

REPORT FOR: MAJOR DEVELOPMENTS PANEL

Date of Meeting: 12th July 2017

Subject: **INFORMATION REPORT –
Harrow Town Centre Vision**

Responsible Officer: Paul Nichols - Divisional Director
Regeneration & Planning

Exempt: No

Wards affected: All wards

Enclosures: Appendix A - Extracts From Harrow
And Wealdstone Area Action Plan
Appendix B - Key Sites By Sub Area
Across The Town Centre
Appendix C - Vitality Information

Section 1 – Summary

This report sets out the current vision for the town centre as set out in the Development Plan and summarises the various projects that are occurring in the town centre to help deliver the vision. It goes on to identify current issues in the town centre that have been identified through working with town centre stakeholders.

FOR INFORMATION

2 Section 2 – Report

- 2.2 At the meeting of the Major Developments Panel on 9th November 2016, it was resolved that a report on a “Linked Up Vision for Harrow Town Centre” would be submitted to the next meeting.
- 2.3 This report summarises the current vision for the town centre and the various projects that have occurred and are occurring in the town centre to help deliver the vision.

Current situation

- 2.4 The Harrow Core Strategy and Harrow and Wealdstone AAP sets out a planning framework for Harrow Town Centre by identifying a vision for the area and provides a set of 11 objectives for the town centre (see below). This includes the objective to deliver 2800 new homes and 3000 jobs. The relevant parts of the Core Strategy and AAP are set out in Appendix A. However, the key parts are the town centre vision and objectives which are summarised below.
- 2.5 *Harrow Town Centre will be a vibrant and attractive Metropolitan Centre having benefited from additional retail, leisure and hotel development, and having renewed much of its older office stock. It will have developed its role as the prime location for central public services including the relocation of the Council’s Civic Centre towards the end of Plan period. Wealdstone will have developed its own, distinctive identity as a successful district shopping centre supported by local residents and a strong business community whose presence has been transformed by the intensification of employment and carefully managed redevelopment of the surrounding industrial estates. Station Road will have benefited from redevelopment and environmental improvement as the principal component that binds the two centres together. Harrow-on-the-Hill Station, Harrow Bus Station and Harrow & Wealdstone Station will be accessible major public transport nodes. New development will have contributed to a coherent new character achieving high standards of sustainability, public realm and residential quality.*
- 2.6 *To regenerate and re-enliven the central hub of Harrow with a distinctive and widely recognised identity as the Heart of Metro-Land in London, providing high quality shopping, recreation, civic, commercial and community facilities that are well connected to the surrounding residential suburbs, and that include well integrated, sustainable high quality new homes that create a sense of community within the Heart of Harrow.*

Harrow Town Centre Objectives

- *Create a vibrant ‘new’ place that celebrates Harrow’s diversity, exhibits exemplar design, and promotes a strong sense of community (1)*
- *Strengthen the role of Harrow town centre as a prosperous Metropolitan centre within outer London (2)*
- *Increase the Borough’s ‘visibility’ within the west London sub-region and regionally to secure appropriate levels of investment from private and public sector partners (5)*
- *Renew Harrow town centre’s office stock to meet local business needs. (8)*
- *Increase retail, leisure, and hotel provision within Harrow town centre (9)*

- *In the first instance, direct key community facilities serving the entire Borough to locate in Harrow town centre (10)*
- *Improve the environmental quality, physical accessibility, capacity and user safety of Harrow-on-the-Hill train station and Harrow Bus Station (12)*
- *Improve the amenity and connectivity of Station Road.(4)*
- *Secure improvements to the accessibility of parks and open spaces by walking and cycling from within the Heart of Harrow (11)*

2.7 The AAP also identifies a number of sub areas across the area (Station Road; Harrow Town Centre West; Harrow Town Centre Central; Harrow Town Centre East), each with a different character and set of objectives as well as aims and objectives for key development sites within each of these areas. These are summarised in Appendix B.

2.8 Since the AAP was published in 2013, market and policy changes at national, regional and local levels have affected the context for delivery. These include:

- Robust strengthening of development markets in suburban areas of London, as more central areas become too expensive to deliver mainstream residential growth
- Town centres are rebalancing their offer in response to internet shopping and a loss in daytime spending. . E commerce and reduction in the daytime economy requires town centres to diversify their offer and increase the emphasis on food and beverage, leisure and non-retail service sectors. Generally this also means a move towards a stronger evening economy offer (which includes restaurants and cafes).
- Permitted development allowing change of use from office to residential has undermined the employment base in Harrow Town Centre by reducing the supply of office space. As a consequence, there are fewer office workers in the town centre during the day time
- The designation of the Harrow and Wealdstone Opportunity Area within the London Plan as a Housing Zone by the GLA, for which the Mayor of London is offering incentives to encourage the building of 5,500 homes over the next 10 years.
- The closure of a number of hotels in and around the town centre, leaving us with virtually no operational town centre hotel accommodation
- The decision to relocate the new Civic Centre to Wealdstone rather than Harrow Town Centre, in order to stimulate regeneration of the District Centre and utilise the Greenhill Way site for a wider range of town centre uses
- The announcement by TfL, following extensive lobbying activity, that step free access will be introduced to Harrow on the Hill Station this year

2.9 The vacancy rate in Harrow Town Centre, one of the key indicators of a town centre's health, has halved since its peak in 2012 to 5.7%. The council has played a substantial part in this, with investment in the public realm, the creation of a Business Improvement District to deliver events, engagement with developers to accelerate and shape regeneration in the Opportunity Area, and delivering a range of award winning targeted business support initiatives.

Progress so Far

2.10 The clear vision for the town centre, as set out in 2013, largely remains relevant. There has been very significant progress in implementing that vision, in accordance with the Council's Planning Policy. Most of the major developments

envisaged are now in progress and there has been significant investment to improve the public realm of the town centre. Nevertheless, the role of town centres has changed and continues to change since the vision for Harrow Town Centre was written as part of the Harrow and Wealdstone AAP.

New Development

2.11 The AAP identified a number of development sites in the town centre. Due to the recession, many of these sites remained dormant for a number of years. However, over the past 3-4 years, there has been a marked upturn in development activity. The table below summarises progress on key sites within the town centre.

Site Name/Location (AAP Site number)	Summary of Development	Developer	Progress
Bradstowe House (Site 14 Bradstowe House)	Residential 314 units	Greystar	Completed
Harrow Square (Site 17: 19-51 College Road - Former Post Office Site):	318 x studios, one, two and three-bedroom apartments A 1,450sq m library. Public space for 2,413sq m for street markets and pop-up events. 862sq m of retail, office, cafes, restaurants, pubs & bars floorspace	Barratt Homes/Hyde Group	Under construction. Scheduled for completion in 2019
Lyon Square, Lyon Road (Site 21 Lyon Road)	310 x 1, 2 & 3 bedroom flats	Redrow	Under construction First completions expected autumn 2017
College Gardens Phase 1 (Kings & Queens House)		Dandi Living	In Planning stages
College Gardens Phase 2 & 3: (Part Site 15: College Road West)	Residential, retail , 490 residential units, 4722 sq m retail, 4456 sq m offices	Dandi Living	EIA screening opinion for development submitted

Site Name/Location (AAP Site number)	Summary of Development	Developer	Progress
Greenhill Way Car Park (Site 13: Greenhill Way Car Park)	Commercial & residential development, including offices, retail, hotel and leisure facilities. Retention of significant proportion of parking provision on site	N/A	Council currently seeking a development partner
Lexicon, Gayton Road (Site 22 :Gayton Road)	Residential 355 new homes. 477 sq m Commercial space including affordable workspace and café.	Fairview	Under construction

2.12 Linked to the development of these sites, the council carried out a Town Centre traffic/parking strategy in 2015. The study concluded that strategically located and high quality car parking will continue to play a key role in delivering such aspirations and the implications of any car parking site re-development therefore needs to be balanced against its impact on town centre sustainability and viability. The conclusions from the study have been used in developing proposals for the keys sites in the town centre.

2.13 Since the AAP was written, the council has embarked on a major regeneration programme, focussing on the delivery of new homes and jobs within the Harrow and Wealdstone Opportunity Area and the reinforcement of both Harrow town centre and Wealdstone district centre. This has been supported by the designation of the Opportunity Area as a Housing Zone that has increased the number of planned residential units and provided access to further GLA funding to help achieve these targets.

Regeneration Programme & Housing Zone

2.14 The development vision for the town centre, mapped out in the AAP, is now well on the way to full implementation. Most of the large town centre sites identified in the AAP have been brought forward and are now on site (or complete). In addition, the Council's Regeneration programme focuses on the development of Council owned sites within the Opportunity Area. Within Harrow Town Centre, the development of the Greenhill Way car park (AAP Site 13) provides the Council with an opportunity to contribute to the town centre offer. The Council is looking to procure a development partner for the site, which would include both commercial and residential development, including offices, retail, hotel and leisure facilities. The council is committed to retaining a significant proportion of parking provision on site.

Public Realm Projects

2.15 Following successful bids for funding by the council in 2011 and 2012, the Mayor's Outer London Fund awarded £472,000 from Round One and £1.8m from Round

Two, matched by £1m from Harrow, to help make Harrow town centre a more resilient and inviting place.

2.16 The funding has been used to

- Remodel Lowlands Recreation Ground with new entrance, planting, & play areas and a cafe are helping to create a pleasant leafy environment. A new large outdoor performance space, now known as Arc House has been created. Arc House now provides space for community events in the afternoons and evenings and has a full programme of events for this summer.
- Undertake public realm improvements in St Ann's Road & Havelock Place, giving it a stronger identity through de-cluttering and smartening up the area with new lighting, paving and street furniture. The regenerated St Ann's Road has provided the space for markets and street entertainment in the town centre that in turn is funded and delivered by the Harrow Town Centre BID.

Harrow on the Hill Station

2.17 The Mayor of London announced that Harrow-on-the-Hill will be one of 30 stations to get step-free access in a £200m, five-year investment plan across the London Underground.

2.18 TfL are also considering major property investment around the tube and bus station. The one-hectare site around the station could deliver a 600-home scheme, which would improve transport and access in the town centre.

Private Sector Investment

2.20 Over the last few years, there has been significant investment in both the shopping centres and individual shops in the town centre. This includes

- £3m refurbishment of the Debenhams store
- £8m St George's Shopping Centre upgrade and new store refits (Ask, Prezzo, McDonalds, Pizza Express, Nando's, Deichmann, H&M Kids, Frankie & Benny's and Vue)
- £2m St Ann's Shopping Centre store fit outs (H&M and Claire's)
- Shop Development Programme (HSBC, Goldlovers, 3 Store, Chocolate Room)

Harrow Town Centre Business Improvement District

2.19 In 2012/13, Round 2 Outer London Fund money was secured from the GLA to fund town centre management, deliver events, develop a Business Improvement District (BID) as well as complete public realm improvements in the town centre and Lowlands Recreation Ground outlined above.

2.20 In December 2013, businesses voted "Yes" to establish a BID, which was launched in April 2014. Since then, the BID has developed and implemented a number of projects to improve the town centre, focussing around events, safety, promotion and marketing. The Harrow BID raises approximately £250,000 from town centre businesses that is used to fund these projects.

2.21 Included within the BID prospectus was that the BID will undertake research to determine the future positioning for the town centre and work with owners, agents and the Council to develop a mix of shops, restaurants, leisure uses, offices and alternative uses which reflects the changing face of the High Street.

2.22 F&P Retail Consultants were employed by the BID to look at catchment area, retail spend and absent retailers in the town centre. Some of the reports key conclusions and recommendations are summarised below.

Conclusions:

- Harrow's catchment contains higher proportions of Family households than the London average. Average household income across the catchment is just below average. However, spend per household on non-grocery shopping is 16% above average, driven mainly by larger households. This high spending is a powerful message for target retailers
- The largest ACORN Category amongst Harrow's catchment residents is Comfortable Communities. "Affluent Achievers" are also over-represented amongst residents. However, both these groups are under-represented as shoppers
- Clothing and Footwear (C&F) and Food & Beverage (F&B) provide the largest opportunity to increase turnover. Addressing the deficiencies in the C&F offer is a key requirement.
- A number of anchor stores in Harrow are under sized. Addressing this issue in conjunction with adding more retailers will assist in reducing leakage to competing locations
- The desire for a wider range of shops and particularly C&F was clearly expressed

Recommendations:

- F&B zoning – Learn from best practice and latest trends at other town centres, create a vibrant destination where people can eat, drink and relax from day into the evening, in safety and comfort
- Bring relevance to the town centre where a diverse community can be served better. Ethnic groups should be served better through targeted retail and F&B offers. The East shopping Centre in East London, for example, strongly enforces the appetite for a more 'cosmopolitan' retail offer than is currently available in Harrow

Policy Development

2.23 In recognition of the changes that have happened in retail, office, and the economy since the AAP was written, the Council recently appointed consultants Nathaniel Lichfield and Partners (now known as Lichfields) to undertake an Economic Development Needs Assessment study of the borough. This includes looking at future demand for office, retail and commercial floor space across the borough, and the potential demand for other town centre uses.

2.24 The study concluded that:

- Harrow Town Centre is the largest shopping destination in the Borough and has the best prospects for attracting major development particular in terms of higher order comparison goods shopping. Residents in the Borough also shop at competing centres and catchment areas overlap.
- Competition is expected to increase, including on-line shopping, and Harrow will need to improve its offer in order to maintain its market share and retention of expenditure.
- Harrow town centre is defined as "Middle" in terms of market position, below some of its main competitors i.e. Brent Cross (Upper Middle), Westfield

London (Upscale) and the West End (Upscale). In terms of market position it is on a par with Watford, Uxbridge, Enfield and Wood Green, but above Kilburn (Lower Middle) and Wembley (Lower Middle). This classification suggests Harrow town centre caters for mass market demand rather than the luxury or discount ends of the spectrum.

- There is a perceived under-supply of high specification, modern office space in the Borough. Rental values particularly for Grade A space, which are reported to have risen by between 50-70% to c.£25-£30 per sq ft in light of reduced levels of supply. In this context, market feedback indicated that a 'tipping point' may have been reached whereby the building of new office stock is becoming viable.

2.25 Regarding potential demand for other town centre uses, Lichfields looked at cinema, Private Health and Fitness Clubs, & Tenpin Bowling.

Cinema: Lichfields concluded that there could be scope for a small boutique cinema over the plan period, but not a large multiplex cinema. Harrow town centre is likely to be the most viable location for this facility.

Private Health and Fitness Clubs: Lichfields suggest there is scope for two large health and fitness facilities (over 100 stations each) in the Borough over the plan period, or four medium sized facilities (50-60 stations).

Tenpin Bowling: There is theoretical scope for a tenpin bowling facility in the Borough during the plan period, however the lack of large sites for this form of low density development may constrain opportunities for this use.

Operator Demand

2.26 Lichfields were also asked to look at the level of operator demand in Harrow. The "Requirements List" provides an online database of commercial property requirements specifically for LB Harrow. The results for the main centre in LB Harrow (January 2017) suggests that Harrow Town Centre has the best prospects for attracting multiple operators. However, the list of requirements is relatively short and there are duplicates where operators could consider one or other centre but not both. They concluded that overall the current demand from multiple retailers appears to be limited.

2.27 Based on these findings, Lichfields recommendations are:

- To promote Harrow town centre as the main centre in the Borough and the main focus for major retail and leisure development.
- Seek to identify opportunities to accommodate around 16,000 sq.m gross of Class A retail uses by 2026. Explore longer term opportunities to accommodate an additional 35,000 sq.m gross of Class A retail uses between 2026 and 2036. This longer term potential should be monitored and kept under review.
- Seek to maintain the Borough's market share of retail and leisure expenditure in the face of increasing competition e.g. Brent Cross by attracting new investment and development within town centres and regeneration projects.

2.28 These recommendations would be considered as part of any review of the Harrow Local Plan / Harrow and Wealdstone AAP, which is anticipated to commence within the next 12 months in responses to changes in national and regional planning policy, including the publication of the draft new London Plan in autumn 2017.

Stakeholder Engagement

2.29 Through both work undertaken by Harrow Council and with the Business Improvement District, there has been on-going dialogue with the owners of both St George's and St Ann's Shopping Centres. This has provided essential market intelligence on how the town centre is performing as a whole and also on the needs and requirements of town centre operators.

2.30 As a result of this work, the Council has been able to understand the needs of retail and other leisure operators and look to provide suitable accommodation in future development.

Town Centre Vitality and Viability

2.31 The Council along with its partners continue to monitor the health of the town centre, through footfall monitoring, vacancy levels and town centre uses.

2.32 Latest monitoring information provided by the BID shows that footfall has increased steadily over the last year. At the end of May 2017, footfall for Harrow Town Centre was 6.4% up on the previous year, while footfall for the year to date was 7.2% higher on the previous year.

2.33 Although vacancy levels reached a peak in June 2012 (9.7%), they have continued to decline slowly since and are now at similar levels to pre-recession, currently (as at April 2017) 5.4% of the total number of units in the town centre are vacant.

2.34 While the proportion of retail units has remained relatively constant, there has been a shift towards more restaurant and food uses and away from professional and financial services. Over the last 5 years, Harrow Town Centre has seen an 18.6% increase in the number of restaurants and cafes with the result that restaurants and cafés now make up just over 15% of the number of shops in the town centre as compared to 12.8% in 2008 [See appendix C].

2.35 This trend will be accelerated by the regeneration of Harrow. There are large schemes already on site at Harrow Square and Lyon Rd, as well as recently completed schemes at Bradstowe House and a number of other sites, which in combination will significantly increase the size of the customer base for eating out and for the town centre as a whole. The planned residential growth in Harrow town centre bringing new homes over the next 8/9 years will reinforce the trend towards the need to cater for an evening economy, as well as for convenience retail and a wide range of retail services.

Section 3 – Further Information

3.1 Through work the by the Council and liaison with stakeholders, the following town centre issues have been identified.

- There appears to be limited demand from multiple retailers looking for space in Harrow Town Centre; although this could in part reflect market awareness of the limited physical opportunities for retail growth in Harrow. One exception is in the discount food retail sector, where there is intense competition for new sites and Harrow is a target.

- By contrast, those multiples that are located in the town centre tend to trade well for the size of the unit. Current operators have indicated that they would be happy to trade from larger units in the town centre if these were available.
 - There is an urgent need to re-invigorate the hospitality sector in Harrow town centre, with the introduction of new hotels as well as a diverse evening economy offer. There is evidence of market demand from operators, but a shortage of 'oven-ready' sites.
 - The catchment area of the town centre is relatively small, for a Metropolitan Centre, with average spend lower than comparable town centres. There appears to be a loyal shopper base close to the town centre.
 - Footfall in the town centre has increased markedly over the last 12 months in contrast with national statistics. Across London, the retail and leisure sectors have proved to be resilient in recent years, but it is reassuring to see that activity levels are currently growing, despite increasingly keen competition both online and in neighbouring centres.
 - Competition from larger nearby town centres has continued to grow as Watford, Ealing, and Uxbridge have diversified their offer. There is also on going competition from Westfield, Brent Cross and Oxford Street.
- 3.2 With a relatively small catchment area, increased competition may impact on the town centre in the medium term, particularly as the very large scale expansion of Brent Cross is implemented.
- 3.3 A new version of the London Plan is expected this year and the Council's Development Plan will need to be reviewed in the light of this. This report and continued monitoring of issues in Harrow Town Centre will provide a clear policy background to inform the review.

Section 4 – Financial Implications

None

Section 5 - Equalities implications

Was an Equality Impact Assessment carried out? No

If no, state why an EqIA was not carried out below: Information Report.

Section 6 – Council Priorities

The Council's vision:

Working Together to Make a Difference for Harrow

The regeneration of Harrow Town Centre is one of the Council's objectives under the "Build A Better Harrow" strand of the Council's Corporate Plan.

Name: Jessie Man

on behalf of the
Chief Financial Officer

Date: 30/06/2017

Ward Councillors notified:

NO

Section 7 - Contact Details and Background Papers

Contact:

David Sklair, External Funding Manager - Economic Development
Tel: 020 8736 6846

Background Papers: None

APPENDIX A - EXTRACTS FROM HARROW AND WEALDSTONE AREA ACTION PLAN

Harrow Town Centre Vision

Harrow town centre will be a vibrant and attractive Metropolitan Centre having benefited from additional retail, leisure and hotel development, and having renewed much of its older office stock. It will have developed its role as the prime location for central public services including the relocation of the Council's Civic Centre towards the end of Plan period.

To regenerate and re-enliven the central hub of Harrow with a distinctive and widely recognised identity as the Heart of Metro-Land in London, providing high quality shopping, recreation, civic, commercial and community facilities that are well connected to the surrounding residential suburbs, and that include well integrated, sustainable high quality new homes that create a sense of community within the Heart of Harrow.

Objectives

- Create a vibrant 'new' place that celebrates Harrow's diversity, exhibits exemplar design, and promotes a strong sense of community (1)
- Strengthen the role of Harrow town centre as a prosperous Metropolitan centre within outer London (2)
- Increase the Borough's 'visibility' within the west London sub-region and regionally to secure appropriate levels of investment from private and public sector partners (5)
- Renew Harrow town centre's office stock to meet local business needs. (8)
- Increase retail, leisure, and hotel provision within Harrow town centre (9)
- In the first instance, direct key community facilities serving the entire Borough to locate in Harrow town centre (10)
- Improve the environmental quality, physical accessibility, capacity and user safety of Harrow-on-the-Hill train station and Harrow Bus Station (12)
- Improve the amenity and connectivity of Station Road.(4)
- Secure improvements to the accessibility of parks and open spaces by walking and cycling from within the Heart of Harrow (11)

Spatial Strategy: what this all means

3.18 Reasserting Harrow and the Intensification Area to its Heart of Metro-land status means building on the exceptional, well established Metroland qualities while introducing new qualities to complement and strengthen these.

This will involve:

- Changing the land use mix – more residential, more smaller business, less industrial activity, more open space.
- Providing a better retail offer within Harrow town centre – better quality shops and a thriving evening economy.
- More leisure and cultural facilities.
- A smaller office market with reduced office floorspace but of higher quality.
- "Consolidation" of industrial areas and mixed use development of sites no longer suited to large scale manufacturing/warehouse use.
- A wider mix of job opportunities, and higher proportion of SMEs.
- More Metropolitan character for Harrow town centre, with scale and type of development to match including a limited number of tall and/or taller buildings but with an enhanced local role in Wealdstone and low key change in Station Road.

- Strategic sites, outside of the town centres, being developed having regard to the dominant Harrow residential character in respect of housing types (predominantly terraced family), street patterns, plot layouts, set backs and overall quantum of private garden space and public open spaces but embracing contemporary and sustainable design.
- Higher densities in Harrow town centre and central Wealdstone – but still providing for a range of residential unit sizes and with improved local amenities and better integration with the surrounding residential areas and open spaces.
- More green space, more public space and improved Green Grid links.
- More sustainable transport choice, a better pedestrian and cycle environment, and smoother traffic flow in Station Road.

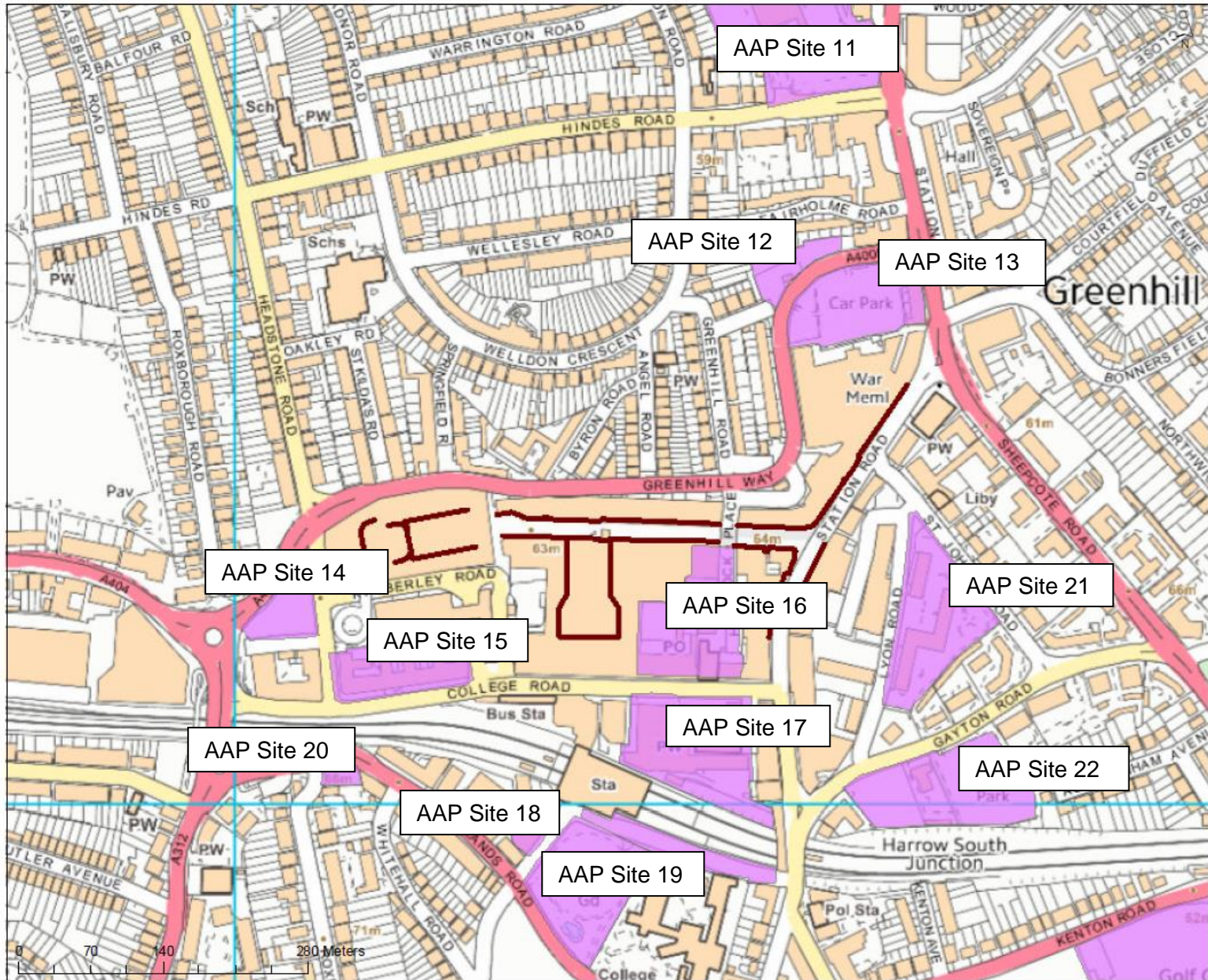
APPENDIX B - KEY SITES BY SUB AREA ACROSS THE TOWN CENTRE

<p>Station Road</p> <p>9 Civic Centre</p> <p>10 Station Road opportunity area</p> <p>11 Tesco</p> <p>12 Greenhill Way North</p> <p>13 Greenhill Way Car Park</p>	<p>Harrow Town Centre Central</p> <p>16 Havelock Place</p> <p>17 51 College Road “Harrow Square”</p> <p>18 Harrow-on-the-Hill car park west</p> <p>19 Lowlands Recreation Ground</p> <p>20 Harrow-on-the-Hill car park east</p>
<p>Harrow Town Centre West</p> <p>14 Bradstowe House</p> <p>15 College Road West “College Gardens Phase 3”</p>	<p>Harrow Town Centre East</p> <p>21 Lyon Road</p> <p>22 Gayton Road</p>

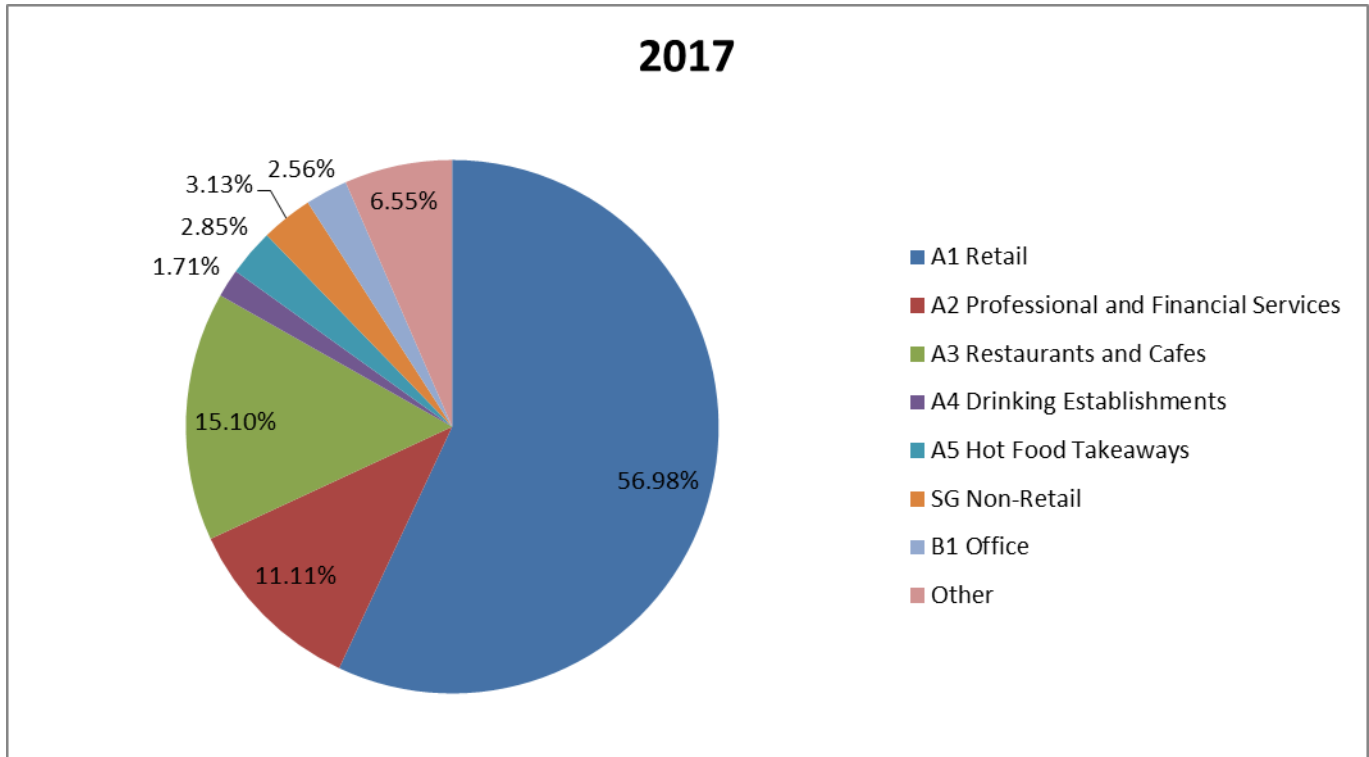
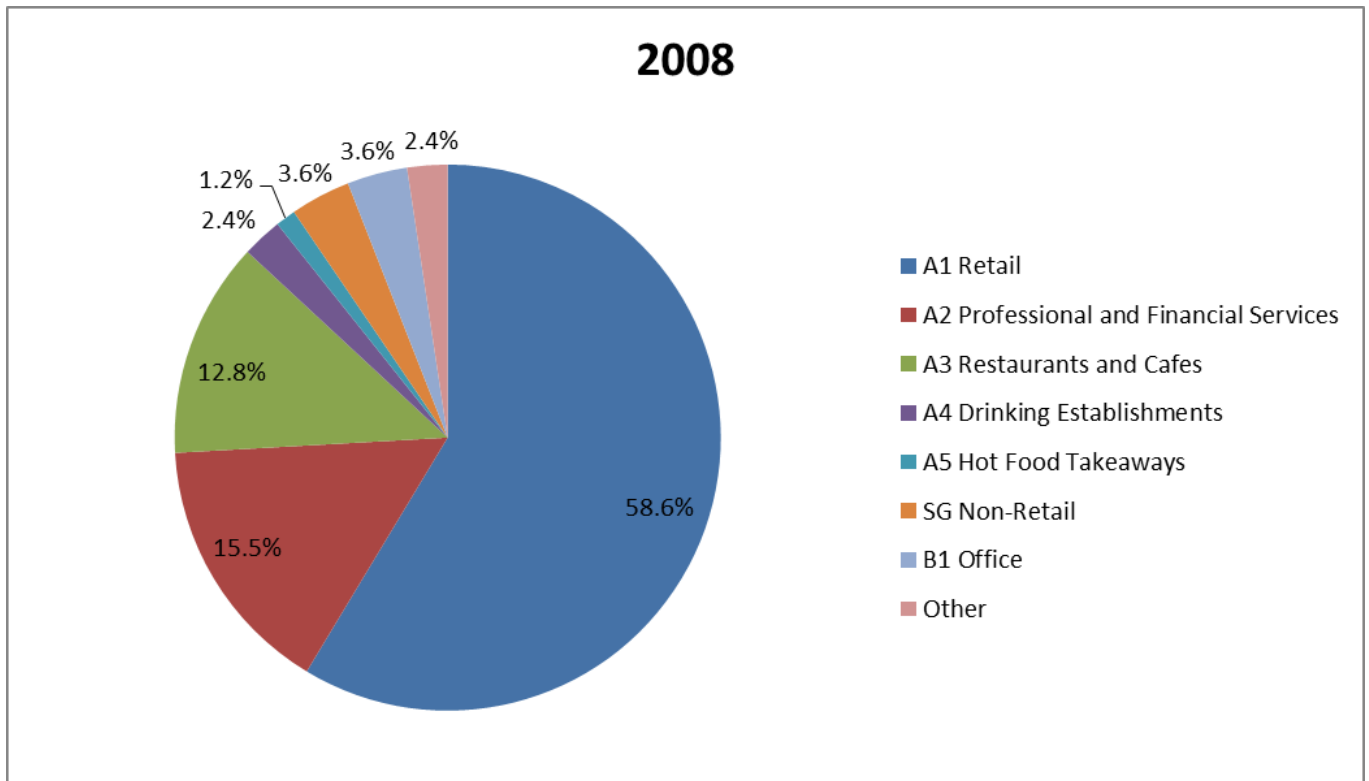
Harrow Town Centre with Planning

Legend

- Primary Shopping Frontage
- Local Plan Site Allocations



APPENDIX C - VITALITY INFORMATION



Proportion of Vacant Units

