

**BRITISH COUNCIL OF SHOPPING CENTRES
RESPONSE TO CONSULTATION ON DRAFT PPS4: PLANNING FOR SUSTAINABLE ECONOMIC
DEVELOPMENT
DRAFT 04/02/08**

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British Council of Shopping Centres (BCSC)

BCSC was established in 1983 to provide a forum for those engaged in retail and shopping centre development and management. BCSC represents virtually every aspect of retail property activity. Our mission is to promote best practice in the development and management of the retail environment and to portray a common vision, helping our members work together, exchange and develop information and advance the professional and commercial aims of the retail property industry as its centre of excellence.

BCSC welcomes the opportunity to respond to this consultation. Draft PPS4 provides important guidance for economic development, and recognition of the importance of positive and proactive planning to economic growth and productivity.

The importance of retail to the economy

Retail is an important contributor to the economy in terms of employment and GDP. Retail accounts for 8% of GDP and employs 2.9 million people. Retail development brings economic and social benefits through providing employment and creating vitality and viability. The inclusion of ground floor retail in commercial and residential development creates active frontages, providing security and vitality. Town centre retail developments make efficient use of land and can reduce the need to travel, especially when they enable multi-purpose trips. Shopping centres provide choice and convenience and increasingly provide a wide range of services and transport offers.

Some local authorities adopt a traditional and outdated approach to what constitutes employment and therefore what is appropriate development on designated employment land. Given economic change, with the decline of traditional industrial uses, and the changing needs of occupiers (often reducing the amount of land needed), much of the land designated for employment is no longer needed. In these cases mixed use development would create social, environmental and economic benefits. In appropriate circumstances, and taking due account of the 'town centres first' policy set out in the sequential approach, the inclusion of retail would create employment, provide an important local amenity, and bring vitality in many urban areas.

Draft PPS4 provides a positive context for planning for economic development. In this response we have highlighted areas of specific importance and relevance to the retail property industry.

We support the policy outcomes for economic development as set out [paragraph 6] and the recognition of the importance of economic growth in tackling deprivation and achieving neighbourhood renewal.

Retail is particularly important in this regard as highlighted in the 'Under-served Markets: Retail and Regeneration' (2007) report. When launching the Report John Healey MP, Minister of State, on 27 October 2007 said:

“The benefits are two-fold. Firstly, local authorities can improve the lives of their residents by tapping into the retail potential in their areas and at the same time providing an entry point to employment. Secondly, deprived areas also offer commercial opportunities for retailers as they would be filling a gap in the market.”

We support the Government’s objectives as set out [paragraph 12]; in particular, to ensure a good range of sites for economic and mixed use development and a responsive supply of land. The recently published BCSC report: *‘The challenge of mixed use’* supports the drive towards mixed use development and the need to maintain an active mix of uses, including residential and retail uses, as part of urban renewal proposals. In this way, beneficial regeneration of an area can take place with social and economic advantage to residents and businesses alike.

We welcome the definition of economic development [paragraph 13] which includes retail, recognising its importance to the economy. However, PPS4 will need to recognise the crucial role that retail development plays in creating and maintaining economically-successful town centres, which are the main economic drivers of regional, sub-regional and local economies. This is the primary justification underpinning PPS6 which gives spatial planning guidance for the location of new retail development. PPS4 currently lacks any advice on the location of development.

We strongly support the need for proactive planning and coordination with infrastructure investment. The new development plan system should provide the vision and strategy needed to guide and encourage new economic development.

The local authority role in place making [paragraphs 15 and 16] is critical and one which retail development can and does support. However, more could be made of the role of retail development in promoting economically-successful town and city centres, ensuring that town centres provide jobs and services to which everyone can gain access.

We support the need for housing and employment land reviews to be undertaken in tandem [paragraph 18]. Consideration should be given to the need and scope for retail development within this land use review as part of the evidence base for the LDF.

We also consider the draft should assess the important contribution that education and training play in employment. This is a key agenda for BCSC in 2008 and beyond: initiatives such as the BCSC Student Portal and work with Skillsmart to develop the National Skills Academy for retail. This is aligned with initiatives for Managing the Night Economy in collaboration with the Civic

Trust and BIIAB, illustrating the importance of ‘vocational’ training for people and the contribution which retail operations can contribute to the overall enhancement of employment opportunities. The BCSC, in collaboration with the College of Estate Management, also offers a two-year diploma course increasingly recognised as providing formal qualifications for shopping centre managers.

We support local authorities adopting criteria based policies and the promotion of mixed-use development [paragraph 24]. We strongly agree that historic employment designations should not be simply carried forward, especially when they are for single uses. The benefits of mixed-use development are enshrined in the planning system and should be promoted where appropriate. We strongly agree that where employment use is unlikely in the plan period, the allocation should not be retained and alternative uses including housing explored.

We support an evidence-based approach to planning and use of market data [paragraph 25]. Retail planning has developed using extensive data to understand the impact of population and economic growth, productivity and consumer expenditure patterns on retail floorspace demand.

We welcome the advice that local authorities should develop local standards for non-residential development [paragraph 25], but are concerned at any suggestion that the national car parking standards in PPG13 are to be cancelled [paragraph 34]. These are essential to support a town centres first policy, since it encourages out-of-centre developments to reduce their footprint, rather than seek very large car parks which are only possible in locations where car is the only means of access for the vast majority of customers. PPS6 recognises the need for a more generous approach in town centres where the car park serves both the store and the centre as a whole. Town centre retail must have sufficient parking to serve customers.

We support the need for a high quality environment which creates economic benefits for retail as well as tourism [paragraph 26]. The quality of the public realm is critical to maintaining an attractive retail environment.

We support the inclusion of shopping as contributing to sustainable development [paragraph 27]. Retail provides employment, brings vibrancy and vitality to an area and improves security through creating active frontages. Local retail provision is also sustainable in reducing journeys.

We agree that full consideration should be given to the economic aspects of a planning proposal [paragraph 28]. Too often the economic benefits of retail development are not given sufficient consideration.

We support an evidence-based approach to assessing applications which may not be in accord with the development plan [paragraph 29]. Given the time taken to revise plans, and the need to respond to economic and market trends, authorities should take a pragmatic approach to proposals which provide economic benefits. We agree that such proposals should be treated favourably unless social and environmental costs can be demonstrated to outweigh benefits.

The data sources set out in Annex A should include retail data such as rental levels and sales.

Overall we welcome draft PPS4 as long-overdue guidance for planning for economic development. We would like it to give greater recognition to the role of retail development in creating and maintaining economically-successful town centres which are the drivers of regional, sub-regional and local economies. It is therefore essential that the proposals should help underpin the town centres first policy in PPS6. The two should be mutually reinforcing and areas of potential conflict, such as car parking standards, should be reconciled.

CONSULTATION QUESTIONS

This should be read in conjunction with the detailed comments above.

1. Do the policies set out in draft Planning Policy Statement on Economic Development achieve the right balance between economic, social and environmental considerations? Will they help to deliver sustainable development?

Yes No

Comment: We believe that the policies in the draft achieve the right balance between economic, social and environmental considerations. We also consider that the ascribed weight to retail development within this context is appropriate: recognising its importance to the economy and sustainable communities.

2. The draft Planning Policy Statement proposes a stronger emphasis on the need for evidence, including economic evidence for plan making and decision making. Do you agree that this is the correct approach?

Yes No

Comment: We strongly support an evidence based approach to planning.

3. If you agree that there should be a stronger emphasis on the need for evidence what are your views on the following:

The need for final Planning Policy Statement to include a suggested list of data as at Annex A?

Comment: We consider that the inclusion of a data list is helpful but should not be considered exhaustive or used prescriptively.

Are there any data/forecasts that should be excluded or added to the proposed list?

Comment: Of particular relevance to retail development is retail rental data (Zone A rents), retail vacancy rates and retail property yields. Moreover, data on the annual stock of retail space at national, regional and local level, this needs to be presented by size of units and whether or not the premises are in town centres or not. Similar data is needed for annual change information, to enable the success of PPS6 to be monitored.

Could the proposed data and forecasts also help to form part of the proposed new economic assessment that, subject to separate consultation, Local Authorities would be required to carry out?

Comment: The data would be useful for local authorities should they carry out an economic assessment of their area. Like all data, it must be considered in context with local knowledge and judgement applied when considering implications.

What is the most appropriate level at which data should best be collected: regional, subregional or local level?

Comment: The appropriate level varies according to the data collected. Rental data should reflect market areas. In London a borough will consist of a series of market areas. Expenditure data is more likely to be collected at a regional level, though reflecting local centres. Population and employment data is collected regionally as part of the RSS process.

4. Is there a need for separate planning policy guidance on the use of Simplified Planning

Zones as set out in Planning Policy Guidance note 5?

Yes No

Comment: SPZs have not been widespread since their introduction. The reasons for this are not clear so it is not evident whether further planning policy guidance is required.

5. Do you agree that the methodology used to determine sub-regional housing markets provide an appropriate proxy for determining economic markets?

Yes No

Comment: N/A

6. Is the approach to the location and development of B1 offices suitably flexible to meet the needs of business, whilst delivering sustainable development?

Yes No

Comment: We support the proposed approach which promoted flexibility and responsiveness to the market in the context of PPS6 policy.

7. Is the less prescriptive approach to non-residential car parking suitably responsive to the needs of business in the context of the objectives in Paragraph 4 of PPG13 Transport?

Yes No

Comment: National standards, as in PPG13 are essential for guiding local choices, but at the local level planning needs to be sensitive to the needs of business, especially retail. Town centre developments, where car parks serve the town centre as a whole not just the development, need more generous parking provision, whereas generous parking standards at out-of-centre developments would undermine the town centres first policy.

8. Do you agree that employment sites should not be retained as such if there is no reasonable prospect of them coming forward for development during the plan period?

Yes No

Comment: Retaining employment land which is no longer needed prevents the delivery of mixed use development and the environmental benefits created by development. Inclusion of retail in redevelopment meets local needs as well as creating vitality and providing employment.

9. Does this draft Planning Policy Statement deal adequately with the particular needs of rural areas?

Yes No

Comment: N/A

10. Will this draft Planning Policy Statement have an impact upon the "equality strands", and particularly on the Gender, Race and Disability strands? If not, should it? We particularly welcome the views of organisations and individuals with specific expertise in these areas.

Yes No

Comment: N/A