

Chapter 9 - Supporting jobs and the economy and vibrant town centres

Earlier in the plan we set out the preferred Economic Vision and Economic Strategy and the Strategic Policy on employment land. This addresses the strategic employment priorities of the area and any relevant cross-boundary issues as well as covering the scale and distribution strategy for future employment development in the plan period, and employment site allocations. This chapter includes the Strategic Policy on the town centre hierarchy and retail provision.



A crowded and vibrant Sidmouth town centre.

Strategic policies are supported by a suite of non-strategic policies which provide a clear basis for development management and the determination of employment and other economy related development proposals.

For this Chapter, unless otherwise stated, 'employment use' refers to any use where employment is required for that use to effectively function. This includes the following Use Classes: B2, B8, E, C1, F1, F2, and Sui Generis.

Employment development within settlement boundaries

The local plan promotes larger scale development on the western side of the District but elsewhere most new development will occur within settlement boundaries and as such will be focussed in and at the existing main centres of population. We have included plan policy that specifically addresses development within boundaries and which seeks to be supportive of employment growth.

51. Policy SE01:

Employment development within settlement boundaries

Within defined settlement boundaries, as shown on the Policies Map, development for employment uses, including the intensification of existing employment sites, will be permitted where proposals are compatible with neighbouring developments and land uses and will not give rise to adverse amenity impacts or undermine plan strategy or specific policies directly relevant to the use of the land in question.

On existing employment and business parks, and on land allocated for employment use, uses other than E(g), B2 and B8 (offices, research and development, industrial processes and storage and distribution) will not be permitted unless they can be shown to be subordinate to, directly compatible with and complementary to the overall business use and will enhance job provision and the effective operation and business appeal of the park or site.

Justification for inclusion of policy

The Council Plan's third priority is for a vibrant and resilient economy. The Council promotes and supports job growth in the District. There are employment opportunities in the traditional employment land use categories of business use, general industrial use and storage/distribution use and "Sui Generis" industrial uses. Tourism, retailing, health care, education and leisure facilities are significant employment generators. Although jobs in these sectors are typically lower paid, they are nonetheless important to the functioning of the district's economy and the well-being of local communities. Our preference moving forward is to support the creation of new higher value jobs.

East Devon benefits from significant employment opportunities in the western side of the district, more strongly associated with a wider sub-regional functioning economic market area (FEMA). This includes the Science Park and at Exeter Airport and related sites. But East Devon is also a rural and coastal district. There are around 60 traditional business parks and industrial estates across the district, with most being located within and adjacent to the towns. Some employment growth has taken place away from traditional business parks and industrial estates, and will continue to do so, for example through the diversification of the rural economy, the growth of leisure and tourism and the increase in home/remote working.



Light Industrial Units offer opportunities for growth.

The local plan provides for new employment provision to meet the future needs of the District. In the western side of the District, we will respond to increased demand for higher density, high value jobs, encouraging strategic inward investment and transformational sector development. We will

also aim to meet the strong unmet demand for industrial premises, particularly for industrial and logistics occupiers in the West End of East Devon. Elsewhere in the District, higher value investment opportunities will also be promoted, though it is more likely that new employment will serve local needs with jobs being provided close to existing and proposed homes so that people have the option of not needing to commute long distances to work.

The policy focuses on planning for sufficient employment sites for industry, offices and warehousing across the District, with appropriate flexibility through a range of available land and premises that can accommodate the changing needs for business start-ups, local employer expansions, relocations and inward investment. New supply for the plan period would be achieved from employment development on local plan site allocations, existing commitments not yet delivered and windfall development.

The preferred policy option is to focus employment development within settlement boundaries. The aim is to continue to meet a high proportion of the level of need for employment land (in Use Classes E(g), B2, B8) with sufficient supply flexibility, at locations that support settlement self-containment, consistent with the settlement hierarchy and the network of centres. These are the places with supporting services and facilities. The EDNA and Employment Land Review will provide evidence about the mix of sites needed to support businesses. It is expected that as well as sites suitable for transformation and high value employment, there will continue to be a need for a wide mix of sites in terms of size and quality to suit the needs businesses now and as they change over time. There will still be a need for traditional industrial estates and business parks. There is a separate local plan policy on the retention of these sites and existing business parks and industrial estates over the plan period.

New sites: The ability for new sites to meet need is subject to the Council's evidence to demonstrate that there is a need for specific employment uses and providing this will allow for sustainable growth in suitable locations. The EDNA has identified the scale of need for employment land in East Devon over the plan period. The HELAA and Employment Land Review provides further analysis about availability, suitability and achievability of sites for employment uses. The Council's site selection process has identified potential sites for allocations as employment or mixed use sites.

Policy on employment development at Cranbrook is set out in the adopted Cranbrook DPD.

Office development: This is subject to a sequential test, but is primarily directed to the town centres identified on the policies map.

Warehousing: The plan makes provision for warehousing, informed by the EDNA on employment development need. Warehousing for storage and distribution is a part of the local and regional economy. Efficient distribution infrastructure is essential, supporting the supply chains of modern manufacturing and retailing through 'just in time' systems. This depends on transporting goods and materials, much of it by road in HGVs and can lead to significant traffic movements in a locality. Good access to the strategic road network is critical for distribution nationally and internationally. Warehousing is a relatively low density use of land, in terms of the number of jobs available for local people, and generally not high wages. Warehouses can be substantial buildings on large plots, with considerable visual impact, particularly if concentrated along roadside locations. The plan directs warehousing to the allocations and existing employment sites suitable for warehousing to tier 1 and 2 settlements and the new settlement. The plan takes a restrictive approach towards large windfall proposals, and does not support their development elsewhere in

the District, particularly in the countryside or if it would reduce the land available for high value and transformational employment development.

Previously Developed Land: The plan supports the reuse of previously developed land, and opportunities for regeneration within the settlement boundaries. However, at this time the scale, type and areas for potential regeneration is unlikely to be substantial. The plan therefore does not propose significant areas of 'opportunity zones' for mixed use regeneration, with the flexibility to respond to the challenges of attracting businesses to such areas. Where regeneration opportunities arise, they will need master-planning to help integrate new development with the adjoining area, and provide a quality environment, respecting historic assets.

Changes of use: Some changes between uses can already occur on employment sites, for example if the planning approval includes a range of employment uses, subject to conditions and legal agreements. Furthermore, permitted development rights provide flexibility. For example they allow a unit of up to 500 square metres floorspace in 'General Industrial' use (Use Class B2) to be changed to a 'Storage and Distribution' use (Use Class B8). The Council is also mindful of recent changes to the Use Class Order permitting changes between specific categories of use, allowing sites to be used more flexibly without the need for planning permission. This does not impact on Class B2 and B8, but could lead to loss of business uses, weakening the mix of employment opportunities.

Mixed use within existing employment sites: focuses on Use Classes E(g), B2, B8, but the plan recognises that a small amount of other employment uses may be appropriate. It will need to indicate the types that are acceptable, and justify any limit on their development. The changes to the Use Class order brings additional flexibility but could potentially result in a broadening of employment mix, reducing the availability of land and premises for Use Classes E(g), B2, B8. This emphasises the need to ensure that the plan ensures sufficient supply flexibility to provide a range of sites and choice for businesses as their needs evolve.

On larger development allocations there are opportunities for mixed use, so that employment development to accommodate businesses and new jobs will be required to be provided alongside new housing. The employment will therefore be Use Class E(g) and suitable for locations in or adjoining residential areas. Retaining Class E(g) on the site is potentially undermined by permitted development rights. If there is evidence of the loss of business uses then the Council could consider an Article 4 direction applying to one or more specific sites, to control development by requiring a planning application.

Other locations generating employment: It is recognised that in this rural district, modest employment growth will also take place away from traditional business parks and industrial estates – for example through the diversification of the rural economy, and the growth of leisure and tourism and increase in home working. This plan does not support widespread dispersal of large scale employment generating uses in the countryside.

Employment development in the countryside

Whilst existing settlements, and the western side of East Devon, will remain the focus for future employment development there are cases where businesses located in countryside areas will need to expand. Policy provides for such expansion and for qualified starts-ups of new businesses.

52. Policy SE02:

Employment development in the countryside

Intensification and extension of existing employment businesses in the countryside

Building on land within the existing operational site boundaries of a business for intensification or extension of that business and its works and outputs, will be allowed in the countryside where the business:

- a. Is operating in premises that are at or close to full occupancy, or
- b. The business has a proven need arising from new or expanding operational functions.

To be acceptable under plan policy the:

1. Expansion will need to be proportionate to the existing size and scale of site operations and
2. The proposal will need to prioritise reuse or adaptation of existing buildings to reduce the need for additional built development.

Noting these two considerations, extending existing buildings or provision of new buildings will only be acceptable if evidence demonstrates that re-use or adaptation of current buildings is not viable or practical.

Re-use of existing rural buildings

Proposals for small scale employment development through re-use and adaptation of existing redundant rural buildings not currently used or last used for employment, will be permitted where the buildings are:

1. not in agricultural use or likely to be required for agricultural purposes;
2. readily accessible via a range of modes of transport;
3. of sound and permanent construction,
4. capable of adaptation or re-use without major re-building, alteration, or extension; and
5. where compatible with overall plan strategy and other local plan policy considerations.

Justification for inclusion of policy

Employment needs to be available in the countryside to support rural communities, focused on existing sites, and small-scale development. Plan policy defines the countryside as the areas outside of the settlement boundaries, as defined on the Policies Map. This policy balances protection for the character and qualities of the countryside with promoting appropriate scale employment. There is a separate policy on farm diversification and rural shops. For avoidance of doubt this policy applies to

specific companies or businesses and their operational premises and is not applicable to business parks, industrial estates or similar where the business in question is the operation of that park or site.

It is important for East Devon to develop its employment base and where established sites are successful, an intensification of employment uses or extension of an existing employment site can be considered if this supports additional employment accessible to local communities. This enables development to make use of existing sites and infrastructure.

Where sites are extended there is the need to ensure that development is sensitive to its surroundings, is of an appropriate type and scale and will not result in harm to local amenity. Where there is evidence of particularly high demand for employment development, we expect that any adverse aesthetic impacts stemming from that proposed development will be considered relative to the expected economic, social and environmental benefits stemming from that proposed development. Additional consideration will be given to existing East Devon employers, where the proposed development will safeguard valuable existing jobs.

Hill Barton and Greendale Business Parks are large, free-standing, historic employment areas within the countryside, not attached to or directly supporting the self-containment of any particular settlement. Accessing their locations for employment is primarily by motorised vehicles, with limited opportunity for more sustainable modes of transport. Development leading to intensification of use or site extension is not supported as it could compound and exacerbate the adverse environmental and social impacts. This approach will however need to be kept under review specifically in the context of policy for the new community.

53. Policy SE03: Farm Diversification

Farm diversification will be supported through the introduction of new employment uses onto established farm holdings (those that have operated for at least 10 years) subject to this constituting sustainable development and ensuring the development supports the long term financial sustainability of the farm holding. Criteria on what should be considered in the viability statement will be published and available online via the Council's website.

Proposals for farm diversification will be permitted providing they meet the following criteria:

- The proposal is compatible with, and an ancillary and subordinate component of, an existing and active farm enterprise and contributes to the continuing viability of the farm as a whole, retaining existing or providing new employment opportunities and services for the local community;
- The scale, siting and appearance of buildings and activities associated with the proposed development is appropriate to the rural character of the area and will not adversely impact local amenity;
- Development, in terms of its scale, nature, location and layout, does not detract from or prejudice the existing agricultural undertaking or its future operation;
- Any existing suitable buildings are re-used or adapted and, where appropriate, redundant buildings which are derelict or offer no opportunity for beneficial use are removed;

- Any new building (and parking and other structures/storage) is modest in scale, sited in or adjacent to an existing group of buildings, compatible design and blends into the landscape (design, siting and materials), enclosed with an appropriate boundary feature, taking into account the special characteristics of the farmstead and local area;
- No unacceptable adverse impacts arising from vehicle movements and the site should be accessible by a range of transport modes
- Foul drainage facilities are adequate;
- No adverse impacts arising from increased noise, smells, or other form of pollution. It may be necessary, for example, to limit the scale of on-farm anaerobic digesters;
- No adverse impact on the character of surrounding natural or historic environment;
- No adverse impact on protected species and opportunities to improve biodiversity are maximised

Any adverse impacts stemming from employment development will be considered against any positive economic, environmental and social impacts gained from that development.

Justification for inclusion of policy

Agriculture underpins the District's rural economy and supports a considerable number of ancillary businesses. The agricultural industry and the rural economy in general have undergone considerable changes in recent years, remaining a very important sector for the East Devon economy. Agriculture not only provides direct jobs but also underpins many other economic activities in rural areas. Agriculture remains the major user of rural land in East Devon and the use that most influences the physical appearance and character of the countryside.



Agriculture remains central to the character of East Devon.

The Council recognises the importance and changing role of agriculture and the need for new employment in rural areas. Changes in agriculture have made diversification increasingly important for the economic viability of farm holdings.

The NPPF doesn't define agricultural diversification. However, as well as alternative agricultural products, increasingly it involves diversification out of agriculture, into non-agricultural business within the holding. This adds business activities to traditional farming to develop new sources of income.

The main driver for diversification is to support farm income. Diversification offers additional income streams and adds variety to current business models. As well as making better use of a farm's physical resources and characteristics; by branching out successfully, farmers can secure the long-term health and prosperity of their farm and their income. This adds stability to a business in times of uncertainty and can also optimise assets and unlock entrepreneurial skills. Many farmers are having to find new and imaginative ways of diversifying their business in order to survive. More entrepreneurial strategies are helping farms face pressures when confronting a decline in core income or changes in the policy landscape. The change in farming, moving away from subsidies, and towards grants could stimulate the drive to add value to the farms' agricultural and forestry products, and tackling climate change. There is considerable potential synergy between a greener economy and farm diversification.

Policy focuses on development where the scale and type is appropriate to the existing business and the rural character of the area. The priority is for making use of available and suitable buildings on a holding. New buildings, where justified and acceptable, should be well integrated with the existing holding to help them harmonise with the surrounding environment.

The continued viability of farm holdings is important to the rural economy. Diversification proposals should therefore contribute effectively to the farm business and more generally to the rural economy while integrating new activities into the environment and the rural scene. Development proposals need to avoid conflict with and be well integrated into existing farming operations of the farm or estate.

Diversification proposals should be seen within the context of the future business plan for the holding as a whole. Where proposals affect a significant part of the farm holding, information may be requested on its extent, and what is proposed for the remainder of the holding. This may include evidence that, after development, the holding will continue to operate viably.

There is a need to carefully consider the appropriateness of new uses, their impact upon the surrounding area, the implications of public access, and their relationship to continuing agricultural operations. The range of diversification proposals is varied. Initiatives aimed at 'adding value' to food and goods produced on farms through processing and packaging initiatives are encouraged. It can also include tourism accommodation and attractions, events and festivals, distilleries and breweries, farm shops/cafes and specialist outlets, education and training/ experiences. New crops and renewable energy development are other avenues for income streams. Like many other businesses, these new types of diversification have been reshaping their offer to keep the business afloat during the pandemic. We expect other innovative activities and income streams to be conceived and trialled throughout the plan period. These contemporary approaches to diversification are consistent with Government planning policy and other policies towards farming and the countryside.

Exceptionally, residential conversion of a building may be part of a farm diversification project. The Council is mindful of the flexibility already provided through Permitted Development Use Class Q for the conversion of agricultural buildings to residential use.

54. Policy SE04: Resisting the loss of Employment sites

Loss of employment sites, either in whole or in part, to other uses will not usually be permitted. Employment sites are considered to be those currently in employment use, last used for employment and those which are allocated, permitted or conditioned for employment development.

1. Exceptionally, those sites in B2 and B8 uses will only be permitted for other types of employment use, if it can be demonstrated that:
 - a. The alternative use is in accordance with or does not undermine the plan's overall Spatial Strategy; and
 - b. Development relates to ancillary services of an appropriate size which will support an employment area (not within a town centre) by making it more sustainable and viable; or
 - c. Development results in mixed use regeneration within a settlement boundary designed to maintain or increase net job opportunities through alternative employment uses; or
 - d. The site is no longer viable for the current type of employment use but is viable for an alternative type of employment use, evidenced by a compliant viability statement; or
 - e. There is a lack of demand for the current type of employment use at the site, evidenced by a compliant marketing statement showing that the site has been appropriately marketed; and that a suitable supply of available (actively marketed) comparable employment sites/land can be demonstrated within the local area, evidenced by a compliant supply statement.
2. Exceptionally, the use of other employment sites for non-employment uses will be permitted if it can be demonstrated that:
 - a. The alternative use is in accordance with or does not undermine the plan's overall Spatial Strategy; and
 - b. The site is no longer viable for any employment use, evidenced by a compliant viability statement.

Compliant viability, marketing and supply statements must adhere to the respective requirements set out in the relevant guidance published and available online via the Council's website.

If an alternative use is acceptable, then applicants will be required to demonstrate that they have endeavoured to incorporate an appropriate (in terms of scale and type) element of employment floor space as part of the new development.

Justification for inclusion of policy

Land is a finite resource and land suitable for employment is a relatively scarce commodity. Competition for land from higher value uses makes delivering employment

development very challenging, whether new build or for redevelopment. The plan therefore includes this policy aimed at retaining existing or proposed employment sites and land provided that they are available, suitable and achievable over the plan period. The EDNA and supporting analysis of employment sites provides vital information in justifying the identification of existing and proposed employment sites in East Devon.

This policy focuses on protecting employment land in order to maintain sufficient supply of employment land, providing a range and choice of sites over the plan period.

Existing employment sites and proposed employment allocations in East Devon are nearly all in places where housing accommodates or is planned to accommodate much of the labour supply, and where future housing on new local plan allocations will be concentrated. This enables settlements to be more self-contained and better able to support local communities, as well as reducing the need to travel.

The EDNA provides the evidence about the amount of need for employment land. Given the low level of brownfield sites available in East Devon, then the need for additional employment land is mostly on greenfield sites. To avoid the risk of needing to identify even more sites to mitigate loss of employment land to other uses, it is essential that existing Employment Areas within the existing settlements are protected to maintain the quantity and enhance the quality of the employment capacity they provide.

Some ancillary uses complement and support employment uses, so may be appropriate on the existing and planned Employment Areas.

As the economy transforms, not all existing Employment Areas will remain viable or suitable for new types of employment uses. Alternative uses of these sites may then be appropriate if there is no realistic prospect of the site being used for employment. Planning applications would need to provide proportionate evidence about viability for continued employment use and the alternative use being proposed. Alternatively, where a site is viable for employment use, there may be a lack of demand for employment uses. In this case planning applications would need to provide proportionate evidence about robust and effective site marketing for employment uses and an availability of similar sites and land in the local area. If an alternative use is appropriate then opportunities to include an element of employment provision should be considered.

This policy is consistent with the NPPF. The policy is part of the policies package for creating the conditions in which businesses can invest, expand and adapt. The plan places significant weight on the need to support sustainable and inclusive economic growth and to be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices, and to enable a rapid response to changes in economic circumstances.

55. Policy SE05:

Employment and Skills Statements

All major developments will be required to complete the Employment and Skills table available on the Council's website. Any developments over 100 homes or 5000sqm of employment land will also need to provide an Employment and Skills Statement which commits to maximising the provision of skills and employment opportunities, to benefit the local population as well as the employer. These documents should be submitted with the planning application for development and will be implemented through a planning obligation or condition.

Compliant Employment and Skills Statements must adhere to the respective requirements set out in the relevant guidance published and available online via the Council's website.

Justification for inclusion of policy

Development provides opportunities for employment and improving skills within East Devon, not just from the building of the development but from the local supply chains, and the opportunity for apprenticeships and extended skills in the local labour supply.

The workforce in East Devon shows a good level of education with a mix of academic and vocational skills. The proportion of the working age resident population with no qualifications in East Devon is low, compared to national levels. However, the proportion of the working age resident population qualified to NVQ level 4 and above in East Devon in 2018 was 35.8%, lower than the 38.7% in the South West and 39.3% nationally.

The Local Plan supports economic growth and prosperity in East Devon, but it also emphasises the need for growth to be inclusive, so that residents can access higher value employment opportunities. Raising skills in the District is part of a wider approach, aligned with the Levelling Up White Paper, supporting a skilled workforce focussing on

- championing STEM courses (including T levels) to increase take-up
- ensuring all residents have the employability skills they need to progress
- increasing the take up of technical qualifications, and improving retention and recruitment of those with technical and higher-level skills
- increasing employer investment in workforce development
- working with institutions to ensure that the Heart of the South West's learning facilities and teaching capacity are fit for purpose and meeting future need; and
- mainstreaming an inclusive approach so all residents can benefit from future prosperity.

This policy requires larger developments to commit to providing Employment and Skills Statements and should relate to the demolition, site preparation and construction phases of development. They will usually be secured through a suitably worded pre-commencement planning condition and/or a S106 legal agreement. Detailed guidance is available on the Council's website to aid policy implementation.

The Council will work constructively with applicants to agree on the content of the Employment and Skills Statement and a mechanism to monitor whether the companies are honouring their commitment will be implemented. This means assessing whether the commitments are relevant, proportionate and measurable, and requiring the provision of data capturing the actions and results.

The Council will use the employment and skills benchmarks set out in the National Skills Academy's Client Based Approach as a starting point for negotiations with developers. This benchmarking has been formulated for a range of construction types and value bands, and has been agreed by the industry. The national Construction Industry Training Board (CITB) has an evidence base which justifies and demonstrates that the benchmarks requested are proportionate and achievable.

56. Strategic Policy SE06:

Town centre hierarchy, sequential approach and impact assessment

The tier one and two town centres will be the preferred location for the development of main town centre uses as defined in the NPPF. Proposals must be appropriate in terms of their scale and design to the centre in which they are proposed, as well as the function of the centre and accord with other policies in the plan.

The hierarchy of centres in East Devon is defined as follows:

- Tier one Town Centre: **Exmouth**
- Tier two Town Centre: **Axminster, Cranbrook, Honiton, Ottery St Mary, Seaton, Sidmouth**
- Tier three Local Centre: Broadclyst, **Budleigh Salterton, Colyton**, Lymptone, Woodbury
- Tier four Village Centre: Clyst St Mary, Uplyme, **Beer**, West Hill, Newton Poppleford, Feniton, Whimble, Kilmington, Otterton, East Budleigh, Stoke Canon, Tipton St John, Musbury, Sidbury, Chardstock, Broadhembury, Payhembury, Branscombe, Plymtree, Dunkeswell, Hawkchurch, Exton.

Settlements shown in **bold** text have defined Town Centre Areas to which town centre development policy will apply. It should be noted that Cranbrook town centre is subject to the policies of the Cranbrook Plan.

Applications for main town centre uses that are not proposed in the defined town centres and are not allocated for development through other policies of this Plan will only be permitted where the applicant can demonstrate that:

- a. The proposal accords with (satisfies) the sequential test as set out in the NPPF, and flexibility has been demonstrated on issues such as the format and scale of development.
- b. For retail proposals greater than 500sq.m, and other town centre use proposals greater than 2,500sq.m, an impact assessment has been undertaken, which shows that the proposal will not have a significant adverse impact in line with requirements set out in the NPPF, either alone or cumulatively. Neighbourhood Plans may set different thresholds where local considerations, supported by evidence, indicate this is appropriate.
- c. Retail development will not only be allowed on sites allocated for other uses if equally suitable alternative provision can be accommodated in the immediate locality.

Edge-of-centre²⁰ and out-of-centre sites, which satisfy the sequential test, should be accessible by public transport, bicycle and foot and well-connected to the centre by these modes. In order to ensure that land is retained for the benefit of the local economy, permitted development rights allowing changes to alternative uses will be withdrawn.

Justification for inclusion of policy

East Devon's town and village centres provide more than just retail opportunities, they function as the heart of the community offering a wide range of facilities often including: leisure and entertainment; sport and recreation; offices; cultural spaces and tourism development. The vitality and viability of these centres is fundamental to the support that they provide for local communities in the settlement and in adjoining areas, who rely on those centres. The NPPF is clear that planning policies for town centres should be positive, promote competitive town centre environments and set out policies for the management and growth of centres over the plan period.

This is a strategic policy because it establishes the network and hierarchy of centres. Maintaining the vitality and viability of the town centres in East Devon is a strategic priority in the plan. This policy is also the starting point for the suite of non-strategic policies on town centres and primary shopping frontages, local shops and services, and rural shops.

The NPPF requires the LPA to define a network and hierarchy of centres that is resilient to anticipated future economic changes. This policy draws on the evidence in the Council's Role and Functions of Settlements Study produced by the Council in July 2021, which categorised the roles of existing settlements in the District by taking into account their differing sizes, offer, functions and accessibility by sustainable transport modes. The Role and Function of Settlements Study was reported to Strategic Planning Committee of the Council on 5 October 2021, see item 38 - [1a. Role and Function of Settlements report v3 final draft for SPC.pdf \(eastdevon.gov.uk\)](#)

Town centre Hierarchy

East Devon contains a number of centres fulfilling residents and visitors diverse leisure and retail needs as part of a wider hierarchy. Village facilities will cater for basic everyday essentials but East Devon residents will use the main town centres to meet their convenience goods shopping needs and to access a wider range of services. None of the towns act as major comparison goods shopping destinations. In general, comparison goods expenditure flows out of the District, mainly towards Exeter but also to Taunton, Dorchester and further afield, as well as a significant and growing expenditure online.

Within the District the settlement hierarchy and centre type is as follows:

- **Tier one:** Exmouth (town centre with an extensive range of shops and services.)
- **Tier two:** Axminster, Cranbrook, Honiton, Ottery St Mary, Seaton, Sidmouth (town centres with a wide range of shops and services)
- **Tier three:** Broadclyst, Budleigh Salterton, Colyton, Lymptstone, Woodbury (local centres with multiple shops and services)
- **Tier four:** Clyst St Mary, Uplyme, Beer, West Hill, Newton Poppleford, Feniton, Whimble, Kilminster, Otterton, East Budleigh, Stoke Canon, Tipton St John, Musbury, Sidbury, Chardstock, Broadhembury, Payhembury, Branscombe, Plymtree, Dunkeswell, Hawkchurch, Exton, Westclyst (village centres with a limited range of individual shops and services, although note that Beer has a more extensive range than other tier 4 settlements)

As well as encouraging new shops and facilities in these locations it is important that existing provision is retained, especially in the tier three and four and more rural settlements where there are

only likely to be one or two of each type of shop or service and total loss would be severely damaging. It should be noted that, in addition to the town centres, the towns may also have neighbourhood shopping parades and individual stores and facilities to serve the local communities on the outskirts. In policy terms, applications affecting these shops and facilities will be treated on the same basis as those in Tier four settlements as they are similarly important in meeting the basic everyday needs of residents. Outside of the settlements listed above, residents have few facilities so are forced to travel elsewhere, resulting in a less sustainable travel pattern. Focussing new development on locations with good access to community services and facilities helps to reduce traffic congestion, reduce carbon dioxide emissions, improve air quality, and improve both physical and mental health.

Sequential Test

The Council must apply a sequential test to planning applications for new retail and retail related development, for example drive-through restaurants. The sequential approach will be applied so that development is located in the centre to which it is most appropriate, with preference being given to those centres higher up the hierarchy, and then identifies preferred locations which must be considered before out-of-centre sites. The first preference is for town centre locations (within the Town Centre Area, as identified on the Policies map), followed by edge-of-centre sites and only then by out-of-centre sites provided that they can be made accessible by a choice of means of transport and will not adversely impact upon nearby centres. It is however, recognised that existing out of town stores will continue to provide a form of retailing which both adds to local shopping choice and is popular with the public. Proposals for the refurbishment and redevelopment with small scale extensions of out of centre stores may be acceptable where there is insufficient net gain in retail floorspace to have an adverse effect on other established centres. Sequential testing is not required for small scale rural development (including office development) at or below 2,500 square metres of gross floorspace.

The NPPF also requires local plans to set a proportionate, locally set floorspace threshold above which planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan should be assessed for their impact. The scope of the Sequential Test and Retail Impact Assessment required to be submitted in support of a planning application should be discussed and agreed between the applicant and the Council at an early stage in the pre-application process. The level of detail included within the assessments must be proportionate to the scale and type of retail floorspace proposed and shall be determined on a case by case basis. The PPG sets out detailed requirements for carrying out such assessments.

In determining the scale at which retail impact assessments are required the Council have taken advice and established a threshold figure of 500 square metres above which assessment will be needed. For other types of development a default threshold of 2,500sq.m. (gross) is identified by the NPPF.

Town Centre Development

With the exception of Cranbrook, where the town centre is embryonic, the District's town centres are compact, have a retail offer that focuses on convenience and service provision, and are characterised by a predominance of independent shops fringed by supermarkets. Regular street

markets in Honiton and Axminster, and occasional farmers or artisan markets in all of the towns, draw in trade and along with street performers and other temporary events in the public realm create vibrancy and are to be encouraged. In addition to the town's identified in tier one and tier two, the smaller settlements of Budleigh Salterton, Beer and Colyton contain a similar range of shops and other uses typically found in the larger towns, albeit at a smaller scale, and so Policy 56 will also be applicable to them.

57. Policy SE07:

Town Centre development

Town Centre Areas and Primary Shopping Areas are defined for the tier one and two towns and the settlements of Budleigh Salterton, Beer and Colyton.

Proposals for development within the town centre areas (and excepting Cranbrook which is subject to the policies of the Cranbrook Plan), as defined on the Policies Map, will be permitted where they improve the quality and/or broaden the range of retail and leisure facilities, enhance the role of the town centres as sustainable shopping and leisure destinations and strengthen their vitality and viability. Proposals must not undermine the shopping character or visual amenity of the town centre, either alone or cumulatively, or adversely affect the amenity of the surrounding area through noise, smell, litter, traffic or disturbance arising from operating hours. Development proposals should make a positive contribution to the townscape of the centre in which it is proposed, incorporate provision for cycle access and cycle parking and enhance the natural environment wherever possible.

The Primary Shopping Areas as defined on the Policies Map will be the focus for retail and appropriate leisure uses. Development proposals for other town centre uses within the Primary Shopping Areas will only be permitted where the majority of the total ground floor units are facilitating retail or leisure uses. Unless it can be demonstrated that there is no longer a retail or leisure demand, other town centre uses will not be permitted on the ground floor within the Primary Shopping Areas. Unless it can be demonstrated that there is no demand for any town centre use residential uses will not be permitted on the ground floor within the Primary Shopping Areas. Evidence of demand should be outlined in a marketing statement. Criteria on what will be considered an adequate marketing statement is available online via the Council's website.

Where the change of use of a shop is permitted within the town centre and the shopfront, entrance or other features are considered to be of architectural or historic merit they should be retained and incorporated into the new development scheme.

Throughout the Town Centre Areas appropriately designed development proposals for residential or community use of upper floors will be encouraged. Such use should be independently accessed, have provision for refuse storage and should not result in adverse impacts on any retail use of the building.

Justification for inclusion of policy

In line with the NPPF, the council supports the role that town centres play at the heart of local communities, by taking a positive approach to their growth, management and adaptation. As part of a positive strategy for the future of each town centre, the Local Plan defines their extent and makes clear the range of uses that are acceptable within them.

Primary shopping areas are the defined areas where retail will be concentrated. The NPPF requires these to be identified on the policies map with the intention that retail use and access to convenience goods continue to draw in trade and maintain the vitality and viability of the High Street. The scale of the town centres covered by this policy is such that for each town centre, the Town Centre area and the Primary Shopping Area are one and the same. This means they share the same boundaries for the purpose of the local plan's town centre and retail policies. The Town Centre Areas are to be shown on the Policies Map.

Historic environment of town centres - The established town centres all contain listed buildings and designated conservation areas, so development proposals will need to be sensitively designed to protect, preserve and where appropriate enhance the character and appearance of any conservation area or listed building affected. Particular care should be given to the design of shopfronts, advertisements and signage. This also helps to create attractive, legible centres that encourage people to regularly use the centres and retain retail and leisure spend within East Devon.

Town centre uses - All of the town centres contain a mix of town centre uses including retail, leisure, community uses and residential housing, and benefit from public transport services (including rail services from Honiton, Axminster, Cranbrook and Exmouth) and bus services to the surrounding areas and to Exeter. The Local Plan provides a positive strategy for the future development of town centres and their health is regularly monitored to ensure that, if evidence suggests that they are in decline, the Council is able to implement further measures, along with relevant stakeholders, to support their vitality and viability.

Although all the established town centres have historically experienced low vacancy rates, they are some way from meeting their full potential as retail and leisure centres and would benefit from the development of an enhanced offer. To address this issue the Council has produced masterplans for Exmouth and Cranbrook, with the aim of regenerating the former and stimulating private sector interest in both.

Given their close proximity to transport networks and local shops and services, town centre and edge of centre sites may be particularly suited to locating specialist housing for different groups including older people.

Flexibility

Due to competition from on-line retailing and increased flexibilities in changes of use introduced via the General Permitted Development Order (GDPO) ([The Town and Country Planning \(General Permitted Development\) \(England\) Order 2015 \(legislation.gov.uk\)](https://www.legislation.gov.uk/uksi/2015/1717/contents/part-1/section-1)), there is a risk that the number of retail units within the town centres will reduce. This policy therefore seeks to retain as many retail units as necessary within the town centres to ensure they remain attractive destinations. The GPDO allows for change of use of retail units to various other uses. The amount of floorspace which can be changed under permitted development is restricted. Applicants are advised to consult the GPDO prior to submitting a planning application to check whether planning permission is required. For the avoidance of doubt, this policy only applies to proposals which would fall outside the permitted development regime.

58. Policy SE08:**Local shops and services****Provision of new shops or services**

Proposals for shopping and service development (including Public Houses and Post Offices) will be supported within tier 1-4 settlements, villages and neighbourhood centres provided it enhances their retail or service role and is accessible by walking and by bicycle and will not result in excessive traffic generation. New shops should sell predominantly convenience goods, be of a scale to serve the local area without, alone or cumulatively, impacting on the vitality or viability of any nearby centre²¹.

As a guide, shops should not exceed 280sqm, mostly sell essential goods, including food and be at least 1km from another similar shop.

Loss of existing local shops or services

The loss of existing local shops and services will be resisted where it would result in the significant or absolute loss of that facility to the community unless through a viability statement it is evidenced that it is no longer viable for the shop or service to be sustained, including under community acquisition/operation or within, or as part of, a different use.

Permission to change the use of a shop will be subject to the retention of the shopfront.

Justification for inclusion of policy

Throughout the District there are small groups of shops and services which are invaluable in meeting the basic, everyday needs of the communities they serve. These vary greatly- from the more comprehensive offer in the tiered town and village centres, to neighbourhood shops outside the urban centres of the towns, and village shops in the rural communities. The extent and diversity of provision makes it impractical to define neighbourhood or local centres on the Policies map (or provide specific measures that could be used to define them) but these are areas where a group of shops and facilities, typically supplying a range of everyday goods and services is located. There is some scope for improving the local centres and for the provision of new shops, post offices and services in those areas which lack retail facilities. The opening hours of shops and services within residential areas may be restricted to ensure that local amenity is safeguarded.

Given the importance of existing shops and services in providing for the essential day to day convenience shopping needs of the local community it is vital that they are retained wherever possible and are able to adapt to changing localised need. They offer important facilities in particular for the elderly and less mobile. Village public houses often provide a focus for community life and shops and post offices enable those without transport to remain living rurally by reducing reliance on the private car, especially as public transport is limited in these areas. The Council will seek to resist the loss of local shops and services where this would result in a significant or absolute loss of facilities to a community.

It is difficult to reinstate shops, in the same or other premises, when they have changed to other uses. It is not however, always possible to prevent their closure when it is uneconomic for their use to continue. Therefore proposals involving the loss of local shops or services will only be permitted where the District Council is satisfied that the existing use is no longer viable and there is no market for the business as a going private or voluntary sector concern. In order to demonstrate this, the

Council will seek information regarding the marketing of the business and its accounts. The Council will seek to retain the shop front in circumstances where permission is granted to enable the premises to be reinstated as a shop should the future opportunity arise.

It is important that the community function and role of shops and services in creating sustainable places is recognised, both by supporting new ones and by resisting the loss of existing ones. This conforms to the guidance in paragraph 88 of the NPPF relating to the rural areas which requires “the retention and development of accessible local services and community facilities, such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship.” This policy takes a cautious approach towards the loss of important shops and services, to ensure that the needs of communities can continue to be met in the future, but allows for change of use when the viability or use of the shop or service to the local community can no longer be demonstrated. Proposals will have to provide evidence that the current use, or an alternative use of similar value to the local community, is not viable through relevant marketing information and viability studies.

59. Policy SE09:

Rural shops

In order to support local rural businesses whilst protecting the viability of town centres and shops available to the local community, retail development in rural areas, outside villages, including extensions or additional facilities, will be permitted only where it directly relates to an existing rural business (such as a farm or plant nursery), subject to:

- a. a minimum of 50% of the produce/products for sale being produced on the premises or holding, and
- b. the majority of the remaining produce/products for sale being sourced and produced from within a 10 mile radius of the business

and provided that:

1. The scale and type of retail shop proposed will not adversely affect easily accessible convenience shopping available to the local community (and a retail impact assessment may be required to ensure that existing town centres and local shops are not adversely affected to an unacceptable degree); and
2. The proposal does not harm the rural character of the surrounding natural or historic environment, or the amenities of the locality; and
3. The local road network and access to the site can safely accommodate the extra traffic generated by the proposal; and
4. The car parking will be proportionate to the scale of the development and the layout and siting will be sympathetic to the surroundings.

Justification for inclusion of policy Rural shops (including farm shops and plant nurseries) are defined as shops in which the majority of goods sold are produced on the premises or associated land. This is suggested as being defined as a minimum 50% to ensure that any shop is reasonably linked to the use of the land instead of forming a general retail outlet. Farm shops can provide a

valuable local facility, an additional source of income for farms and can help sustain the rural economy. However, they should not become an alternative to shops which are better located and more accessible and convenient in town and village centres.

Without restrictions on size and the type of goods to be sold, rural shops, garden centres and nurseries can become large commercial enterprises, supplementing locally made products sold on a small scale with general retail products without a local tie sold on an inappropriately larger scale, potentially drawing trade from local centres. This will be controlled to prevent the sale of general retail goods and additional services such as cafes will only be permitted where they are ancillary to the sale of goods or products produced on the property to which the shop or nursery relates. Rural shops, garden centres and nurseries may develop an urban appearance as they expand and the number and size of buildings increase, hard surfaced display areas are extended and additional car parking is required. Such developments would generally be harmful to the high quality East Devon landscape and would generate additional traffic which may not be safely accommodated on local roads. Any proposals for the provision of new farm shops, garden centres or nurseries or the expansion of existing enterprises must therefore ensure that such development does not adversely affect the valued character, qualities and assets of the surrounding natural or historic environment to an unacceptable degree.

In accordance with the NPPF, the Local Plan promotes retail development in rural areas where products are sourced or manufactured locally as this will allow diversification in agricultural businesses and promote local food production, supporting the rural economy. The criteria set out in the policy restricts the scale of development and origin of goods to be sold to reflect the countryside location and ensure that the vitality and viability of town centres in the District is not undermined in line with the Local Plan strategy. This ensures that town centres are the focus not only for retail but service trades, leisure facilities and other public amenities, serving more than just their immediate locality and their protection is important for those accessing services from the surrounding areas.

**60. Policy SE10:
Sustainable Tourism**

Applications for the provision of high quality, sustainable and accessible appropriately located accommodation, visitor facilities and attractions will be supported and encouraged. In this Policy "visitor accommodation" means serviced tourist accommodation (Class C1 use) and un-serviced tourist accommodation, as well as essential ancillary staff buildings to support the provision of tourism services.

Proposals for new Tourist Attractions/Facilities or Accommodation

The development of new permanent and temporary visitor accommodation and attractions will be permitted in locations where reliance on the private car is minimised and where there is evidence to show customer demand and a commitment to:

- a. Developing facilities of high quality;
- b. Working towards Net Zero; and
- c. Improving accessibility provision (accessible in terms of providing suitable access to those with physical and non-physical impairments/disability) and
- d. Positively contribute to the natural beauty, wildlife and cultural heritage of the District

In order to provide such evidence, applicants will be required to submit a Sustainable Tourism Statement outlining their commitment to the above criteria. Criteria on what should be addressed in the Sustainable Tourism Statement are available online via the Council's website.

Tourism development in the countryside

Any proposal for new tourist attractions, facilities or temporary accommodation in the open countryside should also meet the following criteria in full:

- a) development should positively contribute to the natural beauty, wildlife and cultural heritage of the District;
- b) the scale, siting, intensity and appearance of buildings and activities associated with the proposed development is appropriate to the character of the area and will not adversely impact local amenity to a significant degree;
- c) re-use or adapt any existing suitable buildings and, where appropriate, remove any redundant buildings which are derelict or offer no opportunity for beneficial use. If existing buildings cannot be reused or adapted then this should be fully justified;
- d) not result in significant adverse impacts from vehicle movements or parking and, where it is likely to create significant vehicular movements to and from the site, development should be well located in relation to sustainable tier 1-4 settlements and local public transport provision;
- e) be closely associated with other attractions/established tourism uses, including the public rights of way network;
- f) be located very close to the main dwelling from which it will be serviced/managed (e.g. as part of a farm diversification scheme) to avoid the need for a permanent new managers dwelling or multiple daily car journeys to manage the site;
- g) provide adequate foul drainage facilities;
- h) not result in significant adverse impacts from increased noise, smells, or other form of pollution;
- i) not result in significant adverse impact on the character of surrounding natural or historic environment;
- j) not result in adverse impact on protected species and maximise opportunities to improve biodiversity and capitalise on the natural environment.

Visitor Accommodation

New buildings to provide overnight visitor accommodation in the open countryside will not usually be permitted. Temporary structures such as yurts, glamping pods, towing caravans and tents may be acceptable but should be capable of being completely removed from the site when not required/out of season.

Loss of Existing Visitor Accommodation

The loss of any visitor accommodation to other uses will only be permitted in exceptional circumstances. For example, converting holiday accommodation into low-cost staff accommodation (rented residential accommodation for local workforce), which will address recruitment challenges for the tourism sector.

Where loss is proposed, applicants will need to demonstrate that the site/land is no longer viable for visitor accommodation, cannot be refurbished or redeveloped for visitor accommodation but is viable for an alternative type of employment use, evidenced by a viability statement.

Justification for Policy

Tourism is a key part of East Devon's economy and it is important that visitors continue to be drawn by the unique environment and offered good quality accommodation and services to meet their needs and encourage longer stays. Policy aims to secure a high quality, sustainable tourism experience for the wide range of visitors to East Devon, and ensure that proposals benefit local communities and businesses, whilst conserving, enhancing and promoting the natural beauty, wildlife and cultural heritage of the District.

A significant proportion of visits are day trips from those living in the District or in the villages, towns and city surrounding East Devon. For those holidaying in the District, visitor accommodation takes a number of forms- from seaside hotels and bed and breakfasts, to farmhouse bedrooms and holiday lets, glamping and camping to caravan sites and holiday parks. The tourism sector is largely leisure driven but evidence is presently lacking as to the levels of demand for different types of accommodation.

While the Council supports growth in sustainable tourism, there are associated challenges for the environment and local communities. High numbers of visitors can put pressure on some locations or 'hot-spots', for example, by impacting on tranquillity, increasing traffic and parking congestion, or causing physical erosion. The Council will support proposals for sustainable attractions and recreational activities, which avoid undesirable impacts, and contribute to the conservation and enhancement of the natural environment whilst providing for the needs of users and bringing benefits to the local economy.

Landscape character and built form are central to the attractiveness of East Devon as a destination for visitors and therefore, in the first instance, proposals should retain and utilise existing buildings. If existing buildings are not available, or are causing harm to the special qualities, then proposals for any new buildings should be accompanied by justification and evidence that the proposals are sensitive to the site and its wider context. New buildings for visitor accommodation will not usually be permitted within the designated landscapes. Proposals for temporary, seasonal, accommodation, such as tents, towing caravans and movable glamping pods, may be permitted within the designated landscapes in accordance with policy. Favourable consideration will be given to the removal of existing buildings which produce net gains for landscape.

The Council will resist the loss of permanent visitor accommodation and applicants will be required to demonstrate that it is financially unviable, by providing evidence in accordance with the marketing requirements set out in on our website. The minimum marketing period required is 12 months but a longer marketing period may be required to cover more than one season or where the existing use is located in close proximity to established tourist attractions or the rights of way network.

Redevelopment of visitor accommodation, visitor attraction, recreation facilities or associated development which is currently resulting in harm to the special qualities of the District (for example the visually prominent static caravans within the Coastal Preservation Area) should, in the first instance, be redeveloped for other more suitable tourist or community uses.

The purpose of this policy is to foster the responsible and sustainable delivery of tourism and visitor recreation development in East Devon in line with the Council Plan which aims to increase and support 'green tourism' capitalising on East Devon's natural environment. Proposals for visitor accommodation, attractions, recreational activities, environmental education and interpretation should provide opportunities for visitors to increase their awareness, enjoyment, and understanding of East Devon's natural environment. They should also foster guardianship of the special qualities, for

example, by promoting and incorporating the District's natural beauty, wildlife, cultural and built heritage. There are many diverse and creative ways in which development proposals could address this, which should be tailored to the context of the proposals.

There is a fine balance to be reached between encouraging provision of accommodation to enable visitors to enjoy the coast and countryside and damaging the rural character due to a proliferation of new buildings, noise and additional car-based traffic. The high number of planning applications for conversions of existing rural holiday accommodation to other uses (particularly housing) due to a lack of demand/viability indicates that some sectors of the industry are at saturation point and that, rather than permitting new permanent buildings in the open countryside, policy should encourage the conversion of existing buildings to holiday accommodation and temporary, seasonal structures such as yurts and glamping pods

In line with Government guidance development proposals for visitor accommodation, attractions and recreation facilities should be located sustainably. Locating such tourism development within existing tier 1-4 settlements give most opportunity for access to sustainable transport and other facilities, helping to minimise use of the private car.

Given the nature of some tourism-related and recreational activities, a more rural location or proximity to a geographically specific feature, such as the coast or a river, may be required. Policy will seek to ensure that these are planned for appropriately and contribute positively to the natural environment, particularly within designated landscapes.

Every opportunity for sustainable travel should be utilised including access to the site and/or subsequent travel, for example bicycle hire provision, as part of visitor accommodation. This is to ensure that the proposals align with the Council's net-zero targets and do not harm the special qualities of the area.

61. Policy SE11:

Holiday Accommodation Parks in designated landscapes

Within the District's most sensitive landscape areas, including National Landscapes, Coastal Preservation Areas and Green Wedges, new caravan, chalet or other holiday parks will not be permitted.

Proposals for the extension of, or related and ancillary facilities on, existing sites will be permitted provided they meet the following criteria in full:

1. No additional permanent pitches or accommodation are to be provided, although upgraded accommodation of a similar size and height may be allowed on the footprint of existing permanent accommodation where this will result in an environmental improvement.
2. The proposal relates sensitively in scale and siting to the surroundings and includes extensive landscaping and visual screening to mitigate against adverse impacts.
3. The proposal would not have an adverse impact on local character or the amenities of adjoining residents.
4. The proposal would not use the best and most versatile agricultural land.
5. The proposal will be provided with adequate services and utilities

6. Traffic generated by the proposal can be accommodated safely on the local highway network and safe highway access to the site can be achieved.
7. The proposal will be subject to the provisions of plan policy in terms of sustainable construction, on site renewable energy production and biodiversity net gain.
8. Any structures beyond the existing boundary of the site are temporary and any visual or other harm can be satisfactorily mitigated.

Justification for Policy

The majority of East Devon lies within one or more designated landscapes. Holiday accommodation parks, comprising static caravans, chalets and/or lodges and associated facilities, are a key feature within the tourism sector and their improvement will have a positive effect on the economy of East Devon. This should not, however, be to the detriment of the natural environment or local communities and so a policy is required to establish how applications will be determined. This is particularly important given the large scale, range of facilities, lengthy operational hours and prominent coastal locations of many existing parks and their detrimental impact on both the seascape and the landscape.

Outside designated landscapes, new or expanded parks for holiday accommodation purposes will be acceptable in principle, in accordance with the Sustainable Tourism policy.

Within the designated landscapes no new holiday parks comprising static caravan, chalet, lodge or other similarly (semi) permanent accommodation will be permitted. Existing parks will be encouraged to upgrade and improve their accommodation and other facilities where this will lessen their existing visual, environmental and amenity impact. Extensions to, and intensification of development within, existing sites will not be permitted unless this is to provide related, non-permanent ancillary facilities and any adverse impacts can be satisfactorily mitigated