

The Independent Retailers' Confederation submission on Changes to Planning Law

May 2008

Independent Retailers' Confederation

The Independent Retailers' Confederation (IRC) represents independent retail groups from a variety of sectors, providing a voice for retailers operating in an increasingly competitive marketplace. These shops and stalls are at the heart of both rural and inner urban life and form an essential part of local communities, providing employment and meeting places as well as offering consumers choice, quality and service.

The IRC acts as a representative body for our member organisations in order to create a high profile for small and independent retailers within both Government and Parliament.

The IRC represents over 100,000 independent retailers across the UK and the membership is united in seeking the creation of a level playing field for specialist retailers. The membership highlights the importance of the following issues to the retail sector:

- Planning
- Skills
- Regulation
- Crime

Members of the Confederation include:

- ActSmart
- Association of Convenience Stores
- Guild of Fine Food
- National Federation of Meat and Food Traders
- National Federation of Retail Newsagents
- National Market Traders Federation
- Pet Care Trust
- Rural Shops Alliance
- Scottish Federation of Meat Traders Associations

Introduction

The Government is expected to conduct a public consultation on new planning policy proposals for town centres (Planning Policy Statement 6) in May 2008. This paper sets out recommendations for what the IRC feels should be included in the new PPS6. Our recommendations would allow the Government to meet its aim of a "town-centre first" policy that ensures that planning plays a key role in contributing to quality places where people want to live, work and conduct business, while also allowing for sustainable patterns of development.

Planning policy should be making a key contribution to achieving:

- Distinctive and attractive town centres
- Strong and sustainable local economies
- Access to high quality shopping provision for those without or preferring not to use a car
- A good choice of where to shop for everyone.
- Avoiding overprovision of large scale retail businesses which damages the diversity of the retail offering in a community
- Local access to green space

However, these aims will not be delivered if the Government follows the recommendations of the Competition Commission to facilitate more out of town development.

Background

In May 2007 the Government announced that it would revise Planning Policy Statement 6 to make the Town Centre First policy more effective. While the IRC supports some elements of the Government's stated position (the aim to create quality places and flourishing communities), we do not agree with the analysis in the Planning White Paper that the town centre first policy will be made more effective by the removal of the Need Test. The IRC is concerned that the Government is on the one hand professing a strong commitment to town centre first policy, and on the other hand removing planning policy's most important component – the Need Test. Ill-advised past decisions took food shopping from a High-street-based "price comparison" activity to a peripheral, car-borne "local spatial monopoly" activity. The Need Test has done an admirable job of preventing this situation from getting worse as is proved by the removal of the Need Test in Scotland. In Scotland, where there is no Need Test there are suggestions of an increase in out of town developments, which harm town centres.

The IRC is also extremely concerned to note that the Government has been awaiting the conclusion of the Competition Commission's Provisional Findings before forming its proposals for PPS6. The Competition Commission has concluded that the planning system is hindering competition between large supermarket businesses and has suggested that the planning system should be changed to facilitate more supermarket development outside town centres. We would argue strongly that the Government should give limited weight to recommendations for changes to the planning system that are based on such a narrow remit and must consider its wider sustainable development goals.

Proposals

This paper supports the proposals being put forward jointly by the ACS (Association of Convenience Stores), the Campaign to Protect Rural England (CPRE), the Food Access Network, Friends of the Earth and the Women's Institute. Their position focuses on new elements which should be incorporated into the Government's new impact test, in order to make the town centre first policy more robust and to put more emphasis on the 'liveability' of Britain's towns and cities. Many of the elements derive from the existing "health checks" which local authorities are encouraged to use to monitor success of the town centre first policy, but which do not presently carry statutory weight. The IRC agrees with the position paper of these groups that these elements should be embedded in the policy itself.

The IRC supports the assertion that the following key policy tests should be applied both in plan making and development control.

▪ **Sustainability Test for Out of Town Development**

This proposal would shift the onus onto developers to justify proposals for new developments outside town centres. For an out of town site to be allocated in a development plan, or for a proposed development on such a site to be granted permission, the site would have to demonstrate clear benefits and comply with the other policy principles set out below, which sit within the wider aims of sustainable development.

We believe that this is a straightforward way of strengthening the existing policy and giving local authorities greater clarity in implementing it. It would give developers the confidence they need to invest in town centre sites. The sequential test already requires sites in town centres or on the edge of centres to be considered before an out of town site can be brought forward. But it has not been strong enough to halt the growth of out of town supermarkets. This policy would allow for out of town development only in exceptional cases. An example may be the provision of new retail outlets (e.g. neighbourhood parades of shops or an appropriately sized supermarket) in what would otherwise be a 'food desert', to assure retail options that are easily accessible on foot to the communities they serve.

▪ **Quantitative Impact Assessment**

Local planning authorities should make an assessment of the quantitative need for additional floor space in the plan area. We consider that the Need Test should also be applied for applications in town centre locations which are not in accordance with an up to date plan. Where need has been identified, other factors likely to lead to an impact on the existing centre should also be considered including whether trade is more likely to be diverted from existing town centre stores because of the nature of the development.

The Government's Planning White Paper argues that on some occasions, the application of the Need Test may have led to some perverse outcomes but has not provided firm evidence. This test should not be removed from PPS6. Rather than removing the Need Test, we believe that where such cases have occurred, they can be prevented in future by issuing detailed guidance to local planning authorities on applying the need test. The Government promised this at the time PPS6 was published, but it has yet to materialise.

The provision of additional floor space greater than the identified need for the area will lead to trade diversion from existing shops. Although need should firstly be addressed through the local planning process, it will be important to apply the test to any applications not in accordance with an up-to-date plan. Applying the test to town centre sites is important because trade could be diverted to the new store, away from existing shops which may be crucial to the attractiveness of a centre. In some cases increased floor space could also lead to a re-aggregation of retail sites. This could be contrary to the considerations of qualitative need which under PPS6 should be given additional weight. In particular a wider distribution of retail locations within a settlement will better serve deprived areas than one large store which will be relatively inaccessible to many people in the community.

In assessing impact we consider that the identity of the proposed occupier should be a valid planning consideration. For example large supermarket chains are likely to have a greater impact on existing independent stores due to their greater buying power. The trend towards supermarkets selling a wider range of non-food goods also increases their potential to divert trade away from a wider range of specialist shops. Recent decisions by the Planning Inspectorate provide a precedent for considering the identity of the operator of a proposed retail store.

▪ **Local Economic Yield Test**

The IRC agrees with the position of the ACS, CPRE, the Food Access Network, FoE and the WI that a Local Economic Yield test should be incorporated into PPS6 as a new quantitative element of the new impact test to ensure that retail planning policy is helping to boost the economic health of town centres.

Measuring the likely contribution of a development to the local economy will provide a more effective test of the impact on the economic health of towns than the current policy which does not make any distinction between developments with local economic benefits and those which mainly benefit the occupier of the development.

- **Diversity Test**

The IRC feels strongly that a new test for diversity of retail representation should be introduced. New retail developments should improve the choice available to shoppers and enhance the attractiveness of existing centres to visitors.

- **Scale of Development**

We believe that the existing test for appropriate scale of development should be retained in the framework, as new retail provision should be of a scale that is in keeping with existing centres.

The assessment of the size of store which is 'appropriate' should take into account the size of the town or centre, the current retail mix and, following current guidance in PPS6, should also consider regional spatial planning and the catchments of adjacent centres to avoid overprovision in one catchment which might damage the viability, vitality and diversity of other town centres. As a result, in a small market town or secondary centre, the appropriate scale of development would be small to medium sized stores rather than a superstore.

- **Social Inclusion and Cohesion**

Local authorities should assess the contribution to socially inclusive patterns of development when allocating sites in the plan e.g. sites may need to be allocated in areas identified as 'food deserts'. Local authorities should also take care to avoid reducing choice in 'food deserts' through dominant single store provision.

The principle of socially inclusive patterns of development is set out in the existing policy but it needs to be strengthened by incorporation into the new test. In order to contribute to social inclusion, local provision of grocery retail which is needed for day to day shopping should be accessible by foot especially in areas of low car ownership. This is likely to mean provision of neighbourhood stores rather than large stores located on major roads. Yet grocery retail provision is continuing to be provided in out of town locations where the main access is by car. Some sectors of the population are particularly affected by access – single parents and the elderly for example. It may be necessary for local authorities to map areas of inadequate grocery provision and identify sites for new neighbourhood parades of shops. This principle of providing accessible local shops must be applied to areas identified for new housing or urban extension and in the Government's proposed 'eco-towns' to avoid creating new car dependent patterns of development that exclude certain sectors of society. Local shopping provision can contribute to social cohesion by being a focal point for local communities.

- **Accessibility**

Effective integration into existing or planned public and non-car based transport systems should be a key test for allocation of sites in development plans.

We believe that accessibility must be a key consideration in allocating sites in development plans to address the need for reduced reliance on the car, to cut congestion and emissions including carbon, and to tackle social exclusion. A greater emphasis on reducing dependency on access by car is needed. Shopping, as with other town centre facilities, needs to be accessible by public transport, walking and cycling. New developments need to be effectively integrated into existing public transport or planned transport. Also, locating day to day facilities such as local shops close to where people live will help to cut unnecessary car journeys, meet the needs of those unable to use a car and reduce 'food deserts'.

This would also reduce people's reliance on cars and go some way to increasing levels of exercise – a particularly positive side-benefit in a nation where obesity is top of the health agenda. Indeed, local access to

green spaces for people to exercise themselves and their pets should form an intrinsic part of planning. Once these spaces have been concreted over, they are lost for generations. Green spaces aerate communities, facilitate interaction of people and nature and so lend humanity to society. This aspect should be intrinsic to future planning policy in the built environment and help make living spaces sustainable.

Conclusion

The IRC strongly believes that the proposed policy framework set out above would help local planning authorities by providing a more robust set of tests. This would provide a focus on new elements which by being incorporated into the Government's new impact test, would make the town centre first policy more robust and put more emphasis on the 'liveability' of Britain's towns and cities.

E- Signed on behalf of Independent Retailers Confederation



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