



PLANNING BULLETIN

Proposed Changes to Planning Policy Statement 6: “Planning for Town Centres” (July 2008)

The Government has published the proposed revisions to Planning Policy Statement 6: Planning for Town Centres (March 2005) to refine the “town centre first” policy.

This consultation paper follows the commitment in the Planning White Paper ‘*Planning for a Sustainable Future*’ to review the current approach in PPS6 to assess the impact of proposals outside town centres, in a way which maintains a strong focus on the town centre first policy, and which promotes competition and improves consumer choice. Hazel Blears indicated that the proposed amendments to PPS6 would give Council’s more scope to refuse out of town development proposals that “*threaten the survival of high street and small shops.*”

Specifically the revised PPS6 consultation document:

- Reinforces the policy of ‘town centres first’.
- Ensures that the planning system promotes the vitality, viability and the unique character of town centres.
- Requires local authorities to proactively plan their town centres; to plan for sustainable economic growth through policies which are responsive to economic change.
- Promotes consumer choice and retail diversity and recognises that the planning system can help to support small shops and the identity of town centres.
- Keeps the important ‘sequential test’ that requires developers to seek the most central sites first.
- Removes the dysfunctional ‘needs test’ which can unintentionally stifle diversity and consumer choice in town. In some cases new shops were ruled out because out of town developments, such as big supermarkets, already provided an identified quantitative and qualitative need.
- Creates a new tougher ‘impact test’ for any main town centre use over 2500 sq m gross (occasionally schemes less than 2500sq m) that assesses economic, social and environmental criteria so Councils can better assess the impacts on the town centre. It tests whether impact is positive or negative on town centre consumer choice and retail diversity; investment and town centre trade and gives Councils powers to cap the size of big retail developments where this is justified.
- Tests the design quality of development.
- Considers the wider benefits to communities, but ensures that the size of development is not out of scale with a town centre.
- Ensures development is accessible by a range of transport modes.

- Encourages cleaner safer, greener town centre environments and introduces sustainable development as an impact issue.
- Encourages investment in disadvantaged areas creating new employment opportunities.
- Makes clear that where negative impacts on the town centre are significant this will normally justify a refusal of planning permission.

The consultation will run for twelve weeks and end on 3 October 2008. A final revised planning policy statement is expected to be published in early 2009, together with supporting practice guidance. There will be a separate response to the Competition Commissions report to be published shortly.

Commentary

The revised proposals seek to refine the PPS6 and reinforce the town centre first policy without dramatic changes to the existing planning statement. The revised PPS6 aims to protect the local shops and local retailers.

The proposals remove what the Government calls the “blunt and simplistic need” test but a capacity assessment is still required under the new “impact test”. For example, applicants are still required to demonstrate that a retail proposal would not have an impact on in-centre trade/turnover and also whether the proposal would “clawback” trade from outside the catchment area of the proposal. Therefore, the technical element of the “need test” is still present.

Large developments would face tougher criteria in getting planning approval. Instead of passing 5 key tests (need, scale, sequential analysis, impact and accessibility), there will now be a tougher “impact test” which considers the socio economic impacts generated by the scheme.

The paper proposes to include design quality to be one of the impact considerations. In other words, inappropriate design could be a reason for planning refusal under PPS6, not just PPS1.

The paper recommends applicants to agree the retail assessment assumptions (turnover density, expenditure forecast and floorspace efficiency etc) with the local authorities prior to submitting an assessment with a planning application. In practice, whether the local authorities would have sufficient resources to undertake the task remains questionable. Developers could therefore expect a more lengthy pre-application consultation before submitting a planning application.

This paper does not respond to the Competition Commission’s recommendation on the new “competition test” which requires local planning authorities to assess planning applications for new grocery floorspace over 1,000 sqm for their impact on competition, in consultation with the Office of Fair Trading. The guidance indicates that the Government will respond to CC’s recommendation “shortly”. It is frustrating that following the CC’s recommendations it remains unclear whether PPS 6 will need to be revised again in the near future. At the moment, it is still unsure whether there would be any duplication between the “impact test” and “competition test”, given that both focus on customer’s choice and competition.

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