



Planning for a Sustainable Future: Consultation response from BCSC

Key Issues for BCSC

The Planning White Paper is a wide-ranging document. This response is limited to those issues that could have a significant impact on the retail property industry and are outlined under their relevant chapter headings.

BCSC supports a plan-led approach which:

- creates the degree of certainty needed for major retail developments by planning for growth
- identifies where growth will be encouraged and which sites will be allocated for development
- supports site acquisition for major economic developments
- brings about a national planning policy which encourages investment in town centres, especially PPS1: Planning for Sustainable Development; PPS6: Planning for Town Centres; and PPG13: Transport

This consultation response highlights the sections of the White Paper that affect the retail property industry, states the Government's proposal and then sets out the response of BCSC below.

1. Chapter 7: A positive framework for delivering sustainable development

Meeting the challenge of climate change

BCSC agrees that the planning system needs to be able to respond to the challenges of climate change, for example,

- building zero-carbon business premises that are low energy and produce lower carbon emissions
- locating development to reduce the need to travel
- making walking and cycling accessible, attractive and essential components of new development
- supporting integrated public transport

These are likely to be delivered best by town centre retail developments. This provides a strong justification for the 'town centre first' priority of current policy as the most sustainable option. Out-of-centre or out-of-town developments, by contrast, are likely to perform poorly on transport-related matters, in both environmental and social terms.

As major providers of new retail developments, BCSC is already committed to raising the standards of new developments to achieve reduced/zero carbon emissions for which

developers can already showcase some excellent examples. Indeed, we propose to launch our own Green Charter this autumn.

The location of new shopping centres – almost entirely within, or on the edge of, existing primary retail areas - should ensure that customers have a greater choice of means of transport, provided that there is greater coordination of public transport.

For several years now, the strategy of BCSC has been to promote town centre schemes especially in medium-sized and smaller centres. This would bring greater retail choice closer to home by providing more retail opportunities in centres closer to where people live. **This strategy relies upon continuity in planning policy. By maintaining the ‘town centre first’ approach, the confidence of investors and developers to develop in these locations will continue to increase. Large-format, out-of-centre retail developments undermine that confidence when they are given permission to go ahead.**

Proposal: Help address climate change by:

- ***finalising the Planning Policy Statement on climate change and introducing legislation to set out clearly the role of local planning authorities in tackling energy efficiency and climate change; and***
- ***working with industry to set in place a timetable and action plan to deliver substantial reductions in carbon emission from new commercial buildings within the next 10years.***

Paragraphs 7.6 – 7.11.

BCSC supports this proposal and will work with the Government to set in place a timetable and action plan to deliver substantial reductions in carbon emissions from new commercial buildings within the next ten years

Supporting economic development

There is a need to sustain and enhance vital and viable city, town, district and local centres to champion economically successful, attractive and competitive places. These are the economic drivers of the regional, sub-regional and local economy. Whilst there are economic champions for greater productivity and competitiveness and for greater competition in the retail sector, **BCSC is concerned** that there does not seem to be an economic champion for economically successful places, such as town centres. There is a strong economic rationale for focusing development in town centres.

By focusing retail, leisure, offices and key public services in existing centres, which is embodied in the Government’s ‘town centres first’ policy in PPS6, the Government has created an economic climate which gives developers the confidence to take on major projects in town centres.

This is a highly sustainable approach as it focuses development in places where it meets economic, social and environmental objectives in an integrated and sustainable way.

Focusing retail development in existing centres, or planned new centres in growth areas:

- helps sustain and enhance their vitality and viability
- encourages a thriving local economy
- promotes their competitiveness
- promotes competition; and
- ensures their attractiveness as places to invest, trade, compete and serve all customers.

Similarly, focusing complementary uses that provide jobs, leisure and other public and private services in such centres will:

- promote a healthy local economy during both daytime and evening
- provide access to a wide range of jobs in an accessible location
- provide access to a wide range of goods and services in an accessible location

Good planning will require a more positive and proactive approach to identifying the changing needs of businesses for new or refurbished premises. Especially in, or on the edge of, the primary retail areas of existing centres i.e. allocating sites of the right type in the right place and at the right time.

BCSC agrees that planning needs to be more responsive and efficient to support vital economic development that is consistent with wider environmental and social objectives.

We consider that this requires a more positive and proactive approach, using a plan-led attitude to planning for development. This will require planners to:

- **have a much clearer understanding of the needs of the retail development industry for additional floor space**
- **give clearer guidance, after consultation with the industry, on where retail development will be encouraged**
- **be prepared to help make their strategy happen, by using compulsory purchase powers for land assembly where necessary**

Proposal: Positively plan for sustainable economic development by:

- ***amending The Planning System: General Principles to make them consistent with Planning Policy Statement 1 which recognises the benefits that can flow from properly planned development; and***
- ***publishing a new planning policy statement Planning for Economic Development which will further reinforce the Government's commitment set out in PPS1 to promoting a strong, stable and productive economy.***

Paragraphs 7.36 - 7.49

BCSC welcomes the Government's proposal to publish a new planning policy statement, *Planning for Economic Development*. We agree that it should set out a clear policy framework for how to plan for, and manage, sustainable economic development.



BCSC looks forward to being consulted on the review of how new retail developments can deliver improved energy efficiency.

BCSC welcomes the endorsement of the plan-led approach, developed by local planning authorities and business working together. This will help to produce spatial strategies and policies which provide a choice of suitable sites for development in places like town centres where people want to work or shop, close to where they live.

This approach mirrors the approach taken in PPS6: Planning for Town Centres, which already has all these characteristics. However, PPS6 is more specific in terms of preferred locations for new retail development i.e. in existing city, town, district and local centres in combination with other economic activities, such as offices, leisure, private and public services and certain types of housing in mixed-use developments with economic uses. Indeed, most high trip generating uses, except perhaps stadia, should be seeking town centres or other locations which are, or are planned to be, well-served by public transport (See PG13:Transport).

We do not, however, expect all economic development to be included in the new PPS on Planning for Economic Development, **but** we see a continuing role for PPS6: Planning for Town Centres – a policy which explicitly seeks to promote economically successful town centres. PPS6 already incorporates all the expected criteria in Box 7.1, namely:

- strong regional, sub-regional and local economies with access to jobs for all
- regeneration in urban and rural areas that support sustainable communities
- a range of economic development opportunities in the most suitable locations
- a positive approach to planning for economic development
- a flexible and responsive supply of land – which takes into account market information and provides a range of opportunities for large and small businesses
- high-quality development and inclusive design for all forms of development
- planning better for mixed-use developments to allow, for example, greater flexibility of land-use; and
- reduced impact on the environment including the need to travel by car

The main headings for the content of the proposed new PPS for both plan making and decision making on individual decisions do reflect the content of PPS6, albeit that the latter is more clearly aimed at encouraging development in, or on the edge of, town centres.

BCSC welcomes the introduction of a sub-regional dimension for planning for economic development, a feature that is already in PPS6.

Proposal: Produce a more strategic and clearly focused national policy framework with PPS1: Delivering Sustainable Development at its heart, by:

- ***separating out policy from guidance and limiting the amount of central guidance to those matters which are strategic and necessary to achieving a consistent approach to decision making;***
- ***devolving decision making to the local level where this is appropriate;***



- ***ensuring that the scale and complexity of evidence required for plan-making and planning decisions is proportionate; and***
- ***encouraging positive and proactive planning that actively shapes places.***

Paragraphs 7.57 – 7.65

BCSC agrees, in principle, with a more strategic and clearly focused national policy framework, which separates policy from guidance. While we note that the review is not about creating new policy or changing policy, **we are concerned** that this could be perceived as a change and have a destabilising effect on developer confidence if in the process the ‘town centre first’ policy appears, in any way, to be undermined. **BCSC is concerned** that policy continuity is essential to provide the industry with confidence to invest in medium-sized towns which are perceived to be a more risky investment.

We are pleased to learn that guidance on the new test which embraces need and impact, is to be published at the same time as any revisions to PPS6.

As a major stakeholder, BCSC would be delighted to be involved in any review of PPS6 and PPG13 and any related guidance. We consider that, despite its apparent complexity, PPS6:

- provides a level playing field for retail development across the country;
- supports and encourages a positive and proactive approach to planning that actively shapes places;
- requires an evidence-based approach that provides proportionate information that can be used for both plan making and planning decisions;
- delivers a wide range of policy objectives in an efficient and effective way, including economic, social and environmental objectives.

Proposal: Improve the effectiveness of the town centre planning policy by:

- ***replacing the need and impact tests with a new test which has a strong focus on our town centre first policy, and which promotes competition and improves consumer choice avoiding the unintended effects of the current need test***

See paragraphs 7.50 – 7.56

BCSC was very concerned by the original recommendations of the Barker Review, which recommended the removal of the ‘need’ test and, despite statements to the contrary, appeared to favour out-of-town development.

The White Paper text, and particular subsequent clarifications in Ministerial speeches and responses to the CLG Select Committee, is much more reassuring. These reassert:

- the Government’s commitment to a ‘town centres first’ approach
- the need for local authorities to take a much more positive and proactive approach to managing the role and function of their town centres, including extending the boundary where this makes sense

- promoting the growth and development of their town centres by facilitating a wide range of shopping, leisure and local services that enhance consumer choice; and
- the need for robust, evidence-based plans and strategies that are up to date and which set out a clear and proactive vision for town centres, based on a sound understanding of both need and demand for new facilities

We strongly welcome these statements, which endorse the current policy, and the positive planning approach taken by PPS6: Planning for Town Centres.

Whilst we understand that the ‘need’ test could be used as a blunt tool and could have the unintended effects of restricting competition and limiting consumer choice, we are unaware of any evidence that supports this. In particular, we have found no evidence of the perverse effects of edge-of-centre retail developments being refused because existing or proposed out-of-town developments meet the identified need. Clearly, if this were to happen, it would be a failure on the part of a planning authority to consider the case in the round if that proved to be the only or main reason for refusal. Again, our evidence suggests that there are no cases where lack of forecast need has been the sole basis for refusal.

Nevertheless, BCSC considers that the White Paper provides a major opportunity to review whether the test covering need and impact could be reconfigured to more effectively achieve the agreed objectives of the ‘town centres first’ policy, while also promoting competition and consumer choice. BCSC would be happy to contribute to the development of a new test to achieve this.

2. Chapter 8: Strengthening the role of local authorities in place shaping

BCSC supports the need to strengthen the role of local authorities in place shaping, putting planning at the centre of their activities. Local authorities that take a strong leadership role and work closely with their key partners, including the private sector, are more likely to have a clear vision for their area. In our experience, they will also be more proactive in achieving this vision and this provides the development industry with the confidence to invest.

BCSC supports the Government’s proposals for:

- a more central role for planning and the promotion of culture change in planning
- a vision-driven plan-led approach to delivering the ‘town centres first’ policy that encourages confident investment in medium-sized and smaller towns
- the introduction of Planning Performance Agreements to help streamline the processing of major applications, such as town centre regeneration schemes
- a properly resourced planning service with planning fees that reflect the cost of processing major applications
- building up the capacity and skills of local authorities



Building skills and capacity within local government

BCSC is extremely concerned about the ability of the planning system to deliver this large agenda. In particular it is concerned about:

- the continuing lack of resources/capacity to deliver
- the shortage of skills, especially in master planning for town centres, development economics, retail planning and place making
- the continuing lack of retail planning information

BCSC therefore welcomes Kate Barker's recommendations on improving skills and providing sufficient resources for planning.

Resources:

BCSC is particularly concerned about the resources available to local planning authorities for planning town centres and handling major retail applications. Whilst larger authorities may be better resourced, smaller authorities have few resources and skills for handling such cases. These authorities could benefit from a mentoring scheme with their more successful counterparts, through IdEA, for example.

BCSC considers that consistency in the application of policy is central and this relies heavily on the availability of skills within the authority and the ability to afford independent advice. We believe that developers could contribute to this, ensuring that the costs of such applications are covered by planning fees. In addition, given that it would help the planning process, industry could help where needed by providing further funding to enable the local planning authority to get independent advice. This would provide a level playing field in assessing major retail developments and potentially speed up the planning process.

Skills:

BCSC also welcomes the range of initiatives the Government has already undertaken to improve skills but considers that there are still major skills gaps that relate to our industry, especially in development economics, retail planning and urban design that would yield a more integrated approach revitalising town centres.

Information:

Despite the Government's efforts over the last ten years to develop retail planning information to support the 'town centres first' policy, these efforts seem to have stalled at the final hurdle. This has been due to a lack of access to, and quality of, the data and some arbitrary confidentiality restrictions. This issue needs addressing as a matter of urgency as data vital to retail planning are being withheld. The lack of this data puts local planning authorities at a disadvantage and it makes the assessment of schemes dependent on proprietary data that are not available to them. **BCSC urges** the Government to take action to break this log jam.



3. Chapter 10: Devolution

BCSC members operate throughout the United Kingdom and are concerned that policies for town centres in the different administrations, although having the same objectives, seem to be interpreted and implemented differently.

These differences are not just due to different settlement patterns and local circumstances, but a difference in approach. These differences are particularly marked in Scotland where, according to our recently published research on whether newly-completed retail floorspace was being provided in town centres or outside them, found that there was a huge difference between England and Scotland in the proportion of new floorspace in town centres. The main difference between the two administrations is the absence of the 'need' test in Scotland, which appears to be associated with a markedly higher proportion of new retail floorspace being in out-of centre developments.: Between 1999 and 2005 the respective proportions for new retail floorspace in town centres was 35% in England compared with 22% in Scotland. However, from 2004 the proportion of new floorspace in-town in Scotland has plummeted, whilst that for England is still rising.

BCSC members are concerned to see greater consistency in approaches between the UK administrations, not just in the policy headlines but in delivery. We consider that these differences create uncertainty for an industry that operates across the UK.

4. Conclusion

Research by BCSC suggests that the retail property industry has been the main delivery agency of the Government's town centre first policy over the last ten years. This is based on the confidence created by PPG6 and PPS6 and the consistency of its application. For this to continue, to enable the industry to roll out town centre developments to small and medium-sized towns which is our aim, continuity in this policy and its firm application will be essential to secure such continued major investment in the future.