

Mario Wolf  
Planning Directorate  
Department of Communities and Local Government  
Eland House  
Bressenden Place  
London  
SW1E 5DU

26<sup>th</sup> September 2008

Dear Mr Wolf,

I am writing to send you BCSC's comments on the Government's proposed changes to Planning Policy Statement 6: Planning Policy for Town Centres.

Our response to the DCLG consultation sets out BCSC's strong support for the Government's 'town centre first' approach to town planning. We consider the continuation of this policy to be essential in maintaining investment in town centres which brings particular benefits to small and medium sized towns wanting to rejuvenate their local economies.

BCSC supports a PPS6 that promotes 'prosperous places', working in conjunction with new PPS4 guidance, that sees the development of town centres a driver of regional and subregional economies, shaping places and creating jobs.

Our comments on the proposed changes to PPS6 highlight the worrying decline in the proportion of newly completed retail floorspace in town centres since 2000. More needs to be done through the revised guidance to ensure that those who seek to develop or occupy out of centre space are generally dissuaded from this course and instead are further encouraged to focus first on town centre and edge-of-centre sites.

Please do contact me if you would like any further information regarding the information in this document.

Yours sincerely



Michael Green  
Chief Executive, BCSC

## BCSC COMMENTS ON DCLG'S CONSULTATION ON PROPOSED CHANGES TO PLANNING POLICY STATEMENT 6: PLANNING FOR TOWN CENTRES

### BCSC's Main Issues

BCSC strongly supports the Government's "town centres first" policy and considers that:

- the retail property industry is main delivery agent of the Government's policy - almost all shopping centres are in town and city centres, most other floorspace is outside town centres;
- continued policy stability is essential if the benefits of town centre regeneration through major mixed-use developments are to be achieved, especially in medium-sized and smaller town centres

Policy review is a major opportunity to review the effectiveness of current policy and, if necessary, to amend the policy to ensure that it:

- promotes explicitly the role of town centres as key drivers of the regional, sub-regional and local economies through being the focus for jobs, retail, leisure and public administration - this needs to be part of the top line aim of the policy in a revised PPS6, and in a new PPS4 and guidance for the new regional strategies.
- delivers a "town centres first" outcome which will increase the proportion of new retail floorspace in town centres and on edge-of-centre sites allocated in local development frameworks and area action plans.
- has a much stronger place dimension, as contained in the Ministerial Foreword - of all PPSs PPS6 should spell out how it will promote "prosperous places"/economically-successful town centres.

BCSC is concerned that:

- while PPG6/PPS6 has encouraged the retail property industry to develop major mixed-use, retail-driven shopping centres in almost all of the major cities in England, the proportion of newly completed retail

floorspace in town centres appears to have declined since 2000, and even if a 300m buffer is added (which is much bigger than edge-of-centre locations for most centres) the proportion has remained constant at around 40%, rather than having risen. Over recent years, Shopping Centre developers have therefore become the main 'delivery agent' of the government's policy. However, more needs to be done through this revised policy guidance, to ensure that those who seek to develop or occupy out of centre space are generally dissuaded from this course and instead are further encouraged to focus first on town centre and edge-of-centre sites.

- **the scale of out-of-centre development is having the greatest effect on medium-sized and smaller town centres** because such developments are diverting trade from these, more 'vulnerable', town centres/high streets, including traditional town centre non-food goods.
- **monitoring of performance is infrequent, 3 years in arrears and only available at national level.** If data for newly-completed floorspace for every local authority could be published within 6 months of collection every year for England, by region and local authority by size (of unit or scheme) and whether the floorspace was in or outside a town centre, this would speed up the monitoring of policy performance and potentially enable policy refinement to reflect more accurately the circumstances 'on the ground'.

**What BCSC would like revised PPS6 to achieve:**

BCSC supports an improved planning policy for town centres that will:

- deliver stronger, economically-successful town centres, whether city, town, district or local centres;
- continue a strongly-supportive policy climate that will provide investors with the confidence to invest in town centres;
- provide a more effective framework for assessing non-conforming, out-of-centre proposals; and
- be continuously monitored.

To achieve this BCSC suggests that the revised PPS6 needs to:

- strengthen the economic rationale for the policy;

- strengthen the place dimension of the policy;
- strengthen the plan making process;
- provide clear policy and guidance for the new impact appraisal framework to ensure that the assessment of out-of-centre proposals is more effective;
- explain how consumer choice and competition should be articulated in both plan making and in assessing out-of-centre proposals;
- set out clearly what the Government will do to provide information annually to enable the policy to be monitored and performance to be assessed at national, regional, sub-regional, local and town centre levels;
- ensure that car parking policies support policy for town centres.

### **Strengthen the Economic Rationale**

Regional Spatial Strategies - particularly the new proposed regional strategies - and Local Development Frameworks need to underline the economic rationale for focusing development in town centres and to create and maintain economically-successful town centres as key economic drivers. Economically-successful town centres are far more important than the productivity and competitiveness of individual firms to creating prosperous places - it is the primary economic rationale, yet this is not spelt out in the current PPS6, draft PPS4 or the proposals for regional planning in "Prosperous Places".

The economic rationale for the "town centre first" policy needs to be spelt out clearly in the opening section, perhaps paragraph 1.3, as well as in forthcoming PPS4 and in revised guidance for new Regional Strategies which will replace Regional Economic Strategies and Regional Spatial Strategies, the proposals for which were recently set out in "Prosperous Places: Taking forward the Review of Sub-National Economic Development and Regeneration".

### **Strengthening the Place Dimension**

The Ministerial Foreword emphasises the contribution of town and city centres to:

- creating sustainable communities

- **quality of place** - town centres as centres of commercial and civic life
- **quality of life** - providing accessibility/convenience - the “pint of milk” test
- **civic pride** - sense of place, focus for civic and commercial life
- **successful town centres** - barometer of economic success
- **regeneration**
- **nurturing the growth of small market towns and district centres**

These issues need to be fully reflected in the revision of PPS6.

If any PPS should have a strong **place dimension** it is PPS6 - it is about special places; town centres, which:

- are the drivers of change of regional, sub-regional and local economies
- provide the spatial focus for investment and development
- provide a focus for jobs, shopping, leisure, public and private facilities and services - and for civic and commercial life.

### Strengthen plan making

The proposed revised PPS6 makes assumptions about the number of local development frameworks in place, and about the adequacy of resources and expertise in the planning system. It is our experience that planning authorities are often under-resourced, and that only a small minority of authorities have agreed a local development framework. In constructing its policy we do urge the Government to deal with the realities of the situation on the ground - which again points to the need for effective guidance to be put in place and for a very significant level of additional resources to be directed towards ensuring that local development frameworks are implemented much more quickly.

### Explain the new appraisal framework

One of the key purposes of the proposed changes is to replace the existing impact assessment with a new impact assessment framework which is described clearly if briefly in Part 1: Introduction to this consultation document.

If the purpose of the change is to provide clear policy and guidance for the new impact appraisal framework to ensure that the assessment of out-of-centre proposals is more effective, then it is vital that the revised “Assessing Impacts” section of Chapter 3 presents explicitly, clearly and coherently the new impact assessment framework. The current reworked section needs to:

- propose a new impact assessment framework; and
- present a strongly-structured approach which the reader can readily comprehend, visualise and use for structuring the wider impact analysis for any application.

While the proposed guidance will develop the framework more fully, this section needs to convey the framework, perhaps using a diagram, and the proposed content in a clearly structured way that will be readily understood by all participants.

The implications of this are that the “Assessing Impacts” section will need to be presented in a much clearer matrix or other format, with the intention of conveying the assessment framework concept as well as explaining clearly how planning decisions are made.

### **Explain how consumer choice, competition and diversity should be assessed**

The Ministerial Foreword clearly explains that successful town centres need “investment and a strong retail mix of multiples, independents, niche retailers, large and small, which can attract shoppers and provide choice for consumers.” It also claims “the Barker Review of Land-Use Planning found that it tends to distort competition, denying consumer choice.” Finally, it says that the new impact test has been proposed to “enable local authorities to more thoroughly assess how proposed developments would affect town centres in the broadest sense - including how it would impact consumer choice and competition.”

The Introduction states that the White Paper argued that the proposed revisions to town centre policy have two clear objectives. First, they must support current and prospective town centre investment and second, that it is important “to ensure that planning promotes competition and consumer choice and does not unduly or disproportionately constrain the market.”

In describing the new impact test it suggests “the proposed changes strengthen the references to competition between retailers as one of the Government’s key objectives for town centres.” It also says “the changes also include a requirement for proposals to be assessed on the extent to which they promote consumer choice and retail diversity.”

New paragraphs 2.18b and 3.19e bullet (v) are the only indication as to how these issues - competition, consumer choice and diversity - are to be interpreted in plan making and assessing proposals.

The issue of how consumer choice, diversity and competition should be articulated in both plan making and in assessing proposals is not in accord with

the development plan needs more attention. Many stakeholders want to know how planning - plan-making and development control - should be treating these issues.

Overall, we welcome the criteria the Government has set out which it intends should form the basis of a new impact test (in paragraphs 3.19a-i). In our view, these are broadly the right measures for planning authorities to utilise. However, we are concerned that so far insufficient detail has been given about how these criteria will be applied in practice and as a result it is very difficult for us to respond in full to the current consultation.

In particular, it is not clear what weighting will be given to each of the criteria, and whether there will be any sense of a hierarchy between them. Without that guidance there is a risk that planning officers will treat them as a 'menu', leading to the sort of inconsistency and uncertainty that will undermine investment decisions on the part of retailers and developers. Planning authorities may themselves be exposed to the risk of legal challenge.

#### **Ensure car-parking policies support town centre first policy:**

PPS6 is silent on the issue of car parking. If, as proposed in Draft PPS4, the parking standards in PPG13 are deleted, town centres could be put at a considerable disadvantage if out-of-centre retail developments have no limits on parking provision. In addition to putting them at a competitive disadvantage, it could enable developers to argue that they could not find more central sites because of their land requirements and would then allow subsequent expansion of the retail use on these out-of-centre sites. This would make nonsense of the sequential approach.

Parking standards are an essential tool for supporting the town centre first policy. In practice, it is town centre sites where more generous parking standards should be allowed to support both the town centre and not just the store.

## COMMENTS ON PROPOSED CHANGES TO PPS6

### CHAPTER 1:

#### 1.4

##### **Promote competition between retailers and enhance consumer choice:**

This will need further explanation and guidance - how will applications be assessed: New para 3.19g needs to be expanded to cover this.

##### **Raising productivity:**

“Maximising job opportunities for all” is a difficult concept, unless it is explained in terms of providing or enabling people to have access to job opportunities. It could easily be misrepresented or misinterpreted in relation to individual applications or on appeal.

**Proposal:** Change “maximising” to “providing”

##### **Improving accessibility:**

This needs to be reviewed - new para 3.19g(ii) needs further expansion as well as a performance measure for inclusion in Chapter 4.

#### 1.5

**New Bullet:** “to build prosperous communities by improving the economic performance of cities, sub-regions and local areas”

This change is welcome, but does not quite capture the need to create economically-successful town centres, which are the main economic drivers of regional, sub-regional and local economies. It does, however, support the third bullet in paragraph 1.4: to promote economic growth of regional, sub-regional and local economies. This would suggest that the economic rationale needs to be added at the end of paragraph 1.3.

**Proposal:** Add at end of paragraph 1.3:

“The Government wishes to promote economically-successful town centres as essential drivers of regional, sub-regional and local economies.” Or as a new first bullet in paragraph 1.6 (see below)

**Fourth Bullet:** “reducing the need to travel and providing alternatives to car use”

This does not capture:

- maximising linked, multi-purpose trips
- reducing the need to use a car.

By locating in existing centres these objectives are more likely to be achieved. Providing alternatives to car use may just mean laying on buses for out-of-centre developments, which is a less sustainable option.

**Proposal:**

After “high-density, mixed-use development” add “to maximise linked, multi-purpose trips” and after “reducing the need to travel” add “reducing dependence on”

## 1.6

Regional spatial strategies and local development frameworks, in order to implement the Government’s objectives for town centres, should promote economically-successful town centres as drivers of the regional, sub-regional and local economies.

**Proposal:** Add a new first bullet:

“promote economically-successful town centres as drivers of the regional, sub-regional and local economies.”

## CHAPTER 2:

### POSITIVE PLANNING FOR TOWN CENTRES: A PLAN-LED APPROACH

Changes to this chapter should seek to improve the effectiveness of Regional Spatial Strategies and Local Development Frameworks in delivering the policy of the Government, regional and local planning authorities. There is a need to sharpen up the objectives of regional and local plans.

## 2.1

It is not clear what “which has regard to the strategic objectives set out in the Regional Economic Strategy” means. Some RESs are silent about town centres, whereas some (eg East Midlands) clearly recognise the importance of town centres to the regional, sub-regional and local economies. This addition is insufficiently specific. It is, in any case, referring to a type of strategy which will shortly be replaced.

## 2.2

The reference to "relevant market information and economic data, including price signals" and "land supply" will need to be reflected in Chapter 4.

### 2.3

First bullet point - The footnote on need for additional floorspace needs to make clear that it should be expressed as gross floorspace.

Third bullet point - Eco-towns - it seems unlikely that these would have sufficient critical mass to support more retail space than would be appropriate in a local centre. In any case, although this assumes eco-towns are brought through LDFs, this may not actually be the case.

2.9 Agree, but Line 4: Change "bring forward" to "exploit" or "ensure that" (will help to) achieve.

2.10 Agree

2.11a Agree

2.13 Agree - but question reference to eco-towns (see 2.3 above)

2.16 Agree - First bullet - market data - see comments on paragraph 2.2 above.

2.18 Agree

New 2.18a to 2.18c: Agree

Deletion of 2.22 Agree

2.24 Agree

2.26 Agree

2.33 Agree

2.34 Agree

Footnote 12: This will need to refer to the final version of PPS4

2.41 Agree

2.42 Agree

2.48 Agree

2.53 Agree - but question reference to eco-towns.

## CHAPTER 3: DEVELOPMENT CONTROL

### Delivery of the Government's Policy and Delivery of the Development Plan

In assessing major proposals for town centre uses, the primary issues should be:

- does it deliver the Government's policy for securing town centres first?
- does it deliver the strategy and policies of the development plan?

Any development that does not achieve either (or both) of these should have to demonstrate why the application should not be determined in accord with the policy/development plan.

Instead, especially after deleting the "need test", it would appear that the onus has been put back on the local planning authority to prove that the development is likely to have a harmful impact on existing centres. In our view this may imply too great a shift in the direction of policy and the primary issues should remain as stated above.

### New Impact Assessment Framework

The chapter has been amended in a way that does not convey a clear assessment framework. The Introduction to the consultation talks about a "new assessment framework, but nowhere is this conveyed in the proposed changes. As a result Chapter 3 lacks a strong structure, let alone conveying the process described with great clarity on pages 4/5 of the Introduction.

Our strong view is that this guidance is critical to the implementation of the revised PPS6 in practice, and both documents must be considered alongside one another. We particularly urge the Government to consult interested parties about the content of the guidance, alongside the current consultation on the revised PPS6.

### Proposal

The front end of Chapter 3 should be rewritten to describe clearly the assessment process, the tests and, in particular, the new impact assessment framework.

In addition, new paragraph 3.3 suggests that the only requirement for assessments is whether there are no more central sites and that there are “no unacceptable impacts arising from the proposed development, including on existing centres”. This is only part of the content of the impact assessment framework - a diagram or an annex is needed to indicate its contents and how it should be used in decision making.

**Detail:**

**3.1 Agree**

**3.3 This paragraph needs to distinguish more clearly between:**

- policy tests - the sequential test and the impact test.
- performance against national policy objectives with regard to sustainability, tackling climate change, reducing car use/dependence on the car, etc - these are not impacts but issues of policy compliance and performance. They are tests in their own right.

Paragraphs 3.3f need to describe the new impact assessment framework and how it should operate, if only to present a clear structure for the section. The assessment process needs to be presented more clearly to enable all key stakeholders to understand it better.

Paragraph 3.19f in particular seems to suggest that there is a test of “significant adverse impact”, whereas planning law suggests the need to demonstrate significant positive benefits to offset non-compliance with the plan and national policy.

**3.14**

Support the proposed clarification of operation of sequential test

### **Assessing Impacts**

This section needs to present a stronger structure with more visual devices to guide the reader - sub-headings, lists in bullet form, but above all a diagram. At the moment the structure/process is difficult to visualise.

**3.19a Agree**

**3.19b OK**

### 3.19e

Most of these bullets are/should be about **likely** impacts - bullets (ii), (iv) and (v) need to be amended to reflect this:

- (ii) add "likely" before "impact"
- (iv) delete "will" and insert "is likely to"
- (v) delete "will" and insert "is likely to"

Bullet (i) is too vague - the existing version (para 22, 1<sup>st</sup> bullet) is about the likely risk to the spatial planning strategy and even this could be improved.

### 3.19f

The opening sentence gives the wrong impression. It states that proposals for developments that are out-of-centre and not in accord with the development plan still have to show "significant adverse impact on the town centre". However the law requires the application to be determined in accord with the development plan unless material considerations indicate otherwise. The onus is on the applicant to demonstrate the material considerations that would indicate that the decision should be determined otherwise than in accord with the plan.

### 3.19f

The access criterion (ii) needs to be supplemented by impact on car use - locations should be assessed on the degree to which they depend on access by car. This supports sustainability, mitigating climate change and social inclusion objectives, which are relatively unexplored under "wider impacts" - the list of impacts is underdeveloped. For example, locations that depend on more than (say) three quarters of their customers arriving by car should perhaps be seen as poor-performing options.

**The list of wider impacts needs to be reviewed.**

### 3.19i

The new impact assessment framework needs to be described more fully.

### 3.32

The codes of practice relating deliveries need to include both the size of vehicles and emission standards

Line 8: add at end "and size"

Line 9: insert "and emission" before "standards".

## CHAPTER 4: MONITORING AND REVIEW

The proposed changes reflect the need for more “relevant market information and economic data, including price signals.” This is a welcome addition.

### Government Data

In response to a Select Committee report on Shopping Centres in 1996, the Government undertook to provide data for each town centre on floorspace, employment and other data to provide an evidence base for retail planning and to provide a framework and regular data for monitoring the health of town centres. CLG’s predecessors undertook a project to define town centres and explore the use of national data on floorspace, employment and, even, turnover. This project experienced many problems with Government data, but a few years ago had started to collect a time series for floorspace data.

Unfortunately the maintenance and publication of town centres statistics has failed to provide the service anticipated, both in providing a regular check on policy performance and providing a regular profile for individual town centres. Data is published with a lag of nearly 3 years, published/updated at 3-year intervals and not available in a form that is useful for national, regional, local or centre level monitoring.

The Government is committed to:

- **Monitoring the proportion of newly-completed retail (and other) floorspace in town centres** (CLG), Regional Spatial Strategies and Local Development Frameworks: Core Output Indicators: Update 2/2008, July 2008: BD4: Total Amount of Floorspace for Town Centre Uses) The data is now available through the State of the Cities website but is not easy to access, is not up to date and is only available on a centre-by-centre basis.
- Monitoring performance against PSA Target 6: Town Centre Regeneration

There will be a year on year increase in the proportion of retail development going into towns over the period 2004-2008.

The Government said:

“The Government’s key objective is to promote vital and viable centres by ensuring that the principal town centre uses, including retail development, are focused in town centres. The Government wishes to ensure that growth is planned for and accommodated in centres or, where necessary, through the

extension of existing centres. There is insufficient information to identify a long-term indicator for SR2004, but we will do so for SR2006.

For the period SR2004 period, our objective will be to ensure a year- on- year increase in the proportion of retail development going into towns. From the summer of 2005, robust information should be available from the ODPM Town Centre Statistics Project to start to measure, on an aggregated basis, this indicator. The indicator is likely to include the measurement of development both in and on the edge of centres.”

This data has not been published.

The Government has published time series data for England, in August 2005 and July 2008 - this only provides data for the proportion of new floorspace in town centres for England 3 years in arrears (ie July 2008 graph includes data to December 2005).

There is, however, a need for greater commitment within the revised PPS6 for the Government to produce annual data at national, regional, local authority and centre levels for changes in floorspace by size of units to assist monitoring of policy performance and the health of centres. In addition, employment and turnover data also needs to be developed for these areas.

**Action:**

CLG should commit to publishing data on:

- policy performance annually within 6 months of data collection (ie in June) in providing information on newly-completed retail floorspace in a disaggregated form, giving data by region, local authority and centre, by size premises and whether within or outside a town centre; and
- individual town centres annually, giving information on key town centre uses

**4.2**

Amend last sentence to indicate that output indicators need to be published annually and add at the end that employment and turnover data should be developed.