

Matter 5 – Economy and Employment

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Westminster City Plan 2019-2040 – Examination in Public  
Response to Inspector’s Matters, Issues and Questions

Policy 15 – Town Centres, High Streets and the CAZ

*Question 10 – Is the approach to the protection of A1 uses and the introduction of other users justified and sufficiently flexible?*

1. The structural shifts in the retail sector, including the move from purchasing in shops to purchasing online; the diversification of shops; and the growing importance of experiential retail in order to attract customers into shops are well reported. These are also recognised within WCC’s evidence base<sup>1</sup> and were raised by The Crown Estate during consultation responses last summer.
2. The effect of Covid-19 on retail during lockdown, and the effect of necessary health & safety measures thereafter, as well as the anticipated economic downturn, will all add to the underlying difficulties faced by the retail sector and accelerate the speed at which these already substantial challenges need to be faced. These issues will continue to shape the face of retail and town centres will need to diversify and evolve in response. The Plan should therefore recognise and support the changing nature of retail across the life of the Plan.
3. The Crown Estate therefore continues to raise concern with the proposed protection of retail use throughout the town centre hierarchy as this will not provide the necessary flexibility to maintain activity in town centres. The protection of Class A1 throughout the hierarchy is unlikely to be effective and will not allow town centres, and the businesses that want to locate in them, to be adaptive and responsive.
4. This is particularly crucial in the West End International Shopping Centre, of which The Crown Estate’s Regent Street holdings form a key part, where occupiers are keen to install diversified new uses and concepts, providing a vital and attractive mix.
5. The Crown Estate supports the flexibility for non-Class A1 uses proposed within Policy 15, however, in order to function effectively, this should go further. Whilst The Crown Estate anticipates that its key holdings in Regent Street and Piccadilly will remain focussed on a distinct, first class retail offer, sustaining Class A1 ground floor retail frontages throughout the International Centres may no longer be practical. The Crown Estate considers that, given structural changes, it is unlikely that Class A1 retail will “remain the priority use throughout the town centre hierarchy,” as at Policy 15(B) and this is therefore unlikely to be an effective policy.
6. The Crown Estate welcomes the flexibility introduced by Modification M/EE/03 which would apply the marketing test at Policy 15(D) only to ground floor A1 retail uses within CAZ Retail Clusters and the International Centres, and outside of WERLSPA, allowing some flexibility for

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<sup>1</sup> EV\_E\_005 Town Centre Health Checks Report 2018/2019, p52

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retail uses at basement and upper floors. However, combined with the restriction on adjacent non-Class A1 units (Policy 15(C.3)), Policy 15 remains too inflexible and therefore ineffective.

7. The sustainability and attractiveness of Regent Street and other areas would be better supported by allowing for a wider diversity of land uses that provide services to visiting members of the public, including leisure and entertainment uses, rather than requiring Class A1 provision throughout. This approach is successfully demonstrated in the extensive leisure provision provided in shopping centres such as Westfield. WCC recognises this issue in the designation of the WERLSPA, within which the intention is to deliver an improved retail **and leisure** experience (Policy 2(C)). Policy 15 seeks to implement this objective through the provision of differential criteria in part D, however this is effectively nullified where the proposals are also within the West End International Centre.
8. The Crown Estate considers the marketing test within Policy 15(D) to be counterproductive both outwith the WERLSPA and within the areas of the WERLSPA which are also in the West End International Centre. Where a change of use is required to maintain activity, the Policy would result in units instead remaining vacant and blank for a period of 18 months. The policy would therefore increase vacancy, rather than support occupancy. The need for a more restrictive approach to retail diversification outside the WERLSPA, or within the International Centres has not been justified.
9. The Crown Estate considers this is unsound. The policy is not justified as it does not take account of reasonable alternatives.
10. The Crown Estate also considers that Policy 15, especially part D, is not clearly drafted and would benefit from clarification. The Crown Estate suggests that the final line of Policy 15(D) is amended to remove reference to the West End International Centre or CAZ Retail Clusters.
11. The Crown Estate welcomes the amendment of Paragraph 15.7 to recognise that subsidiary uses would be possible on the ground floor as well as upper and basement levels (Modification M/EE/05). Part of the comment is, however, unnecessary and should be removed. Within a permitted Class A1 use (or any other use) the level or extent of any other uses is limited to being ancillary. It is therefore unnecessary to explicitly include the phrase “where retail remains the dominant function,” and it should therefore be removed.

**Policy 17 – Food Drink and Entertainment**

*Question 17 – Is the approach to food and drink and entertainment uses justified? How will it be implemented in practice in respect of the issue of over-concentration and how will this be defined?*

12. As The Crown Estate notes in its response on Policy 2 (Matter 3), in respect to food, drink and entertainment uses, Policy 17 does not appear to provide additional support for such uses within the WERLSPA, despite Policy 2(D) suggesting that one of the area’s priorities is “a diverse evening and night-time economy and enhanced cultural offer.”
13. Restaurants, pubs and bars have been particularly badly hit during the Covid-19 lockdown and, at the time of writing are yet to be permitted to re-open to serve visiting members of the

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public. This reinforces the need for strong policy support to be provided in order to achieve WCC's objectives of Policy 2(D).

14. WCC's evidence base found that, **“food and drink uses such as restaurants, cafés and drinking establishments have increasingly taken a larger share of floorspace in designated centres in recent years... These changes call for more flexibility in how we manage town centres and shopping areas, particularly to allow a healthy mix of uses to support and enhance the function of these areas while maintaining a balance with A1 uses.”**<sup>2</sup>
15. WCC has taken steps towards this with Policy 2(D), but realising the objectives of Policy 2(D) is unlikely to be effective without detailed policy to implement it and provide additional support for such uses within the WERLSPA. This should be provided in Policy 17.

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<sup>2</sup> Town Centre Health Checks Report 2018/2019, p55