approximately 6.5 hectares of vacant or underused land was identified in the framework masterplan as having potential employment development. However, this land lies within, or partly within, flood zone C2 of the NRW Development Advice Map (as referenced at LDP paragraph 6.5.47) where there is a need for further assessment of detailed development proposals and flood risk. Whilst this land has not been allocated, the Strategic Flood Consequence Assessment (SFCA) prepared to support the Replacement LDP has indicated that there may be opportunity for new employment uses in these areas where they are for less vulnerable development and can satisfy the justification and acceptability tests set out in national policy. The SFCA has indicated that this may be possible, and in areas where flood depths exceed acceptable thresholds, ground raising can be considered where there are no third party impacts on flood risk. Further flood modelling and assessments work commissioned by the Council in order to consider development options at the Willows/ Abercanaid Industrial Estate is ongoing and it is hoped that this area will contribute towards meeting future growth needs during the plan period.

Given the allocated employment land supply and employment site and premises protection policies, it is considered that the Replacement LDP is sufficiently flexible to meet the needs of the employment market, including units of up to 250-500 sqm to meet immediate local needs and larger options up to 5,000 sqm to compete for investment in the sub-regional economy (referenced at paragraph 8.13 of SD35). Evidence of this is provided through recent market interest in developing the Goatmill Road site and at Land South of Merthyr Tydfil Industrial Estate.

The Council is therefore confident that policies EnW1 and EcW2 would make sufficient provision for future employment sector demands.

b. Policy EcW1 and Appendix 1 indicate that office floorspace would be permitted at the allocated employment sites.

i. Have these locations been sequentially tested³?

Yes. The Council has assessed all candidate sites submitted as part of the call for sites (SD46) and potential employment sites have been considered as part of the ELR. This has included other alternative sites promoted for employment uses (including office uses) closer to the town and local centres. Specifically, candidate sites 16 Rhydycar Business Park and 27 Land South of College Car Park.

With regards to the Land South of College Car Park site, the majority of the site is located in the existing town centre boundary. There has been some historic interest for retail or a mix of uses here however these have not been progressed. Given the uncertainty of development proposals and variety of potential uses that might be acceptable at that location (e.g. leisure, retail, education, employment or other mixed uses), the specific allocation of the site in the LDP was not recommended as there was considered to be a need for flexibility on the site which is strategically located on the edge of the town centre. Furthermore, as the majority of the site is located within an existing town centre boundary future development proposals for retail or other complementary town centre uses could come forward under the Plan's policies if there were to be market demand.

With regards to the Rhydycar Business Park site, the majority of the existing adopted LDP allocation has now been delivered with the 1.3 hectare site remaining, although part of the site provides the banking for the A470 trunk road and would be unavailable for development reducing the net developable area. The site scores relatively highly in the ELR, although due to the success of the business park recent proposals have included the provision of additional car parking infrastructure to support adjacent users. Given the size and location of the site, the ELR recommended including the remaining parcel of land within the existing employment site boundary for Rhydycar Business Park affording it protection under policy EcW2 and sufficient flexibility for future proposals.

The ELR also included a review of existing sites and premises in town centre locations and found there are further Town Centre office buildings which could be usefully protected for their existing uses, but which do not offer opportunities for redevelopment at this time (SD35, paragraph 9.24).

³ Planning Policy Wales Edition 10 (PPW) paragraph 4.3.21

The remaining deliverable sites were identified for allocation in accordance with the recommendations of the ELR (Table 34, SD35). All allocated employment sites are well located to Merthyr Tydfil, the Hoover Strategic Regeneration Area and existing train and bus links. Three of the allocations (EcW1.1 – EcW1.3) are located in the Primary Growth Area. One (EcW1.4) is located in Troedyrhiw in the Other Growth Area although it is in close proximity to the Primary Growth Area strategy boundary and strategic site at Pentrebach.

ii. Would the development of office floorspace at these locations be contrary to core monitoring indicator 14.3?

No. Monitoring indicator 14.3 reflects the wording of a core indicator to broadly monitor major new office developments outside established town and local centre boundaries (taken from the LDP Manual, Edition 2). However, the monitoring target correctly identifies that a review should be triggered where new major office development outside established centres and existing employment sites are permitted as this would be contrary to the aims of policies EcW1, EcW2 and EcW3. Reference to policy EcW1 and EcW2 has however been omitted from the monitoring indicator and should be included as indicated below.

Proposed Matters Arising Change

Amend the LDP monitoring framework as follows:

Ref No	Indicator Core/local	Monitoring target	Trigger Point	Data Source
14.3	Core Amount of major office development (sqm) permitted outside established town and local centre boundaries.	No major office development (sqm) permitted outside established town/local centre and Protected Employment Sites. Boundaries.	1 or more applications permitted for major office development outside established town and local centre boundaries or contrary to Policy ies EcW1, EcW2 and EcW1, EcW2 and ECW3 in any 1 year.	MTCBC Development Management Monitoring.

- c. **The adopted Local Development Plan (LDP) anticipates that the Hoover Factory car park (allocation EcW1.1) would be delivered between 2012-16 and the Ffos-y-Fran site (allocation EcW1.3) between 2017-21⁴. In addition, the ELR notes that uncertainties around access, viability and feasibility make it difficult to determine the quantum of employment land which could be delivered at Ffos-y-Fran⁵.**

i. Is there a realistic prospect of these sites delivering the anticipated quantum of employment floorspace within the plan period?

Yes. As referenced in response to question 5.1(a) above the ELR has reviewed the deliverability and appropriateness of these allocations in line with the considerations set out in Technical Advice Note (TAN) 24 (sections 4.5 and 4.6) including realistic timescale and availability of these sites over the Plan period. Each site is considered in turn below:

- EcW1.1 Former Hoover Factory Car Park (1.5 ha net area)

Site EcW1.1 Former Hoover Factory Car Park is a retained allocation for 1.5 ha. The site is considered to remain justified as an employment allocation with uptake considered likely as part of the imminent purchase of the site by Welsh Government and proposals for the Hoover Strategic Regeneration Area. The estimated likely delivery period for this site is 3-5 years.

The employment land analysis (Table 13, SD35) considered that the site is a key site within the wider Hoover Strategic Regeneration Area, linking that Area to Area 5: Triangle Business Park. The open nature of most of the site would allow its early development within the Strategic Regeneration Area and masterplanning should reflect this.

It is anticipated that the imminent Welsh Government acquisition of the site will allow for stronger marketing of the site. The location itself as a natural extension of the Triangle Business Park and Pentrebach road trade and Welsh Government has suggested that the site could be developed for B-Class employment south of the pylons with possible trade uses an option to the north, fronting the roundabout. It is considered that the primary reason for the delay in the site being made available for development in 2012-16 is the lack of active marketing and delays by the land owner decisions regarding the future of the Hoover Factory site. However, the site now is in the process of being purchased by Welsh Government as part of the wider Hoover Factory

⁴ Merthyr Tydfil Local Development Plan 2006-2021, Appendix 5

⁵ Employment Land Review 2018 [SD35] paragraphs 6.41 and 8.53 and Table 31

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site acquisition. The ELR has estimated a realistic 3-5 year timescale for development of the site.

The site scored highly in the employment site grading assessment, gaining 14 out of a possible 15 (Table 16, SD35). No insurmountable constraints have been identified and the site represents the main unconstrained employment development sites presently available in Merthyr Tydfil (paragraph 6.20, SD35). Consequently, it is considered to remain an appropriate employment site allocation.

- EcW1.3 Ffos-y-fran (11.3 ha net area)

Site EcW1.3 Ffos-y-fran is a retained but extended employment site allocation with an estimated delivery timescale of 10-15 years. The site is currently being reclaimed as part of the Ffos-y-fran land reclamation scheme and is anticipated to become available by 2024. The site would provide four level development plateaus with a net developable area of 11.3 ha. The site could accommodate a range of employment land needs (including for waste management) from the middle of the plan period.

The Employment Land Recommendations of the ELR (Table 34, SD35) found that “there is no reason why the whole site should not be allocated to provide the maximum development opportunity and ensure a critical mass which will be financially viable given the likely high infrastructure costs. Delivery planning will need to look at ways forward in terms of providing the site services and infrastructure that will allow a viable scheme to be delivered. The site could thus benefit from a masterplan and implementation plan, reviewing funding, marketing and investment options”.

The ELR considered that given higher infrastructure costs, a viable scheme may need to include some element of mixed use to cross fund the B-Class elements. Flexibility should therefore be provided in policy to allow some appropriate ancillary uses for this purpose. This recommendation has been incorporated into the Replacement LDP in policy EcW2 which allows for ancillary services and facilities and complementary uses. Furthermore, the ELR found that the site has been attracting interest from potential occupiers (paragraph 6.11, SD35) suggesting that there would be market interest in developing a future masterplan and delivery strategy for the site.

With regards to the identification of the net developable area for the Ffos-y-fran site it is noted that the ELR raised some concern that unanticipated physical, viability constraints or changing circumstances may reduce the final

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supply and therefore additional flexibility in the overall employment land supply is justified.

Whilst it is considered prudent to include a sufficient flexibility allowance (over supply) in the Replacement LDP to allow for a range and choice of sites across the plan period (and potential delay in sites becoming available), the Council is confident that the net developable area identified for the Ffos-y-fran site is a robust estimate of the developable land that will become available.

This is based on the indicative land reclamation plan (restoration and after care proposals) for the site which include land grading for four plateaus and levels for a future access road. As the site is required to be reclaimed and restated to agricultural land it is unlikely there will be significant ground stability constraints for new development. Consequently, the net developable area of 11.30 ha (from a gross site area of 18.85 ha) is considered realistic contribution to the supply.

- Delivery Strategies for Key Sites

In addition to the above site specific analysis, the ELR includes recommendations for future employment site implementation (recommendation 6, SD35, p144). This recommends that the Council should work with landowners/developers for the Ffos-Y-Fran site and at the Hoover Strategic Regeneration Area.

It is recommended that the Council, Welsh Government and other relevant partners proactively explore delivery strategies, in discussion with owners and developers, to overcome any barriers and bring forward development. Examples of these strategies are set out at Table 35 (SD35, p145) and include considering private sector led developments/funding, low level or direct public sector support, revised development mixes where justified, joint venture agreements, annuity rents and revolving infrastructure funds.

The Ffos-Y-Fran site allocation is in the ownership of the Council but is currently being used under licence as part of the reclamation scheme. The completion of the reclamation scheme will enable the active marketing of the site and development of a delivery strategy following discussions with prospective occupiers/developers. This will include further feasibility work and the

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preparation of a masterplan for the site following the adoption of the Replacement LDP.

ii. Given the Plan's over-allocation of employment land⁶ has the suitability of these sites for housing uses (or a mix of uses) been assessed⁷?

Yes. Whilst the Council has assessed all candidate sites submitted as part of the call for sites, other potential site allocations that could assist in meeting identified land use needs have been considered. Where sites were considered to be realistic and deliverable, site assessments have been undertaken as documented in the Site Assessment background paper (see Table 2: Additional Council Site Assessment Reference Numbers, document SD46).

In relation to housing delivery and maximising previously developed land PPW Edition 10 paragraph 4.2.17 states:

"Maximising the use of suitable previously developed and/or underutilised land for housing development can assist regeneration and at the same time relieve pressure for development on greenfield sites. For example, sites and allocations which are no longer likely to be needed for office, industrial or retail purposes may be appropriate locations for housing. The de-allocation of under-used and underperforming sites must be considered through the development plan process and could make a contribution to the housing supply if it can be demonstrated that they are deliverable for housing".

Alternative uses for the Former Hoover Factory Car Park were not formally submitted as part of the call for candidate sites. However, the Council has reviewed the appropriateness of the employment allocation as part of the ELR. The ELR found that the site remained justified as an employment allocation with uptake considered likely as part of the imminent purchase of the site by Welsh Government and proposals at the Hoover Strategic Regeneration Area. This will allow stronger marketing of the site to both local companies and inward investors. The site may attract an individual developer/occupier or be linked to the wider Hoover Strategic Regeneration Area proposals and could form part of a wider-mixed use scheme.

⁶ Employment Land Review 2018 [SD35], based on historic rates of take-up and assuming a 40% plot ratio

⁷ PPW paragraph 4.2.17

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With regards to the appropriateness of residential uses at the site, this was considered as part of the preparation of the framework masterplan for the Hoover Strategic Regeneration Area. It was considered that the location of the site lends itself as a logical extension of the Triangle Business Park and commercial uses at Pentrebach road. In this respect, it is one of the few opportunities for the extension of the Triangle Business Park. Furthermore, it was considered inappropriate to locate new residential development immediately adjacent the existing industrial uses to the south.

Alternative uses for the Ffos-y-fran site were not formally submitted as part of the call for candidate sites. However, the Council has reviewed the appropriateness of the employment allocation as part of the ELR and the reasons for the delay in the site becoming available for development.

The site forms part of the Ffos-y-fran land reclamation works which are running behind the schedule originally anticipated during the preparation of the adopted LDP. The Ffos-y-fran land reclamation works are now more advanced and there is more certainty regarding the completion dates for the reclamation scheme, which is anticipated to be complete by 2024. The existing adopted LDP site allocation included only half of the land that will ultimately be reclaimed by 2024 (the previous allocation being the area originally anticipated to be made available by 2017-21). The Replacement LDP employment site allocation includes the wider site, due to be transferred to Council ownership following completion of the reclamation scheme, which would allow for a more realistic highway access arrangement to be achieved through the use of slip roads from the A460 to the north and south of the site.

As part of the reclamation scheme conditions, the site will be restored to agricultural land status using soil forming material. The restoration scheme will provide four level development plateaus linked by landscaped levels that could be used to provide future access roads connecting the development plateaus. As there is more certainty regarding the availability of the site from 2024, allowing for active marketing and more detailed discussions with prospective developers, it is considered that the site represents a deliverable employment site allocation for the Replacement LDP.

In terms of the appropriateness of the Ffos-y-fran site as a residential allocation, the site is located on the edge of Merthyr Tydfil and any residential development would be physically separated by the A4060 trunk road from existing residential areas. Residential development here would therefore be isolated from established residential areas that benefit from existing bus services and which are closer to community facilities. Whilst the site will contain reclaimed land it is proposed to be restored to agricultural land

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status, meaning that the site would be classified as greenfield land, and residential development would extend the settlement further eastwards. Other potential residential development sites, such as brownfield and greenfield sites within established settlements, are therefore considered as being more appropriate for residential development. Notwithstanding this, the sites potential strategic highway links and proximity to existing industrial areas means that the site would remain appropriate for employment uses, particularly as they provide opportunities to locate industrial uses away from existing sensitive development.

Finally, whilst the allocated employment land supply in the Replacement LDP represents a quantitative oversupply compared to the minimum requirements identified it is considered that there are other qualitative reasons that justify the level of flexibility allowance contained within the provision as detailed in response to question 5.1(a).

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- b. Does monitoring indicator 12.1 provide an effective basis on which to monitor delivery of employment floorspace at all allocated sites? Given the findings of the Review Report⁸, should *completions* be monitored rather than planning permissions?

Indicator 12.1 is a core indicator specified in the LDP Manual (Edition 2). Whilst Council can only consider submitted proposals and permit new development, it is accepted that monitoring employment site completions would provide a more meaningful indicator to monitor the delivery of employment allocations (i.e. land take up). This approach is proposed to be taken forward in the draft Development Plans Manual under preparation by Welsh Government. Consequently, changes have been proposed to amend the indicator to monitor employment land take up.

Proposed Matters Arising Change

Amend the LDP monitoring framework as follows:

Ref No	Indicator Core/local	Monitoring target	Trigger Point	Data Source
12.1	Core Employment land permitted development (ha) on allocated sites as a percentage of all employment allocations.	To secure planning permissions on Development of 33% (4.82 Ha) of employment land by 2021. To secure planning permissions on Development of 67% (9.64 Ha) of employment land by 2026. To secure planning permissions on Development of 100% (14.46 Ha) of employment land by 2031.	20% less or greater than the monitoring target over 2 consecutive years.	MTCBC Development Management Monitoring.

⁸ Review Report 2016 [SD20] paragraph 2.2

5.2. Protecting employment sites (policy EcW2)

- a. Policy EcW2 permits certain changes of use where “it can be demonstrated that the existing use is *inappropriate*”. What does this mean in practice?

The reference to inappropriate existing uses in the final two statements of policy EcW2 originates from the wording contained in the existing adopted LDP (see policy AS24, document SD57). This has been retained following the review of the Plan as it is considered to be in accordance TAN 23: Economic Development, paragraph 4.6.9. The paragraph sets out a number of considerations which may justify the release of existing employment sites to other uses. In particular, it includes circumstances where “*the existing employment use has unacceptable adverse impacts on amenity or the environment*”.

No concerns were raised during the monitoring of the existing adopted LDP in this regard however the Council accepts the consideration of what might constitute an inappropriate existing use could be clarified in the Replacement LDP in the supporting text under policy EcW2. This could include the provision of assessments demonstrating unacceptable impacts on amenity or the environment. An amended paragraph 6.8.22 is proposed as set out below to clarify this and expand the list of evidence that could be provided in order to justify a change of use under the policy.

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Amended paragraph 6.8.22 as follows:

6.8.22 Proposals for alternative uses will also need to demonstrate that either the existing use is inappropriate, **in terms of unacceptable impacts on amenity or the environment**, or that the land or premises are surplus to the requirements of the employment market. Where existing uses are surplus to the requirements of the employment market viability and marketing evidence should be provided to justify the loss of employment land or premises. The type of evidence required will vary depending on the use and individual circumstances but may include details of why the land or premises is no longer in use and evidence to show that appropriate and reasonable efforts have been made to market it for sale or lease for its existing use. Information from the agent or applicant regarding demand could take the form of a marketing report or correspondence from a suitably qualified property agent or surveyor. The type of information could include the following:

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- Details of existing occupiers, if any;
- If appropriate, the length of time a property or site has been vacant;
- The type of use which the property/site has been marketed for, and what the marketing strategy involved and its duration (typically there should be a minimum of 12 months appropriate marketing);
- The amount of interest in the site during the marketing period - this should detail the number of queries, the type of use sought, and if known, the reason for not pursuing the initial query; ~~and~~
- Whether the relocation of existing occupiers to other suitable accommodation will be facilitated; and
- **Evidence that demonstrates the existing use is inappropriate with regards to any unacceptable adverse impacts on amenity or the environment.**

5.3. Retail hierarchy and centres (Policies EcW3, EcW5 and EcW6)

a. Does policy EcW3 strike an appropriate balance between rigour and flexibility?

Yes. The policy defines the hierarchy of commercial centres in the County Borough as required by TAN4 section 4 and PPW paragraphs 4.3.10 to 4.3.12. The policy recognises Merthyr Tydfil town centre as the favoured location for development, followed by local centres of Dowlais, Gurnos, Cefn Coed, Brecon Road/Morgantown, Troedyrhiw, Aberfan and Treharris.

This is consistent with the 'town centres first' policy and sequential approach set out in TAN4 paragraph 6 and PPW10 4.3.18-4.3.24. The policy directs new and enhanced retail provision to these centres as required by PPW10 4.3.1-4.3.3

TAN4: Retail and Commercial Development paragraph 4.6, states that out-of-centre retail parks whose development has been based solely on retailing should not normally be included in the local hierarchy. As such, the out-of-town centres of Cyfarthfa, Pengarnddu and Pentrebach have not been included in the hierarchy, although they have been acknowledged as existing out of centre sites in the supporting text and under policy EcW6. The retail hierarchy has been reviewed as part of the Retail and Commercial Leisure Study (SD30) which found the hierarchy remains appropriate and that no changes are required (paragraphs 5.19 - 5.23).

Policy EcW3 goes on to explain in the second statement that new retailing proposals outside of the identified centres will be subject to an assessment of need and the strict application of the sequential test. This is considered in accordance with the requirements of TAN 4, paragraph 6 and 7, and PPW paragraphs 4.3.13 - 4.3.24. Therefore the policy is rigorous, in that it clearly requires evidence and justification in line with PPW and TAN 4 but is sufficiently flexible, as it allows development proposals outside the identified centres to be sufficiently considered. In this respect, it does preclude new retailing development outside of these centres provided sufficient justification can be provided.

National policy is clear that proposals for new retail development outside established centres requires consideration of retail need, the sequential site search process and potential impacts on established centres (PPW10 paragraphs 4.3.13 - 4.3.24) and these should be proportionate to the nature and scale of the proposal.

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Specialist retailing needs, including for bulky comparison goods that may be more appropriate in edge or out of centre locations, are also required under national policy to provide a retail needs justification, setting out the sequential site search process and any potential retail impacts (PPW10 paragraphs 4.3.19 and 4.3.23).

Consequently, as the policy clearly sets out the established retail hierarchy and key requirements for the consideration of retail proposals outside of those centres it is considered that the policy provides an appropriate balance between rigor and flexibility.

b. Should Policy EcW3 also apply to complementary non-retail uses as indicated at paragraph 7.1 of Technical Advice Note (TAN) 4 'Retail and Commercial Development'?

Yes. PPW paragraph 4.3.18 advises that:

The Welsh Government operates a 'town centres first' policy in relation to the location of new retail and commercial centre development. In implementing this policy, planning authorities should adopt a sequential approach to the selection of new sites in their development plan and when determining planning applications for retail and other complementary uses. By adopting a sequential approach first preference should be to locate new development within a retail and commercial centre defined in the development plan hierarchy of centres.

Furthermore, PPW paragraph 4.3.21 states:

The sequential approach applies to retail and all other uses complementary to retail and commercial centres. Other complementary uses include, for example, financial and professional services (A2), food and drink (A3), offices (B1), hotels (C1), educational and other non-residential establishments (D1), leisure (D2) and certain other uses such as launderettes and theatres³⁹. However, some education, healthcare and community uses may have specific accessibility requirements which mean they need to be located close to the communities they serve. Planning authorities should be flexible in their approach where it is necessary. The nature of a proposed use is likely to determine what type of centre (i.e. higher or lower order centre) is most appropriate as a starting point for the sequential approach process.

Consequently, reference to 'retail, leisure, and other complementary uses', as referenced in PPW 4.3.21 and TAN4 paragraph 7.1, could be included in policy EcW3 to clarify the requirement as indicated overleaf.

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Proposed Matter Arising Change

Policy EcW3: Retail Hierarchy - Supporting Retailing Provision

Merthyr Tydfil Town Centre is the favoured location for retail, **leisure, and other complementary** development, being situated at the head of a retail hierarchy and being followed by the local centres of Dowlais, Gurnos, Cefn Coed and Brecon Road/Morgantown, Troedyrhiw, Aberfan, Treharris and a new local centre forming part of the 'Hoover Strategic Regeneration Area'. Proposals for new and enhanced retail, **leisure and other complementary** provision in all these centres will be permitted where they improve the vitality and viability of the centre(s) concerned.

Outside the above centres, proposals will be subject to an assessment of need and a strict application of the sequential test. Proposals will then only be permitted where they avoid causing harm to town/local centre vitality and viability.

- c. **Is the Plan sufficiently clear about how the sequential test would be applied, including for stores selling bulky goods or requiring showrooms⁹?**

Yes. LDP paragraphs 6.8.28 - 6.8.31 under policy EcW3 and 6.8.49 – 6.8.53 under policy EcW6 explain the sequential approach (in accordance with TAN4 paragraph 6 and PPW10 4.3.18 - 4.3.24). However, additional supporting text, consistent with PPW paragraph 4.3.23, could be added under policy EcW6 to clarify the sequential approach for bulky showroom retailing.

Proposed Matter Arising Change

6.8.54 Some types of retail store, such as those selling bulky goods and requiring large showrooms, may not be able to find suitable sites or buildings within the County Borough's existing retail centres. Where this is the case such stores should in the first instance be located on existing out of centre sites close to existing centres where bulky goods and showroom retailing may be appropriate. Examples of these out of town retailing areas include Cyfarthfa Retail Park and Trago Mills. Where such sites are not available or suitable, other sites at the edge of retail and commercial centres, followed by other out-of-centre locations may be considered, subject to application of the needs and impact tests.

⁹ PPW paragraphs 4.3.19 and 4.3.23

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- d. **The Plan describes both Trago Mills and Cyfarthfa Retail Park as edge-of-centre retail locations¹⁰.**
- i. **Does this accord with paragraph 7.4 of TAN 4?**
 - ii. **Does the evidence support either location being identified as ‘edge-of-centre’?**

TAN4 paragraph 7.4 states:

“When allocating sites or when determining applications that are in edge of centre locations, local planning authorities should consider the distance that a site is from the edge of a retail and commercial centre for it to be accessible by foot. Wherever possible edge of centre site allocations or development proposals should be located adjacent to a designated retail and commercial centre boundary, where this is not the case it should not normally be more than 200 to 300 metres from the edge of the centre. Factors such as the size of the retail and commercial centre, local topography and presence of physical barriers to access may influence any assessment. It may be appropriate to use a shorter acceptable distance between the centre and the development proposal if the centre is small. Local planning authorities should consider whether to specify advice in their LDP about accessible distances from retail and commercial centres to edge of centre developments”.

Cyfarthfa Retail Park is approximately 300m in a straight line from the edge of the Merthyr Tydfil town centre boundary (located along the Dynevor Street). However, the walking route from the edge of the town centre boundary to the edge of Cyfarthfa Retail Park is approximately 550m and pedestrians would need to walk up an incline on Aberdare road. Moreover, if the walking distance is taken from Merthyr Tydfil Bus Station, closer to the town centre and primary shopping area, the distance is approximately 1km. Whilst people do walk between the Town Centre and Cyfarthfa Retail Park, these walking distances are in excess of those set out in TAN4 and consideration should be given to the local topography and intervening residential uses which physically separate the retail park from the town centre. Consequently, whilst Cyfarthfa Retail Park is the closest out of centre Retail Park it is not strictly in accordance with the definition of an edge of centre retail location as set out in TAN4.

The Trago Mills site is approximately 700m in a straight line from the edge of the Merthyr Tydfil town centre boundary but cannot be easily accessed by foot without the need for a diversion through Gellideg using an underpass

¹⁰ Plan paragraphs 4.40 and 6.8.27

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north of the site. Considering this, along with the local topography and physical separation by other land uses and the A470 dual carriageway, Trago Mills does also not accord with the definition of edge-of-centre at paragraph 7.4 of TAN 4.

It is therefore proposed to change the LDP references to both retail areas to clarify their status. This proposed change is in line with the paragraph 5.23 of the Merthyr Tydfil Retail and Commercial Leisure Study (SD30) which has reviewed the retail hierarchy in the existing adopted LDP. This acknowledges three out of town retail areas (Cyfarthfa, Pengarnddu and Pentrebach) and found that the retail hierarchy in the adopted plan remains appropriate and that no changes are required.

The Council has therefore proposed changes to LDP paragraphs 4.40 and 6.8.27 to clarify the status of both out of centre retail areas as set out below.

Proposed Matters Arising Change

4.40 The Town Centre, particularly, is seen as a key asset and will continue to form the lynchpin for regeneration. The strategy reflects the need to continue town centre regeneration and will aim to capitalise on the extra spending power attracted to Merthyr Tydfil through edge-of-centre developments such as the Cyfarthfa Retail Park and Trago Mills. Fundamental to the success of this approach is ensuring that the retail offer in each of these locations is kept sufficiently distinct so as not to undermine the vitality and viability of the town centre. Furthermore it provides support for the tourism sector and for the retailing role of the town and local centres.

6.8.27 Within the County Borough, Merthyr Tydfil town centre is the principal town centre supported by seven local centres of Dowlais, Gurnos, Cefn Coed, Brecon Road/Morgantown, Troedyrhiw, Aberfan and Treharris. Cyfarthfa Retail Park off Swansea Road provides an established ~~edge-of-centre~~ **out-of-centre** retail park close to the Town Centre. There are also out-of-centre ~~retailers~~ **retail** parks at Trago Mills, Swansea Road, Dowlais Top Retail Area, Dowlais and at the Triangle Business Park, Pentrebach. These ~~edge~~ **and** out-of-centre retailing areas accommodate **some** bulky goods retailing, albeit that they do not fall within the defined hierarchy of **retail** centres. The Merthyr Tydfil Retail and Commercial Leisure Study (June 2017) provides the evidence base that supports the Plan's retail hierarchy and contains further information regarding the retailing context within and surrounding the County Borough.

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- e. **The second part of policy EcW5 sets out criteria for assessing changes of use to non-retail uses in the Primary Shopping Area and local centres.**

i. **Are the first two criteria effective?**

The first two criteria were included to provide a measure of protection against changes of use to non-'A' class uses at ground floor level in the PSA and local centres (as recommended in the Merthyr Tydfil Retail and Commercial Leisure Study). However, these criteria are more appropriate when considering changes of use proposals affecting existing community facilities. Upon reviewing these criteria it is considered that the third criterion is more appropriate and sufficient on its own to provide the required level of protection. To clarify the requirements of the policy it is therefore proposed to remove the first two criteria from the second statement in policy EcW5 set out below. Additionally, to clarify the application of the policy the Council proposes to change the introductory statement to the second part of EcW5 in order to make the reference to 'non-retail' uses more specific.

ii. **Are the 'or' and 'and' clauses correct and able to be implemented consistently?**

The changes proposed to clarify the application of the policy in response to question 5.3(e)(i) above would remove the first two criteria where reference is currently made to the various circumstances that might justify the principle of the change of use. This removes the references to "or" in the list of criteria. The remaining criteria would apply in all cases. A missing "and" has been identified at the end of the fourth criteria. Consequently, it is proposed to amend the policy to include the missing "and" in order to clarify the application of the policy.

iii. **Should the final criterion seek to protect the viability of existing businesses with reference to the 'agent of change principle' included in PPW¹¹?**

Yes. The agent of change principle referenced in PPW Edition 10 is relevant to this criterion and it is considered its inclusion would help in the application of the policy. Accordingly a change has been proposed as set overleaf. An additional paragraph will also be added to the policy's supporting text to explain the application of the principle. All changes referenced in response to (i) to (iii) above are set out overleaf in the proposed Matters Arising Change.

¹¹ PPW paragraphs 4.3.44 and Chapter 6

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Proposed Matters Arising Change

Policy EcW5: Town and Local Centre Development

Development enhancing the vitality and viability of the Town and Local Centres will be supported.

Within the Town Centre Primary Shopping Area (PSA) the change of use of the ground floor from A1 to another 'A class' use will be permitted where:

- At least 75% of the commercial uses at street level within the PSA remain A1, and;
- There are no more than two adjoining 'non-A1' units in any row of five units, provided there are not more than three 'non-A1' units in any 5 units.

Within the PSA and local centres, the change of use of the ground floor to ~~'non-retail'~~ **non-A** use classes will only be permitted where:

- ~~Alternative provision of at least equivalent value to the local community can be provided nearby, or~~
- ~~It can be demonstrated that existing provision is inappropriate or surplus to the needs of the community and is no longer required, or~~
- It is demonstrated through active and appropriate marketing that the existing use is no longer economically viable; and,
- The proposal would not result in an over concentration of non-A1 uses that would be detrimental to the vitality, attractiveness and viability of the local centre; **and,**
- The proposal would not result in the creation of a dead window frontage; and,
- The proposal would not have an unacceptable effect on the amenity of neighbouring uses, **having regard to the 'agent of change principle'.**

Add an additional paragraph 6.8.49 under policy EcW5 as follows:

6.8.49 PPW states that the agent of change principle says that a business or person responsible for introducing a change is responsible for managing that change. In practice, for example, this means a developer would have to ensure that solutions to address air quality or noise from nearby pre-existing infrastructure, businesses or venues can be found and implemented as part of ensuring development is acceptable.

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- f. **Monitoring indicator 14.7 refers to non-residential uses. Should this be non-retail uses?**

Yes, this is a typographical error and will be amended accordingly as indicated below.

Proposed Matters Arising Change

14.7	Local Local Centre Health Check: Amount of non-residential <u>non-retail</u> uses in Local Centres.	No permission granted for non-residential <u>non-retail</u> development that is contrary to Policy EcW5.	1 or more non-residential <u>non-retail</u> developments permitted contrary to Policy EcW5 in any 1 year.	MTCBC Development Management Monitoring.
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5.4. Retail supply and allocations (Policies EcW4 and SW6)

- a. The evidence¹² indicates that the Hoover Strategic Regeneration Area (HSRA) could support around 320sqm of class A use floorspace, but appears to assume a greater quantum of dwellings and employment floorspace than has been allocated at the site.**
- i. In light of this is the quantum of local convenience retail floorspace allocated at the HSRA (409sqm), and its inclusion within a new local centre, justified?**

The Retail and Commercial Leisure Study (SD30) prepared to support the Replacement LDP has assessed the potential retail headroom for a range of retail needs across the Plan period in line with PPW and TAN 4: Retail and Commercial Development.

Paragraph 6.8 of the study advises that the quantitative assessment of potential capacity for retail floorspace suggests that there is limited scope (409 sqm gross) for new convenience goods development within the County Borough Council area by 2031. In qualitative terms, food store and convenience retail provision is strong across the County Borough with most of the national food stores represented. There are no obvious areas of qualitative deficiency in food provision.

The study concluded that no allocations for the development of new convenience goods stores would be required to meet overall needs and that no out of centre retail site allocations would be required to accommodate overall projected needs (paragraph, 6.16).

Since the preparation of the Merthyr Tydfil Retail Study and Commercial Leisure Study the Council has undertaken a Strategic Flood Consequence Assessment (SFCA) to inform the site assessments and to support the Replacement Plan. This found that there were a number of potential retail, employment and residential allocations which were not able to be allocated in the Deposit LDP as they would be contrary to national policy regarding flood risk, although future mitigation works and detailed development proposals may be able to justify new development at these locations following further assessment.

For the Hoover Strategic Regeneration Area (HSRA), this meant that potential residential development at Dragon Parc, Abercanaid could not be allocated in addition to employment land as these sites would be unlikely to meet the TAN15

¹² Retail and Commercial Leisure Study 2017 [SD30] paragraph 5.45

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justification and acceptability criteria without prior physical mitigation works and further assessment being necessary. The result of this is that the 800 dwellings assumed in the Retail study (SD30, Table 5.1 Strategic Site Assessment) have now been reduced to a proposed 440 dwellings.

Alongside this, the SFCA found that the existing bus station within the Town Centre site was unable to be allocated in the Deposit LDP as it would not meet the TAN15 requirements for new retail/commercial use allocations. Consequently, development proposals at the bus station site would need to come forward following physical mitigation works or through the provision of justification once detailed development proposals are known (e.g. part of a future planning application). Such justification would need to demonstrate that the risks and consequences of flooding can be made acceptable in line with the requirements of TAN 15.

By allocating a small element of retail use at the HSRA, the Council's primary intention was to meet local needs as close as possible to where new demand is to be created, and to ensure a mix of uses is provided at the strategic site in order to support sustainable placemaking and regeneration objectives as encouraged in PPW. An allocation at the Hoover site would also contribute towards meeting overall projected convenience needs, although it is acknowledged that no new retail allocations are necessary as future needs should be met in existing retail areas.

A small local centre at the strategic site, for example comprised of 2-3 retail units, would contribute towards the development of a new community focused around the Pentrebach metro station 'hub'. This is in line with the Metro placemaking review, commissioned by Transport for Wales to ensure that new transport infrastructure investment will have a positive impact on the quality of Wales' cities, towns and villages. This encourages the development of new 'hub' communities at Metro stations in order to maximise the potential benefits of future transport infrastructure investment. A small local centre would also assist in providing a focal point and natural surveillance for the station park and ride site and would allow future residents at the HSRA to meet basic needs close to where they live, minimising the need for local car journeys. It is anticipated that an element of retail development would also assist in the viability of the wider Hoover site redevelopment.

With regards to the strategic site retail analysis (SD30, Table 5.1) it is accepted that the overall retail floor space need figures forecasted should be updated to reflect the amended proposals for 440 new dwellings (as opposed to 800 dwellings). It is considered that the demand assumptions (1-6) used for the strategic site assessment represent cautious but robust assumptions which are

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based on relatively low expenditure retention rates 30% for convenience goods (top-up shopping), 10% for comparison goods (lower order day to day goods) and 30% for food/beverage, recognising the development would not be self-contained in retail terms. This approach and the retail expenditure figures used are considered to remain appropriate for forecasting local needs arising from the residential development at the strategic site.

It is therefore not considered necessary to review the strategic site assessment, rather a pro rata adjustment to account for the reduction in dwelling numbers at the HSRA would be sufficient to provide an updated local retail need forecast for the site. A reduction by 45% to reflect the lower planned growth at the site would provide an updated gross retail floor space need figure of at least 177 sqm.

Whilst this reflects a much lower figure than the 321 sqm gross floor space need originally identified, it is considered that the updated retail floorspace assessment suggests there remains a quantitative case to meet local needs at the HSRA which could reasonably equate to one retail unit or 2-3 smaller units. In qualitative terms, provision could include a small convenience store (the Sunday trading limit is 280 sqm) or alternatively, new units could support other shops or services e.g. doctors, chemist, takeaway, café/pub etc.

The Council considers that a retail allocation at the HSRA to support this need remains justified in quantitative and qualitative terms. In terms of the qualitative justification it would be appropriate to allocate a higher level of retail floorspace than the updated strategic site assessment indicates in order to provide sufficient flexibility, ensure future unit sizes would be viable and ensure a critical mass created for a small local centre. This would be to serve the needs of the HSRA and existing residential and employment areas in Pentrebach and Abercanaid.

Whilst lower retail floorspace needs are identified by the strategic site retail assessment, it is considered that a lower level of provision would not provide sufficiently large unit sizes or retain the critical mass necessary for a small local centre. The Council would therefore advocate amending the retail provision figure referenced in policy SW6 to a rounded 400 sqm in order to meet future local needs and to ensure there is a modest level of provision that is sufficient enough to support a small local centre.

New retail provision at the HSRA is considered to be justified, not least because such an allocation would enable basic local needs to be met thereby reducing the need for local journeys by road, but also as it addresses sustainable placemaking and regeneration objectives. A small element of provision at the HSRA would provide opportunities for new commercial units close to the

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Pentrehach metro station and park and ride, assisting in the development of a new metro 'hub' community and providing natural surveillance to the park and ride and wider public realm.

Such a low level of new retail development is unlikely to have an impact on established centres, particularly as the allocation is seeking to meet immediate local needs close to where future demand will occur. It would therefore not be appropriate to allocate an alternative site closer to the town centre as an alternative location would not meet the local needs identified at the HSRA. Furthermore, the low expenditure retention rates used in the strategic site assessment recognise that the development is not intended to be self-contained in retail terms.

The Council is not intending to meet the County Borough's future convenience, comparison and food and drink uses needs through the allocation as this future development should be located within existing retail centres. In line with the recommendations of the retail and commercial leisure study (SD30) it is considered there is sufficient scope within existing established centres to meet long term needs over the Plan period. However, the Council has had regard to future areas of growth and has sought to make provision accordingly.

With regard to development plans and strategic sites TAN 4 states:

5.5 As part of the wider development plan vision, the local planning authority will also need to consider if new areas of growth will be adequately provided for in land use terms, and make appropriate provision within their retail strategy to accommodate this to ensure this strategic growth is focused on the most suitable locations.

5.6 Area-wide strategies, Place Plans, or masterplans should outline a vision for the centre setting out the land-use implications. Masterplans and strategies should be developed by local planning authorities in partnership with relevant stakeholders.

The Council considers that in line with this guidance the HSRA retail allocation and level of floorspace proposed is justified. It is proposed however to amend the retail floor space figure in policies SW6 and EcW4 to a rounded 400 sqm to meet local needs. Additional supporting text to policy EcW4 has also been proposed to clarify the purpose of the allocation. Reference to 'convenience' retail is also proposed to be removed to clarify that the provision relates to all retail needs arising from the HSRA (i.e. for convenience, comparison and food and drink retailing needs) and not just convenience need.

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Proposed Matters Arising Change

Policy SW6: Hoover Strategic Regeneration Area

The Hoover Strategic Regeneration Area is identified to facilitate a major mixed-use development comprising of:

- 440 new homes,
- Local ~~convenience~~ retail provision of ~~409~~ **400** sqm,
- New employment development on 1.5 hectares of land,
- Pentrebach Station Park and Ride,
- Provision of a new footbridge/cycle bridge to Abercanaid; and
- Safeguarded land for a new Metro station.

Policy EcW4: Retail Allocation

To support the Hoover Strategic Regeneration Area land is allocated to provide ~~409~~ **400** sqm for local ~~convenience~~ retail **provision**.

6.8.34 PPW states that local planning authorities should assess the quantitative and qualitative needs for land or floorspace for retail and commercial leisure development over the plan period (up to 2031).

6.8.35 The Merthyr Tydfil Retail and Commercial Leisure Study demonstrates a need, over the plan period of up to 6,281 sq.m gross floorspace, comprising 409 sq.m for convenience goods, 3,736 sq.m for comparison goods and 2,136 sq.m for food and beverage.

6.8.36 An allocation for 400 sqm has been made at the Hoover Strategic Regeneration Area in order to meet future resident's basic local retailing needs (i.e. for convenience, comparison and food and drink retailing). Whilst this level of provision is above the projected needs arising from the HRSA development it is considered that this modest level of provision is necessary to ensure there is a critical mass of uses and viable unit sizes to establish a small local centre. This will reduce the need for future residents to travel to meet basic needs and will contribute towards the development of new community focused around the Pentrebach metro station 'hub'.

6.8.36 The quantitative assessment of the potential capacity for retail floorspace suggests that there is only limited scope (409 sqm gross) for new convenience goods development within MTCB and this is by 2031 ~~to support the Hoover Strategic Regeneration Area~~. In qualitative terms, food store and convenience retail provision is strong across the County Borough with most of the national food stores represented. There are no obvious areas of qualitative deficiency in food provision. No further allocations for the development of new convenience retail are required.

ii. Have potential alternative, deliverable sites for accommodating any residual need for retail and commercial leisure floorspace been rigorously and sequentially assessed?

The proposed retail allocation at the Hoover Strategic Regeneration Area is intended to meet local needs arising from the development at the strategic site. As set out in response to question 5.4(a)(i) above the Council is not intending to meet the County Borough's future convenience, comparison and food and drink uses needs through the allocation as this future development should be located within existing retail centres. In line with the recommendations of the retail and commercial leisure study (SD30) it is considered there is sufficient scope within existing established centres to meet long term needs over the Plan period.

In making provision at the HRSA the Council has had regard to new areas of growth and has sought to meet local needs arising from the development and ensure a small local centre could be integrated into future proposals for the development of the area. In this respect, it is considered that it would not be appropriate to allocate an alternative site closer to the town centre as an alternative location would not meet the local needs identified at the HRSA.

With regards to retail impact, it is considered that such a low level of new retail development is unlikely to have an impact on established centres, particularly as the allocation is seeking to meet immediate local needs close to where future demand will occur.

The Council has however assessed all candidate sites submitted as part of the call for sites (SD46) including sites promoted for retail or mixed/commercial leisure uses. This has included sites promoted for retail or mixed uses closer to the town and local centres. Specifically, these are:

- Candidate site 85 Central Bus Station and Land Adjacent (promoted for retail); and,
- Candidate site 27 Land South of College Car Park (promoted for mixed use).

With regards to candidate site 85 Central Bus Station and Land Adjacent, the site is located within the existing town centre boundary. As set out in response to question 5.4(a)(i) above, the site lies partly within flood zone C2 and the Strategic Flood Consequence Assessment prepared to support the plan found that the site was not able to be allocated in the Deposit LDP as it would be contrary to national policy regarding flood risk. However, future mitigation works and detailed development proposals may be able to justify new development following further assessment.

With regards to candidate site 27 Land South of College Car Park, the majority of the site is located in the existing town centre boundary. As noted in respect to question 5.1(b) above, there has been some historic interest for retail or a mix of uses here however these have not been progressed. Given the uncertainty of development proposals and variety of potential uses that might be appropriate at the location (e.g. for leisure, retail, education, employment or other mixed uses), the allocation of the site in the LDP for a specific use was not recommended as there was considered to be a need for flexibility given the site is strategically located on the edge of Merthyr Tydfil town centre. Furthermore, as the majority of the site is located within the town centre boundary future development proposals for retail or other complementary town centre uses could come forward under the Plan's policies if there were to be market demand.

5.5. Tourism Development (Policy EcW7)

a. Is the Plan founded on evidence¹³ which adequately considers potential needs for all forms of tourism and leisure development?

Yes, it is considered that policy EcW7 provides for all types of tourist, leisure and recreation development in accordance with PPW section 5.5.

Within urban areas, tourism, leisure and recreation development within settlement boundaries is generally supported, with particular support for proposals which would aid the revitalisation and regeneration of the Town and Local Centres. Outside settlement boundaries, proposals are favoured provided the need for a 'countryside location' is fully justified and the proposal limits negative environmental impacts and is of an appropriate scale to its surrounding.

In addition to the findings of the Retail and Commercial Leisure Study 2017 (SD30) the Plan also supports the delivery of the Council's 'Destination Management Plan'¹⁴ (ED020) which supports the development of a variety of high quality tourist, leisure and recreation facilities and visitor accommodation providing opportunities to build Merthyr Tydfil as a welcoming 365 day visitor destination (as reference at LDP paragraph 6.8.54).

LDP Paragraph 6.8.55 further explains that monitoring through the Scarborough Tourism Economic Activity Monitor (STEAM) indicates that the majority of visitors are day visitors (ED021) who come to visit our cultural attractions and extensive retail offer generally located in urban areas. The paragraph also explains that the plan seeks to support the sensitive refurbishment and reuse of historic assets and the regeneration of the Town and Local Centres. In this respect, the plan advises that, in line with the 'town centre first' principle in national policy, a 'sequential approach' will be adopted when determining planning applications for complementary uses such as hotels and leisure facilities where these are proposed outside a Town Centre location.

LDP paragraph 6.8.32 under policy EcW3 (Retail Hierarchy - Supporting Retailing Provision) outlines the findings of the Retail and Commercial Leisure Study (SD30) which considered the potential capacity for new complementary leisure uses (e.g. cinemas, theatres, private health and fitness clubs, bowling, bingo/gambling, restaurants bars and takeaways). It found theoretical capacity for a medium sized (3-5 screens) cinema, scope for additional health and fitness

¹³ Retail and Commercial Leisure Study 2017 [SD30]

¹⁴ Merthyr Tydfil Destination Management Plan 2016-2018 (up-dated biennially i.e. every two years), ED020.

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facilities (around 100 fitness stations); theoretical scope for a further bingo facility and additional capacity for food and beverage outlets.

Paragraph 3.33 of the study (SD30, page 17) acknowledges that “*non-retail uses are important in town centres especially in centres where there is a high vacancy rate. The introduction of these complementary uses may provide a welcome boost to the vitality and viability of a centre*”. It also considers ‘Emerging Leisure Activities’ described as fast moving and innovative and in recent years new uses have included trampoline centres, escape rooms and virtual golf centres (SD30, paragraphs 4.33 – 4.35). The study does however warn against “*leisure uses locating in the town centre that do not contribute to the vitality and viability of the centre throughout the day*”.

LDP Paragraph 6.8.57 under Policy EcW7 also acknowledges nearby existing overnight visitor attractions such as the Brecon Beacons National Park, Bike Park Wales and the Rock Summit UK which are located outside the settlement boundary within the County Borough. Paragraph 6.8.57 provides examples of other appropriate development that could be considered outside settlement boundaries.

The evidence comprises the Retail and Commercial Leisure Study 2017 (SD30) the Council's ‘Destination Management Plan (ED020) and Scarborough Tourism Economic Activity Monitor (STEAM) data (ED021). It is considered that the Plan is therefore founded on evidence which adequately considers the potential need for all forms of tourism and leisure development and that adequate policy provision has been included.

b. Should the potential economic and social benefits of tourism proposals outside settlement boundaries be considered alongside other considerations in Policy EcW7?

Yes. Whilst PPW does not specify that criteria based policies for tourism are required to include reference to economic and social benefits it is clear from PPW paragraphs 5.5.1 and 5.5.2 that the potential economic, regeneration and community benefits of tourism are an important consideration.

In particular, paragraph 5.5.3 advises that “in rural areas, tourism-related development is an essential element in providing for a healthy and diverse economy. Here development should be sympathetic in nature and scale to the local environment”.

In this respect, the supporting text at LDP paragraph 6.8.57 goes on to advise that tourism development “should directly benefit local communities” and that

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“appropriate proposals should therefore minimise environmental and landscape impacts whilst maximising positive effects on the local community, economy, and environment”.

The existing wording of Policy EcW7 favours new tourism, leisure and recreation proposals outside settlement boundaries where the need for the countryside location is justified and where these minimise environmental impacts and are of an appropriate scale to its surroundings (in line with PPW paragraph 5.5.2 and 5.5.3). It is considered that reference to the potential amenity, local community, and economic impacts could usefully be added so that future development proposals consider the other relevant social and economic impacts and benefits set out in national policy (PPW paragraphs 5.5.1 to 5.5.6). These are set out in the below Matters Arising Change.

Proposed Matters Arising Change

Policy EcW7: Tourism, Leisure and Recreation Development

Tourism, leisure and recreation development within settlement boundaries is generally supported, particularly where they aid the revitalisation and regeneration of the Town and Local Centres.

Low-impact tourism, leisure and recreation development outside settlement boundaries will be favoured provided the need for a 'countryside location' is fully justified, **the proposal** # minimises environmental **and amenity** impacts, **maximises positive effects on the local community, economy and environment,** and is of an appropriate scale to its surrounding.

c. Would the policy facilitate the provision of complementary tourism developments as sought by national policy¹⁵?

Yes, the policy would not prevent the consideration of complementary tourism developments. However, it is acknowledged that policy EcW7 and its supporting text does not specifically reference developments that would be complementary to an existing or proposed tourism, leisure or recreation facility.

In this respect, PPW paragraph 5.5.6 states:

Planning authorities should provide a framework for maintaining and developing well-located, well designed, good quality tourism facilities. They should consider the scale and broad distribution of existing and proposed tourist attractions and enable complementary developments such as accommodation and access to

¹⁵ PPW paragraph 5.5.6

MATTER 5: COMMERCIAL, RETAIL, LEISURE & TOURISM DEVELOPMENT – HEARING STATEMENT

be provided in ways which limit negative environmental impacts as well as consider the opportunities to enhance biodiversity.

It is considered that the existing policy wording would facilitate complementary tourism developments as the policy favours tourism, leisure and recreation development within settlement boundaries and low-impact tourism, leisure and recreation developments outside settlement boundaries where proposals are fully justified.

Furthermore, policy SW4 (Settlement Boundaries) would permit new development that “supports the expansion of an existing business in the countryside” (bullet point 4 of the second statement relating to development outside settlement boundaries).

With regards to developments outside the settlement boundaries, part of the justification required under policy EcW7 would include demonstrating why the need for complementary development in a countryside location is necessary and how the proposal would satisfy all other policy requirements, such as minimising environmental impacts and demonstrating that it is of an appropriate scale to its surrounding. Notwithstanding this, it is considered that this could be more clearly explained in the supporting under LDP paragraph 6.8.54 and changes have been proposed as set out below.

Proposed Matters Arising Change

Amend paragraph 6.8.54 under LDP policy EcW7 to read as follows:

6.8.54 Tourism, leisure and recreation is vitally important to the economy of Merthyr Tydfil contributing to making it both productive and enterprising. Our location, its environment and distinctive natural and built heritage assets, together with the development of our activity tourism offer and traditional day visits, provide opportunities to build our reputation as a welcoming 365¹⁶ day visitor destination. The ~~strategy~~ **Plan** supports the delivery of the Council’s ‘Destination Management Plan’¹⁷ by supporting a variety of high quality tourist, leisure and recreation facilities and **complementary uses, such as** visitor accommodation **and new access. This includes complementary tourism, leisure and recreation developments outside settlement boundaries where the need for the countryside location has been justified and it is demonstrated that the proposal would satisfy all other policy requirements, including minimising environmental and amenity impacts and demonstrating that it is of an appropriate scale to its surrounding.**

¹⁶ “365 tourism” and “365 visitor designations” are terms used to describe attractions and activities for everyday of the year.

¹⁷ Merthyr Tydfil County Borough Council Destination Management Plan (2015 - 2018), Document ED020.